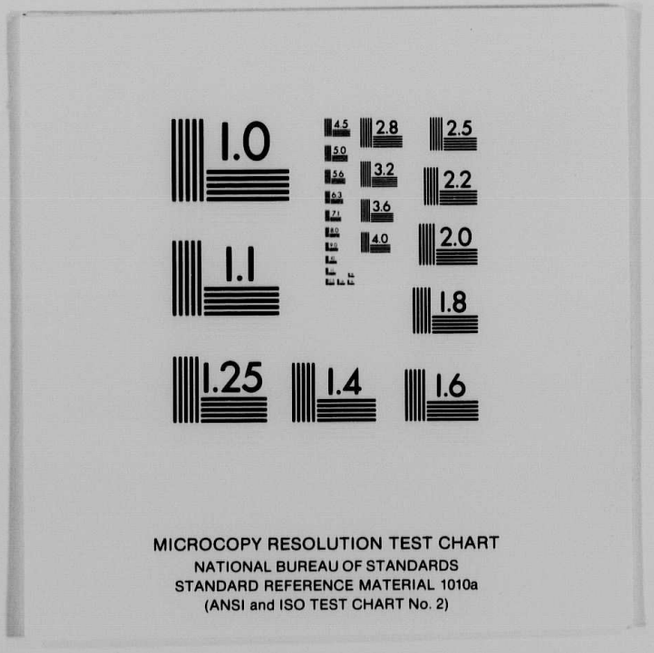

MICROCOPY RESOLUTION TEST CHART
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Data - Données MG 26, J-5

Canada

ARC 0178 (88/04)

W.L.M. King Speeches Series MG 26 J5

INTRODUCTION

The W.L.M. King Speeches series contains speech notes, drafts, printed copies, newspaper reports and comments on speeches. The material is arranged chronologically. A list giving the subject, date and place of each speech is available in the King finding aid, number 502. The arrangement of the speeches reflects the way the papers came to the National Archives in several series of overlapping files. The Bound Volumes contain mainly typewritten speech notes and speech material. The Chronological files consist mainly of clippings reporting on speeches as well as some typewritten material. The St-Laurent files (so-called because they were received from the Prime Minister`s Office when Louis St-Laurent was in office) contain both clippings and typewritten material.

W.L.M. King, Série des discours, MG 26 J5

INTRODUCTION

La série des discours du fonds W. L. M. King comprend des ébauches de discours, des textes manuscrits et imprimés des discours, des coupures de presses et des commentaires au sujet des discours. Les documents sont classés en ordre chronologique. On peut trouver dans l'instrument de recherche numéro 502 (King) une liste indiquant le sujet, la date et le lieu de chaque discours. Le fait que les discours sont parvenus aux Archives nationales en différentes séries se chevauchant se réflète dans leur classement. Les volumes reliés contiennent principalement des textes dactylographiés de discours et des documents de référence. Les dossiers chronologiques contiennent surtout des coupures de presse relatives aux discours et des documents dactylographiés. Les dossiers St-Laurent (ainsi nommés parce qu'ils ont été transférés du Bureau du premier ministre lorsque Louis St-Laurent était en poste) comprend également des coupures de presse et des documents dactylographiés.

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MG 26
J

King, William Lyon Mackenzie. (1874-1950). Prime Minister of Canada.

William Lyon Mackenzie King fonds
Original, 1641, 1703, 1815-1950, 252.710 m. Photocopy, 1908-1950, 5.000 m. Transcript, 1893-1950, 15.000 m. Finding Aid No. 502.

1996-02-02
7-2061

William Lyon Mackenzie King, a grandson of William Lyon Mackenzie, was born in Kitchener (then Berlin), Ontario, 17 December 1874. He attended the University of Toronto (B.A., LL.B., M.A.), the University of Chicago, and Harvard University (M.A., Ph.D.). His field of study was Political Economy, with labour problems as his special interest. In 1900, he was appointed the first Deputy Minister of Labour and editor of the *Labour Gazette*. In 1908, he resigned to enter the House of Commons and in 1909 he entered the cabinet as the first Minister of Labour. He left politics after his defeat in the election of 1911 and from 1914 to 1917, he worked for the Rockefeller Foundation investigating industrial relations. He re-entered politics in 1919 after he was chosen leader of the Liberal Party. At the end of 1921, he became Prime Minister and held the post (with the exception of three months in 1926) until his party's defeat in the election of 1930.
He was Leader of the Opposition until October 1935 when the Liberals came back into power. From that time he was Prime Minister until he retired on 15 November 1948. He died 22 July 1950 at his Kingsmere estate.

The William Lyon Mackenzie King Papers were deposited in the Public Archives of Canada by the terms of Mr. King's will. The papers were the property of his literary executors until 22 July 1975 when they became the property of the Crown. The final transfer occurred 30 June 1977.

Access is Restricted.

For the series which are available in microform, the originals have been removed from circulation. Researchers must use the microform. In the case of the Diaries (J13), transcripts are also available.

Some type of finding aid exists for each series in the King Papers. The description of each series includes a note about that series' finding aid(s). Consult the Prime Ministers and Ministers Archives for any possible finding aids in process.

Two original master moulds, recordings of the Carillon Bells and King's speech on 1 July 1927, transferred to the appropriate division in 1995.

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The following portions of the King Papers are available in microform: Primary Series Correspondence (J1), Memoranda and Notes Series (J4), Volumes 1-409, Speeches (J5) 1899-1932, Volumes 1-34, Family Papers (J7) and the Diaries (J13). The finding aid for each of these series includes a microfilm conversion list.

Public papers, 1876-1950, 208.400 m.; personal papers, 1641-1969, 48.602 m.

Public Papers.

Primary Series Correspondence, J1 Series. Original, 1889-1950, 44.700 m. (Vol. 1-447).

This series consists of the important correspondence both from the Prime Minister's Office and from Laurier House. The correspondence is arranged alphabetically by author within each year, with enclosures and any replies kept together. The pages of the entire series are numbered consecutively. For the correspondence up to 1921, there are both subject and author indexes. The subject index is an alphabetical list of subjects. The author index consists of index cards. The subject index is also available on microfilm reels C-4591 to C-4593. For the 1922-1950 correspondence, a detailed letter by letter index is available on the Prime Ministers CD-ROM. A microfilm conversion list for the whole series is available in the finding aid and on microfiche. Because the 1922-1932 J1 correspondence in Volumes 69-193 (reels C-2242 to C-2331) was reboxed after it was microfilmed, the volume numbers on the targets and running heads with the reels are incorrect.
Check the conversion list for the correct volume number.
Also available on microfilm, reels C-1901 to C-1952, C-2242 to C-2331, C-3672 to C-3695, C-3723 to C-3751, C-4566 to C-4576, C-4860 to C-4872, C-6804 to C-6814, C-7034 to C-7060, C-9871 to C-9887, C-9166 to C-9181, C-11035 to C-11055, C-4632.

Prime Minister's Office Correspondence, J2 Series. Original, 1921-1930, 1935-1948, 52.000 m. (Vol. 1-520).

This series consists of the subject files remaining after the Primary Series correspondence was selected. A file list is available in two separate bound volumes and on microfiche.

General Correspondence, J3 Series. Original, 1915-1950, (Vol. 1-161). 15.200 m.

This series consists of personal letters which were kept at Laurier House. These letters were left after correspondence was selected for the Primary Series (J1), the Family Papers (J7), and the Personal Correspondence Series (J8). A box list is available in the finding aid and on microfiche, a more detailed author list is available in the Political Archives Service.

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Memoranda and Notes, J4 Series. Original, 1887-1950, 43.800 m. (Vol. 1-432).

Memoranda, notes and some correspondence are found in this series, arranged in subject files within four chronological periods (1887-1921, 1922-1932, 1933-1939 and 1940-1950), with additional material at the end. A complete file list is available in a separate bound finding aid, on microfiche and on the Prime Ministers CD-ROM.

Volumes 1-409 are also available on microfilm, reels C-1953 to C-1983, C-2475, C-2475A, C-2476 to C-2480, C-2575 to C-2576, C-2622 to C-2626, C-2693 to C-2731, C-4253 to C-4289, H-1471 to H-1562.

Speeches, J5 Series. Original, 1899-1950, 10.600 m. (Vol. 1-105).

This series contains speech notes, drafts, printed copies, newspaper reports and comments. The material is arranged chronologically. A list giving subject, date and place of each speech is available in a separate bound finding aid and on microfiche.

The speeches from 1899-1932 are also available on microfilm, reels C-1984 to C-1988, C-2788 to C-2800

Pamphlets and Clippings, J6 Series. Original, 1876-1950, 42.100 m. (Vol. 1-245).

This series consists of clippings, pamphlets, obituaries and brochures arranged alphabetically in subject/nominal files. This series is divided into two parts: pre-1921 and 1921-1950. A file list is available in the finding aid and on microfiche.

Personal Papers.

Family Papers, J7 Series. Original, 1880-1950, 6.100 m. (Vol. 1-31).

This series consists primarily of King's correspondence from members of his family. The letters are arranged chronologically up to the end of 1917 and after that by name of correspondent. A file list is available in the finding aid and on the Prime Ministers CD-ROM.

Also available on microfilm, reels H-2244 to H-2270

Personal Correspondence, J8 Series. Original, 1897-1950, 4.000 m. (Vol. 1-41).

This series includes the personal correspondence received by King between 1897 and 1950. This correspondence was from friends rather than from acquaintances or the general public. A file list is available in the finding aid and on microfiche.

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Spiritualism, J9 Series. Original, 1919-1950, 1.400 m. (Vol. 1-7).
This series includes correspondence, publications and memoranda arranged in subject files.

Laurier House and Kingsmere, J10 Series. Original, 1919-1950, 2.800 m. (Vol. 1-28).
This series includes financial, property, hospitality and job application files relating to King's two residences. A file list is available in the finding aid.

Finances, J11 Series. Original, 1907-1950, 1.600 m. (Vol. 1-16).
This series includes annual statements, material on investments, etc. arranged in subject files.

Personal Miscellaneous, J12 Series. Original, 1905-1950, 2.100 m. (Vol. 1-21).
This series consists of subject files on personal matters such as cars, church, health, insurance and staff.

Diaries, J13 Series. Original, 1893-1950, 7.420 m. (Vol. 147-209). Transcript, 1893-1950, 10.760 m. (Vol. 1-118, 127-129, 132-146). Microfiche, 1893-1946, 1949, 492 fiches. T-1 to T-275, M-1 to M-217. Photocopy, 1947-1948, 1950, 1.110 m. (Vol. 119-126, 130-131).
A list of the diaries and a microfiche conversion list is available in the finding aid and on microfiche.

King Family Papers, J14 Series. Original, 1840-1950, 2.000 m. (Vol. 1-20).
This series consists of correspondence of members of the King family with persons other than W.L.M. King. Included are the papers of John and Christina King, Mr. and Mrs. John King, Isabel King, Dr. and Mrs. Macdougall King, Mr. and Mrs. H.M. Lay, and the Lindsey family. A file list is available in the finding aid and on microfiche.

Souvenirs, J15 Series. Original, 1641, 1703, 1815-1950, 7.250 m. (Vol. 1-18).
This series, rearranged in 1981, contains a wide variety of material including programmes, historical documents and memorabilia collected by Mackenzie King. It is organized by type of document. A file list is available with the finding aid and on microfiche.

Election Campaign Posters, J16 Series. Original, 1940, 0.002 m.
These posters are in horizontal storage, 6 pages.

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Literary Executors of the King Estate, J17 Series. Original, 1938-1969, 1.800 m. (Vol. 1-9).

Included is the correspondence of the Literary Executors, 1950-1958, relating to the writing of the W.L.M. King biography and the placement of the King Papers in the Public Archives. Also included are financial records of the Rockefeller Foundation grant for the W.L.M. King memoir project, 1950-1957. A file list is available with the finding aid and on microfiche.

McGregor, F.A., J18 Series. Original, 1950-1956, 0.100 m. (Vol. 1).

F.A. McGregor: Secretary to Deputy Minister of Labour, 1909-1910; teacher at Woodstock College, 1913-1914; assisted King in his studies in industrial relations under the Rockefeller Foundation, 1914-1919; private secretary to Leader of the Opposition and to the Prime Minister of Can^Aada, 1919-1925; Registrar, Combines Investigation Act, 1925-1937; Commissioner, Combines Investigation Act, 1937-1949; member of the Wartime Prices and Trade Board, 1939-1950, and enforcement administrator, 1941-1946; literary executor and a trustee of the estate of W.L.M. King. The papers were presented in 1980 by Mr. A.N. McGregor.

Correspondence between F.A. McGregor, the literary executors and others involved in the estate and in the biography of King, as well as personal correspondence. A file list is available with the finding aid.

Royal Trust Estate Papers. J19 Series. Original, 1950-1960, 0.160 m. (Vol. 1-2).

This series consists of the Royal Trust Company files relating to the W.L.M. King estate. File list.

Card Indexes, J20 Series. Original, n.d., 1919-1945, 9.300 m. (Vol. 1-31).

Comprises fourteen separate card indexes: Mackenzie King Papers (nominal), vols. 1-4; Liberal candidates, 1940 and 1945 elections, vol. 5; birthday and Christmas (nominal), vols. 6-8; biographical, vol. 9; birthday and Christmas acknowledgments - subjects, vols. 10-11; speeches, vols. 12-13; King's papers D-U, vol. 14, papers 1880-1919, vols. 15-16; war records, vols. 17-18; autograph letters, invitations, photographs, correspondence - British, U.S., Foreign A-Z, vol. 19; Canada correspondence (nominal), vols. 20-22; Mackenzie King papers F-Z, vols. 24-25; Mackenzie King papers 1922-1925, vols. 26-30; nominal, A-6, vol. 31.

Political Archives Section.

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MG 26
J

King, William Lyon Mackenzie (1874-1950). Premier ministre du Canada.

Fonds William Lyon Mackenzie King
Original, 1641, 1703, 1815-1950, 252.710 m. Photocopie, 1908-1950, 5.000 m. Transcription, 1893-1950, 15.000 m.
Instrument de recherche no 502.

1996-02-02

William Lyon Mackenzie King, petit-fils de William Lyon Mackenzie, est né à Kitchener (alors Berlin), Ontario, le 17 décembre 1874. Il étudie aux universités de Toronto (B.A., LL.B., M.A.), de Chicago et Harvard (M.A., Ph.D). Il se spécialise en économie politique et s'intéresse particulièrement aux problèmes ouvriers. En 1900, il est nommé premier sous-ministre du Travail et rédacteur de la Gazette du travail. Il démissionne en 1908 pour entrer à la Chambre des communes; en 1909, il devient le premier ministre du Travail. Il quitte la politique après sa défaite aux élections de 1911 et de 1914 à 1917, il étudie les relations industrielles à la Rockefeller Foundation. Il revient à la politique en 1919 après avoir été élu chef du parti Libéral. En 1921, il devient premier ministre et conserve ce poste (sauf pour quelques mois en 1926) jusqu'à la défaite de son parti aux élections de 1930.
Il est chef de l'Opposition jusqu'à la reprise du pouvoir par les Libéraux en 1935. Il réintègre alors son poste de premier ministre qu'il conservera jusqu'à sa retraite en novembre 1948. Il meurt le 22 juillet 1950 dans son domaine de Kingsmere.

Les papiers W.L. Mackenzie King furent déposés aux Archives publiques du Canada conformément au testament de M. King. Les papiers sont demeurés la propriété de ses exécuteurs littéraires jusqu'au 22 juillet 1975, date à laquelle ils sont devenus celle de la Couronne. Le dernier transfert eut lieu le 30 juin 1977.

Accès contrôlé.

Les originaux pour les séries aussi disponible sur microforme ont été retirés de la circulation. Les chercheurs doivent consulter le microforme. Les Journaux intimes (J13) sont aussi disponible comme les transcriptions.

Les instruments de recherche des papiers King ne sont pas encore tous terminés. La description de chaque série comprend une note explicative sur son (ses) instrument(s) de recherche. Consultez les archives des premiers ministres et ministres pour les instruments de recherche en préparation.

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Deux matrices originales des enregistrements du Carilon de la Paix et du discours de King, 1er juillet 1927 ont été confiées à la division appropriée.

Les séries suivantes sont disponibles sur microformes : Première série de correspondance (J1), Mémoires et notes (J4), Volumes 1-409, Discours (J5), 1899-1932, Volumes 1-34, Papiers de famille (J7), et Journaux intimes (J13). L'instrument de recherche de chacune de ces séries comprend une liste de conversion des microfilms.

Papiers publics, 1876-1950, 208.400 m; papiers personnels, 1641-1969, 48.602 m.

Papiers publics. Original,

Première série de correspondance. Série J1. Original, 1889-1950, 44.700 m. (Vol. 1-447).

Cette série comprend un choix des lettres les plus importantes des dossiers du cabinet du premier ministre et des dossiers de la maison Laurier. La correspondance est classée par ordre alphabétique d'auteur pour chaque année avec pièces jointes et réponses réunies à la lettre principale et numérotées consécutivement. Il existe un index des auteurs et des matières pour la correspondance antérieure à 1921. L'index des auteurs est sur fiches et l'index des matières consiste en une liste alphabétique des sujets. L'index des matières est également sur microfilm (bobine C-4591 à C-4593). Pour la période 1922-1950, un index détaillé est disponible sur le CD-ROM des premiers ministres.

Une liste de conversion des numéros de bobines de la série est disponible dans l'instrument de recherche et sur microfiches. Parce que la correspondance de la série J1 pour les années 1922 à 1932, volumes 69-193 (bobines C-2242 à C-2331) a été reboîtée après le microfilmage, les numéros de volumes apparaissant dans les entêtes des microfilms sont inexacts. Il faut donc vérifier la liste de conversion pour avoir le bon numéro de volume.

Aussi disponible sur microfilm, bobines C-1901 à C-1952, C-2242 à C-2331, C-3672 à C-3695, C-3723 à C-3751, C-4566 à C-4576, C-4860 à C-4872, C-6804 à C-6814, C-7034 à C-7060, C-9871 à C-9887, C-9166 à C-9181, C-11035 à C-11055, C-4632.

Correspondance du Cabinet du premier ministre. Série J2. Original, 1921-1930, 1935-1948, 52.000 m. (Vol. 1-520).

Cette série comprend les dossiers-matière non compris dans la première série de correspondance. La liste des dossiers est disponible dans deux volumes reliés séparément ainsi que sur microfiches.

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VOIR DOSSIER

Correspondance générale. Série J3. Original, 1915-1950, 15.200 m. (Vol. 1-161). Photocopie, 8 pages.
Cette série comprend des lettres personnelles que King conservait à la maison Laurier et qui n'ont pas été retenues dans la première série (J1), dans la série des papiers de famille (J7) ni dans celle de la correspondance générale (J8). Une liste des boîtes est disponible dans l'instrument de recherche. Une liste des auteurs est disponible au Service des archives politiques.

Mémoires et notes. Série J4. Original, 1887-1950, 43.800 m. (Vol. 1-432).
Les mémoires, notes et quelques lettres qui n'étaient pas inclus dans la correspondance se trouvent dans cette série et sont classés en quatre périodes chronologiques : 1887-1921, 1922-1932, 1933-1939 et 1940-1950 avec matériel additionnel à la fin. Une liste complète des dossiers est disponible dans un volume relié, sur microfiche et sur le CD-ROM des premiers ministres.
Les volumes 1-409 sont aussi disponibles sur microfilms, bobines C-1953 à C-1983, C-2475, C-2475A, C-2476 à C-2480, C-2575 à C-2576, C-2622 à C-2626, C-2693 à C-2731, C-4253 à C-4289, H-1471 à H-1562.

Discours. Série J5. Original, 1899-1950, 10.600 m. (Vol. 1-105).
Cette série comprend des notes de discours, des brouillons, des copies imprimées, des commentaires et comptes rendus de journaux classés par ordre chronologique. Une liste donnant le sujet, la date et l'endroit de chaque discours se trouve dans un instrument de recherche relié séparément et sur microfiche.
Les discours de 1899-1932 sont aussi disponibles sur microfilm, bobines C-1984 à C-1988, C-2788 à C-2800

Brochures et coupures de journaux. Série J6. Original, 1876-1950, 42.100 m. (Vol. 1-245).
Cette série contient des coupures de journaux, des dépliants et des brochures qui sont classées alphabétiquement dans des dossiers de noms et de sujets. Cette série est divisée en deux parties : les documents antérieurs à 1921 et ceux de 1921 à 1950. Une liste est disponible dans l'instrument de recherche et sur microfiche.

Papiers personnels.

Papiers de famille. Série J7. Original, 1880-1950, 6.100 m. (Vol. 1-31).
Cette série contient des lettres écrites à King par des membres de sa famille. La correspondance est en ordre chronologique jusqu'à la fin de 1917; après cette année, elle est classée par correspondant. Une liste des dossiers est disponible dans l'instrument de recherche et sur le CD-ROM des premiers ministres.
Aussi disponible sur microfilm, bobines H-2244 à H-2270.

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VOIR DOSSIER

Correspondance personnelle. Série J8. Original, 1897-1950, 4.000 m. (Vol. 1-41).
Cette série comprend la correspondance reçue par King entre les années 1897 et 1950. Cette correspondance provenait de ses amis plutôt que de ses connaissances ou du public en général. Une liste des dossiers est disponible dans l'instrument de recherche et sur microfiche.

Spiritisme. Série J9. Original, 1919-1950, 1.400 m. (Vol. 1-7).
Cette série comprend des lettres, des publications et des mémoires classés par matière.

Maison Laurier et Kingsmere. Série J10. Original, 1919-1950, 2.800 m. (Vol. 1-28).
Cette série comprend des lettres ayant trait à des plans, des meubles, etc., des résidences de King. Elle est organisée en dossiers-matière. Une liste des dossiers est disponible dans l'instrument de recherche.

Finances. Série J11. Original, 1907-1950, 1.600 m. (Vol. 1-16).
Cette série comprend des états annuels, des documents relatifs à des placements, etc., organisés en dossiers-matières.

Papiers personnels divers. Série J12. Original, 1905-1950, 2.100 m. (Vol. 1-21).
Cette série comprend des dossiers-matières sur des affaires personnelles (voitures, église, clubs, santé, assurances et personnel).

Journaux intimes. Série J13. Original, 1893-1950, 7.420 m. (Vol. 147-209). Microfiche, 1893-1950, 492 fiches. T-1 à T-275, M-1 à M-217. Transcription, 1893-1946, 1949, 10.760 m. (Vol. 1-146). Photocopie, 1947-1948, 1950, 1.110 m.
Une liste des journaux intimes et une liste de conversion de ces journaux sur microfiche, sont disponibles dans l'instrument de recherche et sur microfiche.

Papiers de la famille King. Série J14. Original, 1840-1950, 2.000 m. (Vol. 1-20).
Cette série comprend la correspondance des membres de la famille King avec d'autres personnes que W.L.M. King. On y trouve des lettres de John et Christina King, M. et Mme John King, Isabel King, Dr. et Mme Macdougall King, M. et Mme H.M. Lay et la famille Lindsey. Une liste des dossiers est disponible dans l'instrument de recherche et sur microfiche.

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Souvenirs. Série J15. Original, 1641, 1703, 1815-1950, 7.250 m. (Vol. 1-18).
Cette série ré-organisée en 1981, comprend une variété de documentation y compris des programmes, des documents historiques, des souvenirs collectionnés par Mackenzie King. Elle est organisée par type de document. Une liste des dossiers est disponible dans l'instrument de recherche et sur microfiche.

Affiches de la campagne électorale. Série J16. Original, 1940, 0.002 m.
Ces affiches sont dans le classeur horizontal, 6 pages.

Exécuteurs littéraires de M. King. Série J17. Original, 1938-1969, (Vol. 1-9).
Cette série comprend de la correspondance des exécuteurs littéraires, 1950-1958, au sujet de la biographie de W.L.M. King et les documents sur le dépôt des papiers de M. King aux Archives publiques. Il y a aussi des dossiers financiers ayant trait à la fondation Rockefeller et au don de celle-ci au projet des mémoires de King, 1950-1957. Une liste des dossiers est disponible à l'instrument de recherche et sur microfiche.

McGregor F.A. Série J18. Original, 1950-1956, 0.100 m.
F.A. McCregor; Secrétaire du sous-ministre du Travail, 1909-1910; professeur au Collège Woodstock, 1913-1914, assista W.L.M. King lorsqu'il fit des études en relations industrielles grâce à une bourse de la fondation Rockefeller, 1914-1919; secrétaire particulier du chef de l'opposition et du Premier ministre du Canada, 1919-1925; greffier, Loi relative aux enquêtes sur les coalitions, 1925-1937; commissaire, Loi relative aux enquêtes sur les coalitions, 1937-1949; membre de la Commission des prix et du commerce en temps de guerre, 1939-1950, et agent d'exécution, 1941-1946; l'un des exécuteurs littéraires et des fiduciaires de la succession de W.L.M. King. Les papiers ont été présentés aux Archives en 1980 par A.N. McGregor.
Correspondance entre F.A. McGregor, les exécuteurs littéraires et les diverses autres personnes concernées par la succession et la biographie de W.L.M. King. Une liste des dossiers est disponible dans l'instrument de recherche.

Trust Royal. Série J19. Original, 1950-1960, (Vol. 1-2).
Cette série comprend les dossiers de la compagnie Trust Royal concernant la succession de W.L.M. King.

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Fichiers index. Série J20. Original, n.d., 1919-1945, 9.300 m. (Vol. 1-31).

Les quatorze fichiers, comprennent un index nominatif, vols. 1-4; les candidats Libéraux, les élections de 1940 et 1945, vol. 5; les cartes de souhaits - nominatif, vols. 6-8; un index biographique, vol. 9; les réponses des cartes de souhaits - sujets, vols. 10-11; les discours, vols. 12-13; les papiers de King, D-U, vol. 14; les papiers 1880-1919, vols. 15-16; les archives de guerre, vols. 17-18; les lettres signées, les invitations, les photos, la correspondance - anglaise, américaine, étrangère, vol. 19; Canada - la correspondance - nominative, vols. 20-22; les papiers de Mackenzie King F-Z, vols. 24-25; les papiers de Mackenzie King 1922-1925, vols. 26-30; un fichier nominatif A-6, vol. 31.

Section des archives politiques.

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
56		Hull, Cordell Government Dinner. Country Club, Ottawa. Speeches outside Parliament	20 Oct. 1937	D 33843 - D 33874	
56		Imperial Conference London, England. Speeches outside Parliament	15 June 1937	D 33875 - D 33919	
56		Lapointe-Ouimet Wedding, Quebec City. Speeches outside Parliament	25 Sept. 1937	D 33920 - D 33954	
56		The Over-Seas League Luncheon Experimental Farm, Ottawa. Speeches outside Parliament	3 Aug. 1937	D 33955 - D 34053	
56		Pinard Banquet, Ottawa. Speeches outside Parliament	26 Oct. 1937	D 34054 - D 34092	
56		Rotary Club Luncheon, Chateau Laurier Ottawa. Speeches outside Parliament	8 Nov. 1937	D 34093 - D 34110	
56		Canadian Legion Remembrance Day National Broadcast, Ottawa. Speeches outside Parliament	11 Nov. 1937	D 34111 - D 34126	
56		Scotland: Visit to. Speeches outside Parliament	June 1937	D 34127 - D 34160	

OFFICE OF THE PRIME MINISTER

MEMORANDUM

R 243

(clipping to be sent to R. 140)

Mr. King:

Attached are a few topics for the Rotary Luncheon, being held in the Chateau on Monday, November the 8th.

E.A.P.

Nov. 6, 1937

D 34093

D34094

Suggested Notes for Rotary Luncheon

Chateau Laurier, Ottawa, November 8, 1937.

Appreciation of invitation to be present, and to meet distinguished President of Rotary International, as well as Rotarians of Capital, among whom I recognize so many old friends and acquaintances;

Not making a speech -

too often one in public life finds himself as speaker, rather than, as to-day, hearing the views and comments of others;

Should like, however, to extend to Mr. Duperrey, a word of welcome to Canada and to the Capital - also greetings to members of Ottawa Club;

Mr. Maurice Duperrey:

Appreciation of visit, in his capacity as President of Rotary International;

An outstanding citizen of his own country -

During Great War he was awarded Croix de Guerre and British Military Medal;

D 340 94-1

In view of his services to the allied cause during the Great War, it is a happy coincidence that Mr. Duperrey is visiting the Canadian Capital during the week of November 11th;

Has served, with equal distinction, in times of peace -

Has been able to combine a successful business career with activities, involving heavy responsibilities, in promotion of commerce between his own and other countries;

His public service has been recognized by his country making him a Chevalier of the Legion of Honour;

Contribution of Rotary to national and international affairs:

The President of Rotary International typifies the characteristics which have accounted for extraordinary growth of movement, and for its increasing influence as a social force in the community;

leadership in business and commercial activities, together with recognition of broad implications of these in terms of social life

D 34095

of the community and of the nation, as well as in the international field;

as one directly concerned with problems of public administration, cannot emphasize too much the importance of the efforts of private and semi-public bodies, like Rotary, in seeking to develop harmonious relations between different economic and social groups within the country, and to further understanding and goodwill between the nations;

Appreciation of work of Rotary in Community:

Seeks through various types of community enterprise to ease the lot of the less fortunate, and to care for their needs in ways that government and public bodies unable to undertake;

Because of such efforts, and its endeavours to bring together on a friendly basis, different groups and sections of the community, Rotary is a valuable unifying force in social and economic life of nation;

D34096

Great need to-day in our own country and throughout world, of such efforts to combat forces which, by exploiting human distress and prejudice, seek to exert disruptive influence -

between capital and labour,

different sections of community,

between governments and people;

Rotary in International Affairs:

Imperative need in these troubled times, of understanding and co-operation in international field, as within the nations;

Governments alone cannot remove all elements which lead to international strife;

Success will be achieved in eliminating ill-will, and averting further conflict, only through the endeavours of individuals and groups, such as Rotary clubs, in conjunction with governments, throughout the world, striving to substitute friendship and goodwill for the bitterness and rivalries which, too often, have rendered impossible peace among the nations.

November 6th, 1937.

F/G

D 34097

(From Encyclopaedia Britannica, Volume 19, Page 570)

"ROTARY CLUB, a local organization of business men founded for the purpose of furthering business service and fostering social relations. The first Rotary was founded in the city of Chicago, Ill., on Feb. 23, 1905, by a lawyer, Paul P. Harris. The members met in rotation at the offices or places of business of the various members. This method suggested the name, Rotary Club. Similar clubs were organized in other cities of the United States of America, and in August 1910, at Chicago, the 16 clubs then in existence formed the National Association of Rotary Clubs. In 1912, after the formation of the Winnipeg, Canada, and the Dublin, Ireland, clubs the organization became the International Association of Rotary Clubs. In 1922 the name was changed to Rotary International. At the present time (June, 1928) Rotary International includes 2,923 clubs in 44 countries. There are about 137,000 members.

There is nothing secret about Rotary. Its constitution and by-laws can be obtained by anyone. Its aims and objects are to encourage and foster: 1. The ideal of service as the basis of all worthy enterprise. 2. High ethical standards in business and professions. 3. The application of the ideal of service by every Rotarian to his personal, business and community life. 4. The development of acquaintance as an opportunity for service. 5. The recognition of the worthiness of all useful occupations and the dignifying by each Rotarian of his occupation as an opportunity to serve society. 6. The advancement of understanding, goodwill and international peace through a world fellowship of business and professional men united in the ideal of service.

Membership in Rotary is based upon activity in a business or profession. One representative of each business, profession or institution in a community may be elected to membership. A second active member, who is a junior member of the firm or organization of which the first active member is a senior member, may be elected to membership. Men who have distinguished themselves by some meritorious service may be elected to honorary membership. The affairs of each club are administered by a board of directors assisted by various standing committees. The officers (president, vice-president, secretary and treasurer) are elected annually. Clubs hold weekly luncheon meetings. Membership in the club is forfeited if the required standard of attendance is not maintained. Clubs are banded together in districts. The club executives in each district meet in conference each year. Delegates and members of the clubs meet in annual district conference.

D 34098

The Roots of Discontent

An Address to the

ROTARY CLUB OF LONDON, ONTARIO

by

WM. R. YENDALL

May 31, 1937

D 34099

THE ROOTS OF DISCONTENT

IF we inquire the reasons for the spread of the Rotary movement into eighty nations at the average rate of a hundred new groups a year for thirty years I think we shall find that it has been due to two things:

First—that thoughtful men in all nations have recognized the practical working value of Rotary's main objective, the ideal of service as the basis of all worthy enterprise, and second, that in the interpretation of this ideal each Rotarian is expected to use his own best judgment, and in the application of it to act upon his own initiative without waiting for interpretation or instructions from anybody. It would seem that under prevailing conditions it might be an important community service to try to find the causes of the present discontent and strife, and if possible to do something to bring about a better state of the public mind. Something of the sort becomes a duty when the situation is one that endangers the public welfare, which many men believe is the case today.

The world just now is going through a retrograde movement in which most of the advance made since Magna Carta in the protection of the personal and property rights of the individual has been lost in some countries, and is jeopardized in all. It is hard for us to believe that what has happened in Germany and Italy and Russia can happen here, but this much is true and easily proved, that the tactics used to overthrow democracy elsewhere have been reduced to a system which is well understood by socialists and communists everywhere, and is steadily being used to force a social revolution in which the personal and property rights of individuals will be almost completely submerged and no initiative

D34100

left anywhere but in the state. The time has arrived when people who see more value in the present organization of society than in socialism, communism and fascism must look about them. "Are we going to have a revolution?" A. E. Wiggam, in the May "Rotarian," says that people who do not give this question serious thought are living in a fool's paradise, and that to study the question with an open mind is today the highest duty of patriotism.

When Donald Richberg, President Roosevelt's chief legal adviser, declared two years ago that the citizen derives all his rights and privileges from the government, (a complete reversal of the doctrine of democracy that governments derive their powers from the consent of the governed), he showed how far the effort has already gone to set up a new theory of government under which individual rights will mostly disappear.

We are told by some university men that according to the established trend of evolution, the present order is going out and that a new system is coming, in which the interests of the individual will be replaced by the interest of the nation as a whole. If that is true then evolution for once is working backward, for whether the new thing be socialism, communism or fascism it involves the loss of most of our present freedom, a slowing down of progress and a lower standard of living. These, of course, would lead eventually to its downfall, but if we do not wish to spend fifty years in confusion, and possibly civil war, we had better make it clear to the people who are being misled that these substitutes for our present system have no sound basis in philosophy, in economics or in common sense.

Not all the efforts now being made to restrict the rights and liberties of the individual have a consciously socialist or communist origin, but the idea that in some way the interests

D34101

of individuals are antagonistic to the interests of society, underlies the present trend toward highly centralized governments.

The antagonism that socialists assume between the individual and society is a purely dialectical antagonism, that is, it consists of phrases and ideas originated by Karl Marx and his followers to suit the purposes of their argument. There is no real antagonism between the individual and society. Society consists of individuals. The individual is a well-defined personal reality, but society is a term describing an unstable group without definite existence, intelligence or will.

The setting up of a totalitarian state is the objective of several interlocking groups in Canada, including socialists, communists, the League for Social Reconstruction, the Fellowship for a Christian Social Order and the C.C.F., which is the political spearhead of the movement in Canada. True, they pretend to be opposed to the totalitarian state but their main objective is the same. I shall use the term "socialist" to cover these several groups, although it would be quite correct to call them all communists, since their doctrines are alike, and now that socialists have adopted the communist plan of revolution they are one and the same. The main reason for separate organizations is doubtless that the term "communist" attracts people who hate law and order openly, while the term "socialist" deceives a lot of peaceful people into thinking that it is nothing more than social reform, and that the peaceful confiscation of all property can be brought about simply by electing a C.C.F. government.

Let's have a quick look at the theoretical foundations of socialism. Karl Marx, who died in 1883, based his scheme on three main ideas—surplus value—economic determinism—and the class struggle.

Surplus value refers to the margin which remains after

D 34102

the capitalist has paid for his raw materials, expenses and wages, in a word, profit. Socialists claim that this surplus value is all absorbed by capitalists and continually refer to profit as something that is stolen from the worker. They do not recognize the benefit received by the worker in his increased output and wages through the use of capital equipment provided for him without any expenditure of time and effort on his part. They declare that this capital equipment should be supplied to the worker by the government and preferably by confiscation from the present owners.

That surplus value is not all absorbed by the capitalist is easily proved. During the past century there has been a large increase in production per man by reason of machinery and organization. Without that machinery and organization the standard of living would be just where it was a hundred years ago. The larger part of that increased production has gone into lower prices, part of it into higher wages, part of it into more factories and machinery, all of which has brought about a fourfold increase in the quantity of goods that a day's wages will buy, to say nothing of public services such as free schools, free hospitals, free libraries and other things provided by taxpayers from the so-called surplus value of production. The percentage of the product received by capital has steadily declined; the percentage of the product received by labor has steadily increased. Marx's theory of surplus value is not true. The profit system is not an injustice to the wage worker, on the contrary, it works to his advantage. It provides factories, extensions, machinery, equipment, new industries, taxes and reserves. The small portion of profit which goes into personal incomes if divided up among wage workers would not raise their wages 5 per cent.

Economic determinism means that all historical development, social, political, artistic, moral and spiritual is the sole

D 34103

result of economic factors, roughly, wages. Marx denied that there are any motives in human nature stronger than the economic motive. It is not true, but we will pass that by for now.

The class struggle, according to Marx, arises from the inevitable antagonism between the bourgeoisie and the proletariat, that is, between the class that owns property and the class that owns none. A struggle which he said could only be ended by an uprising of the proletariat and the establishment of a classless society. The theory of the class struggle fitted the Germany of Marx's day fairly well, but the fourfold increase in the standard of living during the past century and the freedom with which members of the so-called proletariat rise to be small capitalists and great capitalists, have demonstrated that there are no fixed classes in North America in the sense in which Marx used the term. Out of 176 leaders of the American steel industry 84 started as laborers, 19 as messenger boys, 26 as stenographers and clerks, and only 13 started in executive positions. American Telephone has 642,000 stockholders, Pennsylvania R.R. has 241,000, U.S. Steel Corporation has 175,000. No single individual owns more than 1 per cent of the stock of any of them. The 20 largest stockholders of the Pennsylvania R.R. own 2¼ per cent of the stock. What these figures indicate as to the rapid diffusion of wealth among the people is confirmed by many other facts. In 1900 only 1 farmer in 40 owned a buggy. Now 3 out of 4 own motor cars. Only 1 in 13 had a telephone, now 1 in 2. Less than half a million homes in the U.S. had electricity, now 21 million homes are wired.

Marx predicted steadily increasing concentration of wealth and a diminishing number of capitalists. The actual development has been the exact opposite of what Marx expected in both cases.

D 34104

In fact, the history of the past fifty years has completely disproved all three of Marx's basic theories, but socialists continue to use these bankrupt ideas to create the hate and antagonism which are essential to the socialist-communist program for a class revolution.

Socialists always rush to the defence of law breakers where the incident seems to have a bearing on the class struggle. Frequently they condone and try to justify violations of law, and even of good morals, on the ground that society has made it impossible for a man to live honestly. Do you know what is at the bottom of that?

In 1920 Lenin, speaking to the Young Communist League concerning morality, said "It is frequently asserted that we have no ethics and that we deny all morality. In what sense do we deny ethics and morals? In the sense in which they are preached as deduced from God's commandments. We say that we do not believe in God. The clergy, the landlords and the bourgeoisie all claim to speak in the name of God in order to protect their interests as exploiters. We deny all morality taken from superhuman or nonclass conceptions. We say that our morality is wholly subordinate to the interests of the class struggle of the proletariat. We deduce our morality from the facts and needs of the class struggle of the proletariat."

And one socialist commentator adds this: "At any given time that is moral for any class which strengthens the position of that class in society. In a broader sense that is moral which serves the needs of the historically progressive class in any epoch." There is only one historically progressive class according to socialists, namely, the proletariat. This writer, a prominent English communist, says "Thou shalt not steal" does not mean what it appears to mean, but merely "Thou shalt not steal from a member of thy class." It makes us

D 34105

smile, but he treats all our moral laws from the same standard, including sex and murder, and that is found in a 500-page book containing essays by some twenty English socialists and communists in the church and universities, all striving to prove that communism and Christianity are essentially the same and ought to get together.

That sort of thing is not limited to England. Our Canadian socialists have just published a book, "Towards the Christian Revolution," which indicates clearly that they accept the idea of a revolution and will do all in their power to bring it about. The technique is simple—it was set up by Lenin: Take advantage of every opportunity to disrupt society—no matter how you do it, legally or illegally, morally or immorally, spread discontent, hate and antagonism everywhere and all the time. Is it a strike? Jump in and make it as bad as possible. Do not tolerate peace in industry if there is any way to sow discord. Why were socialists on the side of inflation? Because Lenin said that the shortest way to demoralize a nation was to inflate the currency. They fought for repeal of Section 98, not to protect the worker but to avoid prosecution themselves when they preach revolution by violence. Here is a characteristic bit of socialist wildness from the book just mentioned: "This generation seeketh after a sign and there shall be no sign given it but the sign of the prophet Marx. Until Christians learn to understand and apply the lessons of Marx they cannot enter the kingdom of heaven."

The main thing that socialists propose to do is to transfer the ownership and control of all means of production from private hands to the government. They would place all capital, whether factories or funds, all credit, all sources of raw materials, complete control of placement of workers, skilled, unskilled or administrative, the setting of all wages

D34106

and salaries in the hands of the government. All this ostensibly in the interest of the worker. But what would the worker get out of it? He would still work for wages, not wages he bargains for, but wages set by a government board. Every enterprise would still operate on the profit plan—socialists admit that this is the best way to determine efficiency. But the socialists lead the workers to think they would get all the profits. Actually if there were any profits they would go to the state for whatever purpose the politicians in power saw fit to use them.

The essential difference between private ownership and a socialist government is that socialism means complete centralization—the present system is decentralized. Under socialism there would be only one capitalist, the state. As no one would have a business of his own there would be no use for credit, but in any case there would be only one source of credit. Only one employer, everybody would work for the government at such wages as the government bureau established. They might follow Father Coughlin's advice and give laborers $2,500.00 a year, but a day's work would not buy any more goods than it does today unless production was increased, which could only be done by the present method of more machinery and better organization. As to the quantity and quality of goods to be produced, as to methods or standards, there would be no authority anywhere except the National Planning Commission, subject only to Parliament, and if Parliament interfered too much it would be ignored and the country run by Order-in-Council. The plan is fully outlined in "Social Planning for Canada." If an opposition political party caused trouble the socialist government would doubtless fall back on Lenin's tactics. He agreed that there should be political parties under communism, "one party in power, all the other parties in jail." And there you are with

D34107

a dictatorship run by second-rate economists and backed by "direct action" radicals.

It is an error to assume that socialists plan only to take over the public utilities, banks and larger industries. Those are the things they talk about to catch votes, but "Social Planning for Canada" states plainly that there is no halfway house in socialism—everybody will work for the government. No matter where socialism starts it cannot stop short of complete regimentation, as every socialist leader admits.

The central error of socialism, communism and fascism is the centralization of all ownership, of all wealth, all direction in an absolute state. Anglo-Saxons several centuries ago got rid of the absolute monarchy, we have a limited monarchy. Socialism, communism and fascism are all forms of absolutism. The rights and liberties of individuals cannot live in an atmosphere of complete centralization, the absolute state. Stanley Baldwin said the other day, "The old doctrine of the divine right of kings has gone, but we have no intention of erecting in its place a new doctrine of the divine right of states for no state that ever was is worthy of a free man's worship."

Under the decentralization of our present system there are mistakes, but we do not all make the same mistakes at the same time and our errors are of little account in the total scheme. A completely centralized system needs to make only one error to bring disaster to the whole nation. Germany, Italy and Russia prove conclusively that centralized governments do not limit themselves to one mistake. The capital of a nation is much safer, and will be used more wisely and efficiently if scattered as it is today among millions of people, each striving to use it to the best advantage. No Planning Commission at Ottawa with a thousand branches could poslbly manage the complex machinery of production and distribution and transportation and finance as well as thousands

D34108

of individuals using their own judgment and their own experience promptly on the spot to meet changing conditions.

It will not do to say that the Canadian people are too sensible to be misled by communists. The past ten years have shown clearly enough that large numbers of men and women, probably a majority of the electorate, are not sufficiently informed on the principles of government and economics to protect their own interests, and are easily misled by clever demagogues. There is, therefore, an obligation upon every business man to study the situation and to do something in the direction of creating a sound public opinion.

The contrast between the socialist-communist program for Canada and the Rotary program for Canada is striking. The socialist program for Canada is to drive a wedge of class selfishness between employers and employees, between those who have and those who have not, and by every possible means to increase discord and antagonism, to the point where it results in civil war unless all groups in the country are prepared to give up, not only their possessions but their liberties to an absolute state. The Rotary program calls for the advancement of understanding, goodwill and peace through a fellowship united in the ideal of service.

Granting that this is still an imperfect world, that there are instances of inexcusable selfishness and almost incredible stupidity on the part of some employers and men of wealth, and equal selfishness and stupidity on the part of some labor leaders and social reformers, we must maintain steadily that a switch from our present free and decentralized institutions to the tight control of government bureaucracies will not cure the selfishness and stupidity of human beings. We must maintain that there is no injustice or handicap in modern society which cannot be met much more satisfactorily by our present system than by any other system. Especially we must insist that socialists who shout so loudly for peace in international relations must cease their efforts to provoke war within the nation by their constant propaganda of hate, antagonism and social revolution.

D 34103

In June, 1928 there were 69 such districts, not including those in the British Isles. The affairs of the district are administered by a governor, who is nominated by the district conference, and who is elected by the delegates at the international convention. The governor is the representative of Rotary International in his district. Each year representatives of all the clubs in Rotary International assemble in convention. The annual international convention elects a president who, with a board of directors, administers the affairs of Rotary International. The constitution provides that of the 12 directors, at least 5 must be from countries other than the United States of America. A permanent secretariat, consisting of the secretary, assistant secretaries, and staff, is maintained at Chicago, Ill. Branch secretariats are maintained in London, England, and at Zurich, Switzerland. The official publication is THE ROTARIAN, published at Chicago."

D 34110

Mr. Pickering

This is your copy of the latest revise.

E.H.

12 50 pm.
Nov. 9/37

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
56		Hull, Cordell Government Dinner. Country Club, Ottawa. Speeches outside Parliament	20 Oct. 1937	D 33843 - D 33874	
56		Imperial Conference London, England. Speeches outside Parliament	15 June 1937	D 33875 - D 33919	
56		Lapointe-Ouimet Wedding, Quebec City. Speeches outside Parliament	25 Sept. 1937	D 33920 - D 33954	
56		The Over-Seas League Luncheon Experimental Farm, Ottawa. Speeches outside Parliament	3 Aug. 1937	D 33955 - D 34053	
56		Pinard Banquet, Ottawa. Speeches outside Parliament	26 Oct. 1937	D 34054 - D 34092	
56		Rotary Club Luncheon, Chateau Laurier Ottawa. Speeches outside Parliament	8 Nov. 1937	D 34093 - D 34110	
56		Canadian Legion Remembrance Day National Broadcast, Ottawa. Speeches outside Parliament	11 Nov. 1937	D 34111 - D 34126	
56		Scotland: Visit to. Speeches outside Parliament	June 1937	D 34127 - D 34160	

4th Revise
Nov. 9.

D 34111

In this evening's programme, the Canadian Legion is desirous that our thoughts should be centred upon International Fellowship and Peace.

How to bring about International Fellowship and Peace in a world which is witnessing actual war on two continents is not easy to determine. It is, nevertheless, the problem with which nations are faced today. A true perception of the nature of Peace, may help somewhat towards a solution.

When we say we want Peace; that we are ready to support any and every peace policy, we would do well to remember that Peace itself is not a policy. A policy is a means to an end. Peace is not a means, it is an end. It is a condition or state of being which results from the application of policies founded upon right principles. What right conduct is to the peace of heart and mind of the individual, the application of policies founded upon right principles is to National and International Peace.

The issue today is much larger than that of any particular conflict. It clearly is whether, in the solution of world problems, our main reliance is to be placed upon Force or upon Reason. International Fellowship and Peace may be promoted by peaceful means, they will never be attained by Force.

D 34112

"Do men gather grapes of thorns, or figs of thistles?"
Justice, not Force, is the telling instrument. It may sometimes be that there appears no immediate alternative to Force. The fact remains that war, under whatever label, or with whatever purpose it is waged, cannot bring a lasting and effective peace, or achieve good-will among peoples. Where Force is the means, it tends to dominate, and become the end as well.

Let us not forget that the entire world is in a state of transition: that, even in those States where those in control place their reliance on Force, there are multitudes of peace-loving people ready and anxious to join their numbers to those of other lands who are seeking to promote International Fellowship and Peace. They should not be overlooked, much less indiscriminately condemned. They are the allies, not the enemies of Peace. By making clear our intentions to aid in the removal of injustice, by framing national and international policies to that end, we shall win the co-operation of countless numbers in every land.

As it becomes evident that nations are determined to help one another; that they recognise that the good of all is bound up with the well-being of each, a new world order will soon come into being. Meanwhile, with conditions throughout the world what they are today, the greatest possible care has to be taken to see that, through some mistaken or misdirected act, a very large fire is not started in an effort to put out a much smaller one. We cannot

D34113

strive too diligently to confine all areas of conflict.

If the areas of actual conflict have been confined to the extent they have, it is because some nations have been strong enough and great enough to preserve, almost to the limit of endurance, an attitude of restraint. As other nations have exhibited less in the way of restraint, fellowship between peace-loving nations has been quickened and strengthened. International Fellowship thus developed is the surest guarantee of an ultimate and enduring Peace.

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D34114

Address by the Rt. Hon. W. L. Mackenzie King, M.P., Prime Minister of Canada, Canadian Legion Remembrance Day National Broadcast, November 11th, 1937.

In this evening's programme, the Canadian Legion is desirous that our thoughts should be centred upon International Fellowship and Peace.

How to bring about International Fellowship and Peace in a world which is witnessing actual war on two continents is not easy to determine. It is, nevertheless, the problem with which nations are faced today. A true perception of the nature of Peace, may help somewhat towards a solution.

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They are allies, not the enemies of Peace. By making clear an intention to aid in the removal of injustice, by framing national and international policies to that end, peace-loving nations will win the co-operation of countless numbers in every land.

As it becomes evident that nations are determined to help one another; that they recognize that the good of all is bound up with the well-being of each, a new world order will soon will soon come into being. Meanwhile, with conditions throughout the world what they are today, it is better to live cautiously, than dangerously. The greatest possible care has to be taken to see that, through some mistaken step or misdirected effort, a very large fire is not started in an attempt to put out a much smaller one. We cannot strive too diligently to confine all areas of conflict.

If areas of actual conflict have been confined to the extent they have, it is because some nations have been strong enough and great enough to preserve, almost to the limit of endurance, an attitude of restraint. As other nations have exhibited less in the way of restraint, fellowship between peace-loving nations has been quickened and strengthened. International Fellowship thus developed is the surest guarantee of an ultimate and enduring Peace.

PRESS CLIPPINGS

Office of
The Prime Minister

Name of Publication Ottawa M. Journal

Date Nov. 12 /37.

Subject

D 34116

VIMY DESIGNER TO BE HONORED BY PARLIAMENT

Announcement by Premier King at Armistice Dinner— Hon. C. G. Power Urges Need of Unity of Purpose.

Participating unexpectedly in the program of the second annual Armistice Dinner on Thursday night in the Chateau Laurier, under the auspices of the Canadian Legion of the British Empire Service League, Prime Minister Mackenzie King announced that the Canadian Parliament, at its next session, would be asked to place on record the appreciation of the people of Canada for the work of Dr. Walter S. Allward, R.C.A., as designer of the Vimy Memorial.

Dr. Allward was the guest of honor at the banquet. Glowing tributes were paid to him, and the manner in which he had symbolized the Canadian spirit and its contribution in the Great War, not only by the Prime Minister, but by Major the Hon. C. G. Power, Minister of Pensions and National Health, and by Brigadier General Alex Ross, of Yorkton, Sask., national president of the Canadian Legion.

Honor Dr. Allward.

An honorary life membership in the Legion was presented to Dr. Allward by General Ross amid applause from the nearly 800 people who attended the banquet. Dr. Allward briefly expressed his gratitude for the signal honor.

Responding to the toast of "Canada," which had been proposed by Colonel H. C. Osborne, of the War Graves Commission, Mr. Power urged unity of purpose in the Dominion, and the avoidance of sectionalism.

He said that while many of the ex-soldiers had re-established themselves, the obligation of the Canadian people to its ex-soldiers had not as yet been discharged. It was a continuing one, and would persist until every just claim had been met.

Prime Minister King also thanked the Canadian Legion for the part it had played in helping in the care of needy veterans. He said that the matter of expressing the nation's thanks to the designer of the Vimy Memorial had been before the Government some time ago. In view of the pilgrimage, and other happenings it had been thought desirable to postpone this appropriate gesture.

Mr. King said he had been deeply moved by the services conducted throughout Canada, and particularly in the National Capital. These had brought home poignantly the memories of the men who had given their all for those ideals which moved them, and in a cause they had made their own. More than ever did the action of Canada more than 20 years ago manifest to the world what this country had been inspired to do.

Remembrance Day was set aside to commemorate not only those who had given their lives, but all who had served in the conflict, and who were continuing to serve. Uppermost in the mind was the preservation of those things which these men and women had held dear.

Weighing Issues Carefully.

The fact that Canada and the other nations, continued to keep green the memory of these men, and the inspiration which had promoted them to cross the ocean to fight in a foreign land, was not lost on those nations which today

were abandoning the courses of peace. They were weighing carefully all the issues involved' the Prime Minister declared.

It was futile to ask what Canada would do under any hypothetical set of circumstances, the Premier indicated. The spirit of Canada reposed in the breasts of the men and women of this country; and what that spirit prompted them to do was the thing that would be done.

"The terrible situation in Europe, and the frightful developments in the Orient seem to bring home to us as never before the real significance of the part played by those who went overseas 20 years ago.

"These events have brought back to our minds what was required in the way of courage and heroism and with it the feeling that none of us knows what lies ahead. Therefore we are in a better position to appreciate their task."

Tribute to Vimy Designer.

Mr. King said he was glad of the opportunity given him to join with Mr. Power in the tribute to Dr. Allward "who has provided for us a monument which will take its place among the great works of art in the world." Dr. Allward had expressed in stone on the battle field at Vimy what Canada had felt, and in a manner which had impressed the hearts of men and women in all parts of the world. He thought the presentation to him of a life membership in the association of the men who served was what Dr. Allward would have desired.

"They have made their contribution, you have made yours, and the two are indelibly and immortally linked together in association with that great event," said the Prime Minister to Dr. Allward.

"We thank you with all our hearts for that immortal work which you have created out of your own genius and left as a lasting memorial to the world of the service of Canada in the Great War. All Canada thanks you and honors you for what you have done."

The Prime Minister said he thought they had all come to the conclusion "that war never settled anything satisfactorily. We must make justice prevail in the affairs of men and nations."

But in this world of realities it did so happen that wherever freedom had to be preserved there must stand between it and the forces that would destroy it, men who were chivalrous and courageous enough to defend it even with their own breasts.

"We hope the time is not coming when Canadians will be called upon to do this," said the Prime Minister. "If it is prevented it will be because of Remembrance Day which is a reminder of the heroism and courage and sacrifice in the Great War.

Captain Gordon H. Rochester, president of the Ottawa branch of the Canadian Legion presided at the banquet which was of a most cordial and enjoyable character. The program of entertainment restored some of the old wartime atmosphere, with songs and skits characteristic of those days.

Honor "Silent Army".

The toast to "The Silent Army" was very impressive. As the curtain in front of a specially-erected stage rolled back there was revealed a Flanders background, with Bugle-Major C. A. Day, M.M., sounding "Last Post". Lawrence Binyon's famous lines, "They shall not grow old", were recited by Captain Ben Allen, after which a concealed choir sang: "O Valiant Hearts". The whole company then joined in "O Canada". Reveille was sounded by the bugler.

The inimitable "Red" Newman (of "Dumblell" fame) sang some old favorites for the large gathering while Ben Allen led in wartime songs which lightened the burden along the cobblestones and in the trenches.

A one-act sketch "Estaminet" directed by Major Robert Darby evoked gales of laughter with "Red" Newman playing a leading role. Other artists were Mrs. W. Douglas, Miss E. Cockram, F. W. Merryweather, Joseph Rigby, Harry Hedges, J. Curran and A. Eustace.

George S. Piers was orchestra directer and Percy Rutledge, accompanist. W. Atkins, W. Hayes and Stan Knight looked after the staging while the beautiful and effective lighting was attended to by W. Lane and Charles Quick.

Leslie McKenna, basso, sang the ever-popular song, "I've Seen Marie," which was composed in connection with the Vimy Pilgrimage of 1936.

"A Prayer in Stone."

Introducing Dr. Allward, General Ross said it was fitting there should be a memorial on Vimy Ridge. Though there had been discussion over other memorials there had never been any criticism of that at Vimy. It was "a prayer in stone."

"We want Dr. Allward to know how much we appreciate his work and we are conferring on him this honorary life membership in the Canadian Legion," said General Ross.

After the diminutive badge symbolic of life membership had been placed in Dr. Allward's buttonhole, he rose amidst applause and spoke briefly. "I do want to thank you for your goodness and kindness and generosity tonight," he said. He expressed appreciation of the co-operation extended to him by Colonel H. C. Osborne, C.M.G. "To Colonel Osborne and others and even to those who dug into the soil at the memorial you owe thanks as much as to me," he said.

General Ross also handed a beautiful bouquet of roses to Mrs. Allward following the presentation to her husband.

Toast to Canada.

The toast to "Canada" was proposed by Colonel H. C. Osborne, of the War Graves Commission, in a characteristically witty speech. He said it would be responded to by Major Power "who, in becoming a Minister has not ceased to be a comrade."

Their thoughts were turned to the heroic events of 20 years ago which had quickened that self-consciousness in Canada which was "the first requisite for the birth of a nation."

A nation was a people with "a will to be one." That sense of unity and solidarity permeating all the people was a prime essential of nationhood. "It is well to make constitutional advances. But constitutional forms are but a hollow shell if the kernel is absent," said Colonel Osborne. "Different parts of the country have their legitimate interests, but if they are insisted on without regard to the interests of the country as a whole we shall fail to achieve unity." Mutual understanding, sympathy, and a spirit of compromise must be established.

Hon. C. G. Power.

Major Power, on rising to respond to this toast, was greeted with musical honors and cries of "Chubby." He said the presence of the Prime Minister indicated the recognition by the whole country of the "masterpiece of the Vimy Memorial." Major Power thanked the Prime Minister for having attended the dinner, "in order to show his appreciation of the extremely helpful work of the Canadian Legion in giving the assistance it does to those of us who are endeavoring to do whatever we can to rehabilitate our comrades."

"The obligation of the Canadian people to its ex-soldiers has not as yet been discharged. It is a continuing one and will persist until every just claim is adjusted, every right acquired on the field of honor has been established."

But the great majority had quietly and seriously reassumed the role of citizens and had taken their place in the very forefront of Canadian manhood.

Since the war there had been difficulties, misunderstandings and misconception. There had been disruption, but presently there came readjustment and then rehabilitation which was yet in the process of completion when the economic crisis and depression "struck with violence and force of a tropical cyclone."

"All classes and categories were

affected, none more adversely than the ex-soldier who during the years of war and the subsequent period of unsettlement had been precluded from sinking his economic roots as deeply as others.

"During those parlous times all their noble qualities of mind and heart, all that fine spirit of war years, were more than ever essential. Courage was necessary as high as that which drove them cheering over the countless battle-scarred ridges of France and Flanders. They finally won through by that same persistence, perseverance and dogged determination which had held the bloody war-soaked trenches for days and months.

"And today the ex-soldier can boast, and proudly, that he holds his place in industry, commerce, in public life, in the community, in every part of our national life," declared the Minister.

Unity of Purpose.

Unity of purpose was necessary for the future welfare of the Dominion. The early adventurers had laid the foundations of Canada. The year 1914 had seen somewhat of a reversal of the process when men from the new world had gone to Europe bringing new method, new enthusiasm and new energy.

In paying his tribute to Dr. Allward, the speaker said "perhaps our debt to him is even greater than we presently realize." Surely it could be said of the Vimy Memorial that it had contributed to Canada's fame by transmuting imperishable ideals into a masterpiece whose inspiration would endure throughout the ages.

Ontario Greetings.

M. McIntyre Hood, private secretary to Hon. G. D. Conant, K.C., Attorney General of Ontario, conveyed greetings from both his immediate chief and from Premier Hepburn. Mr. Conant paid tribute to the Legion through Mr. Hood for magnificent work not only in caring for the disabled and dependents of the fallen, but also for maintaining the ideals of British citizenship.

"I know the Canadian Legion has ever stood as a bulwark against those subversive forces and influences which would destroy the structure built up through centuries of British citizenship," his message read.

Mr. Conant was unable to attend the dinner in Ottawa as he was speaking to the Canadian Club in New York at an Armistice luncheon.

At the head table were Premier King, Hon. C. G. Power, Mrs. Power, Brig. General Alex Ross, C.M.G., Dr. Walter S. Allward, Mrs. Allward, Mayor Lewis, Mrs. Lewis, Captain G. H. Rochester, Mrs. Rochester, Colonel H. C. Osborne, M. McIntyre Hood, J. R. Griffin, organizing secretary, British Empire Service League, London, England; Major Rev. A. P. Menzies, M.C.

The following were responsible for the arrangements for the dinner: Chairman of general committee, Ben. W. Allen; secretary, Frank W. Potts; ticket sale, Geo. L. Rosser, Lieut. Colonel A. J. Cawdron, B. A. Fauvel, E. F. Steele, P. S. Harper; publicity, W. H. van Allen, W. I. Garvock; ticket exchange, Major Fred I. Tanner, Capt. F. C. Badgley, M.C., F. L. Price; entertainment and decorations, Major R. Darby, R. B. Halpenny, Alan Beddoe, Geo. McCann, A. McK. Shaw, Jos. E. Martin; reception, Major M. F. Gregg, V.C., M.C., Lieut. Colonel R. F. Parkinson, D.S.O., Lieut. Colonel R. de la B. Girouard, V.D.; kindred organizations, Capt. Wm. Douglas, Capt. Glenn E. Strike, Capt. E. M. Phillips, Major W. E. L. Coleman; liaison officer, Major W. G. Wurtele, M.C.

PRESS CLIPPINGS

Office of
The Prime Minister

Name of Publication Ottawa M. Citizen

Date Nov. 12 /37.

D 34119

Subject

Nation's Thanks To Creator Of Vimy Memorial

Prime Minister Announces Parliament Will Express Canada's Appreciation of Dr. Allward's Work.

Armistice Dinner of Ottawa Legion Branch

Stirring Address by Hon. C. G. Power, to His Old War-time Comrades.

Official recognition of the cre ator of Canada's war memorial a Vimy Ridge, Dr. Walter S. All ward, Toronto, would be given a the next session of the Dominio Parliament, Prime Minister W. L Mackenzie King promised at ar Armistice dinner in the Chatea last night under the auspices o the Ottawa branch of the Cana dian Legion at which Dr. Allward was the guest of honor.

Recognition would be in the form of a resolution of thanks from the Canadian people as a whole. The Prime Minister in verbally thanking Dr. Allward, said that the matter of expressing the nation's thanks to the famous sculptor had engaged the government's attention some time ago, but, with the pilgrimage to Vimy featuring events of 1936 it had been felt appropriate that the gesture be delayed.

More Than 600 Guests.

The Prime Minister's address was an unexpected and particularly pleasing feature of the banquet, which was presided over by Capt. G. H. Rochester, president of the Ottawa branch of the Legion, and which was attended by more than 600 Great War veterans and other guests.

A feature of the function was the singing of wartime songs and the presentation of a comedy skit in which "Red" Newman of "Dumbells" fame, took the leading role.

Chief speaker of the evening was Hon. C. G. Power, minister of pensions, who also paid tribute to Dr. Allward and urged that the successful future of the Dominion could only be attained through unity of purpose and effort.

Honorary Life Member.

During the evening Brigadier-General Alex Ross, C.M.G., D.S.O., Dominion president of the Canadian Legion, conferred on Dr. Allward an honorary life membership in the Legion. General Ross joined with Hon. Mr. Power and the Prime Minister in voicing appreciation of the monument which the genius of the sculptor had brought into being on the crest of Vimy.

Hopes and Aspirations.

In its symbolism the Vimy monument expressed all the hopes and aspirations, the sacrifices and the achievements of this country, said Mr. Mackenzie King.

He had been deeply moved by the services conducted yesterday throughout Canada, and particularly in the National Capital. These had brought home poignantly the memories of the men who had given their all for those ideals which moved them, and in a cause they had made their own. More than ever did the action of Canada more than 20 years ago manifest to the world what this country had been inspired to do, he said.

Remembrance Day was set aside to commemorate not only those who had given their lives, but all who had served in the conflict, and who were continuing to serve. Uppermost in the mind was the preservation of those things which these men and women had held dear.

Weighing All Issues.

The fact that Canada and the other nations, continued to keep green the memory of these men, and the inspiration which had prompted them to cross the ocean to fight in a foreign land, was not lost on those nations which today were abandoning the courses of peace. They were weighing carefully all the issues involved, the Prime Minister declared.

It was futile to ask what Canada would do under any hypothetical set of circumstances, the Prime Minister indicated. The spirit of Canada reposed in the breast of the men and women of this country; and what that spirit prompted them to do was the thing that would be done.

Mr. Mackenzie King paid tribute to the Canadian Legion for its work in the post-war years; and thanked the organization for its co-operation with those who had to discharge the responsibility of caring for those whom the war had afflicted.

Hon. C. G. Power.

Paying tribute to Mr. Allward, Hon. C. G. Power declared Canada must base her claims to deathless fame, not only on material development and advancement, but also "on the achievement of those sons whose genius has transmuted imperishable ideals into masterpieces whose inspiration will endure through the ages." This, he added, could be truly said of the Vimy memorial.

Remembrance Day, said Mr. Power, would forever commemorate "the coming of age of a young, sturdy people.

"On that day, there emerged to join the concert of nations a newcomer, strong and virile, who by the resolution and fortitude of her sons, tried and proved by four years of conflict, had gained the right to world recognition—400,000 bayonets, 60,000 dead. These had written the name of Canada large and broad over the face of Europe and the world."

60,000 Crosses.

The silent appeal of those 60,000 crosses—"emblems of faith and hope, aligned as if on parade before some ghostly captain, mute and solemn sentries who, over the hallowed dust of those eternal exiles from the land they loved, extend the salutary protection of their arms"—was more endurable than agreements, treaties or covenants, said the minister.

Mr. Power lauded the achievements of the early adventurers who laid the foundation of Canada, and noted how in 1914 the world had seen a reversal of this situation when, from the New World there had gone to Europe the men of the Canadian Expeditionary Force, "bringing new enthusiasm, new methods, new energy.

"What," he asked, "will be the memory of them that will longest endure?"

Their courage, their nobility and their human qualities had been well known. But "these companions of trench, of billet, and of battle were not the dour, solemn, sad-faced individuals whom we so often associated with deeds of valor and heroism," he said.

"They brought to their task seriousness and determination. How, otherwise, could thousands of free, independent young men have consented to the submersion of their individualities, and the sacrifice of their liberty in a maze of army regulations and military discipline? No external restraint could entirely eradicate their spiritual heritage.

"Difficulties dissolved before the timely jest; hardships lightened with a merry quip; they faced danger with a smile; they turned terror into sport. Ignoring, as we feel they would have us do, the dull miserable hours; erasing from our memory the hateful manifestations of brutish humanity; forgetting the hardships and the horrors, we see them emerging, even now through the dull mists of passing years, gay, cheerful, happy comrades, loyal, true, faithful friends."

Mr. Power dwelt on the problems of the post-war years and complimented the Canadian veterans on the courage with which they had met these difficulties.

"Today the ex-soldier can boast, and proudly," said the minister, "that he holds his place in industry, in commerce, in public life and in every part of our national life."

The vast majority had quietly and seriously resumed their role of citizens, and had taken their place in the very forefront of Canadian manhood. A small proportion had not yet in some degree become re-established; and to that extent the obligation of the Canadian people was a continuing one.

By Unity of Purpose.

He counselled his hearers to pass on to the young Canadians of

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today something of the spirit which had made possible the achievements of the past. But in their efforts towards making Canada a better place to live in, he hoped the young men of today "will pause to give some consideration to the experience of those who strove, sometimes ineffectively and unsuccessfully, toward the same ideal."

Real success could only be attained by unity of purpose and of effort, the minister said.

Men Who Did Not Return

Brigadier-General Ross, in introducing Dr. Allward, said that as time erased the scars of war Canadians had sought to see that the war days should not be forgotten and that the men who did not come back should be remembered. It was fitting that a memorial should be at Vimy and Canada was doubly fortunate that there was in this country one who had the ability to devise and the imagination to conceive what was required.

"On this day of remembrance we honor ourselves by doing honor to the creator of the Vimy Memorial," said the general.

Lt.-Col. H. C. Osborne, C.M.G., C.B.E., proposed the toast to Canada and said that the object of peace could not be achieved by prayer alone and that the people and governments each had their own parts to play. If governmental action was not supported by a preponderance of opinion then disunity and not unity would result.

McIntyre Hood, secretary to Hon. Gordon Conant, Ontario attorney-general, read a message from his chief on behalf of Premier Mitchell F. Hepburn in which the government assured the Legion of its continued interest in the welfare of returned soldiers and their dependents.

Following the toast to the King a toast was drunk to "The Silent Army" and Last Post was sounded by Bugle Major C. A. Day, while the lights were dimmed and a lantern slide showing a scene of Flanders Field thrown on the screen.

Ben Allen and Leslie McKenna led the gathering in wartime songs with an orchestra under the direction of George S. Piers supplying the music. Percy Rutledge was accompanist for solos by "Red" Newman. Those taking part in the skit in addition to Mr. Newman were Mrs. W. Douglas, Miss E. Cockram, Fred W. Merryweather, Joe Rigby, Harry Hedges, J. Curran and A. Eustace. Piper Donald MacDonald piped the head tables to their places. These included the Prime Minister, Dr. Allward and Mrs. Allward, Hon. C. G. Power, Lt.-Col. Osborne, Mayor and Mrs. Lewis, McIntyre Hood, Brigadier-General Ross, Capt. Rochester, J. R. Giffin, organizing secretary of the British Legion.

The Committee

The committee in charge of arranging the dinner was composed of: Ben W. Allen, chairman; Frank W. Potts, secretary; George L. Rosser, Lt.-Col. A. J. Cawdron, B. A. Fauvelm, E. F. Steele, P. S. Harper, W. H. van Allen, W. L. Garvock, Major Fred I. Tanner, Capt. F. C. Badgley, F. L. Price, Major R. Darby, R. B. Halpenny, Allan Beddoe, George McCann, A. M. Shaw, J. E. Martin, Major M. F. Gregg, V.C., Lt.-Col. R. F. Parkinson, D.S.O., Lt.-Col. R. de la B. Girouard, Capt. William Douglas, Capt. Glenn E. Strike, Capt. E. M. Phillips, Major W. E. L. Coleman and Major W. G. Wurtele.

PRESS CLIPPINGS

Office of
The Prime Minister

Name of Publication Ottawa M. Journal

Date Nov. 12 /37.

D34122

Subject

Veterans of Four Nations in Plea For International Harmony, Peace

How to Bring About World Fellowship With Actual War on Two Continents Not Easy, But Problem Facing Nations Says Premier King

War veterans of four nations on Thursday night voiced a plea for international harmony and peace, their exhortations carried over a national network of the Canadian Broadcasting Corporation. Prime Minister Mackenzie King and Brigadier General Alex Ross, Dominion president of the Canadian Legion, expressed the sentiments of the Canadian people.

From Washington, Daniel J. Doherty, national commander of the American Legion, added words on behalf of the United States ex-service men. In London, Sir Frederick B. Maurice, president of the British Legion, spoke and from Paris the appeal was made by Jean Desbons, president of the International Association of Ex-servicemen.

Each asked that concentration be made on the work of developing understanding and the will for peace among the nations.

How to bring about international fellowship and peace in a world that was witnessing actual war on two continents was not easy to determine, said Mr. Mackenzie King. Nevertheless, that was the problem facing the nations today.

When Canadians said they were willing to support any and every peace policy, they should remember that peace itself was not a policy. A policy was a means to an end, and peace was not a means; it was an end.

Today's issue was much larger than that of any particular conflict, the Prime Minister said.

"It clearly is whether, in the solution of world problems, our main reliance is to be placed upon force or upon reason. International fellowship and peace may be promoted by peaceful means. They will never be secured by reliance upon force," he said. Justice, not force, was the telling instrument.

"It may sometimes be that there appears no immediate alternative to force. The fact remains that war, under whatever label, or with whatever purpose it is waged, cannot bring a lasting and effective peace, or achieve goodwill among peoples."

It must not be forgotten that the whole world was in a state of transition; that, even in countries where those in control placed their reliance mainly on force, there were multitudes of peace-loving people ready and anxious to join their numbers to those of other lands who were seeking to promote international fellowship.

"They should not be overlooked, much less indiscriminately condemned. They are the allies," he said, "not the enemies of peace. By making clear an intention to aid in the removal of injustice, by framing national and international policies to that end, peace-loving nations will win the co-operation of countless numbers in every land."

Live Cautiously, Not Dangerously.

With conditions as they were throughout the world, it was better to live cautiously than to live dangerously.

"The greatest possible care has to be taken to see that, through some mistaken step or misdirected effort, a very large fire is not started in an attempt to put out a much smaller one," said the Prime Minister. "We cannot strive too diligently to confine all areas of conflict.

"If areas of actual conflict have been confined to the extent they have, it is because some nations have been strong enough and great enough to preserve, almost to the limit of endurance, an attitude of restraint. As other nations have exhibited less in the way of restraint, fellowship between peace-loving nations has been quickened and strengthened. International fellowship thus developed is the surest guarantee of an ultimate and enduring peace."

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For publication in the morning papers of Friday, November the 12th.

Address by the

Rt. Hon. W. L. Mackenzie King, M.P.,

Prime Minister of Canada

Canadian Legion Remembrance Day National Broadcast,

November 11th, 1937

D 34124

In this evening's programme, the Canadian Legion is desirous that our thoughts should be centred upon International Fellowship and Peace.

How to bring about International Fellowship and Peace in a world which is witnessing actual war on two continents is not easy to determine. It is, nevertheless, the problem with which nations are faced today. A true perception of the nature of Peace, may help somewhat towards a solution.

When we say we want Peace; that we are ready to support any and every peace policy, we would do well to remember that Peace itself is not a policy. A policy is a means to an end. Peace is not a means, it is an end. It is a condition or state of being which results from the application of policies founded upon right principles. What right conduct is to the peace of heart and mind of the individual, the application of policies founded upon right principles is to National and International Peace.

The issue today is much larger than that of any particular conflict. It clearly is whether, in the solution of world problems, our main reliance is to be placed upon Force or upon Reason. International Fellowship and Peace may be promoted by peaceful means; they will never be secured

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by reliance upon Force. "Do men gather grapes of thorns, or figs of thistles?" Justice, not Force, is the telling instrument. It may sometimes be, that there appears no immediate alternative to Force. The fact remains that war, under whatever label, or with whatever purpose it is waged, cannot bring a lasting and effective peace, or achieve good-will among peoples. Where Force is the means, it tends to dominate, and become the end as well.

Let us not forget that the entire world is in a state of transition: that, even in countries where those in control place their reliance mainly on Force, there are multitudes of peace-loving people ready and anxious to join their numbers to those of other lands who are seeking to promote International Fellowship and Peace. They should not be over-looked, much less indiscriminately condemned. They are the allies, not the enemies of Peace. By making clear an intention to aid in the removal of injustice, by framing national and international policies to that end, peace-loving nations will win the co-operation of countless numbers in every land.

As it becomes evident that nations are determined to help one another; that they recognize that the good of all is bound up with the well-being of each, a new world order will soon come into being. Meanwhile, with conditions throughout the world what they are today, it is better to live cautiously, than dangerously. The greatest possible care has to be taken to see that, through some mistaken step or misdirected effort, a very large fire is not started in

D 34126

an attempt to put out a much smaller one. We cannot strive too diligently to confine all areas of conflict.

If areas of actual conflict have been confined to the extent they have, it is because some nations have been strong enough and great enough to preserve, almost to the limit of endurance, an attitude of restraint. As other nations have exhibited less in the way of restraint, fellowship between peace-loving nations has been quickened and strengthened. International Fellowship thus developed is the surest guarantee of an ultimate and enduring Peace.

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
56		Hull, Cordell Government Dinner. Country Club, Ottawa. Speeches outside Parliament	20 Oct. 1937	D 33843 - D 33874	
56		Imperial Conference London, England. Speeches outside Parliament	15 June 1937	D 33875 - D 33919	
56		Lapointe-Ouimet Wedding, Quebec City. Speeches outside Parliament	25 Sept. 1937	D 33920 - D 33954	
56		The Over-Seas League Luncheon Experimental Farm, Ottawa. Speeches outside Parliament	3 Aug. 1937	D 33955 - D 34053	
56		Pinard Banquet, Ottawa. Speeches outside Parliament	26 Oct. 1937	D 34054 - D 34092	
56		Rotary Club Luncheon, Chateau Laurier Ottawa. Speeches outside Parliament	8 Nov. 1937	D 34093 - D 34110	
56		Canadian Legion Remembrance Day National Broadcast, Ottawa. Speeches outside Parliament	11 Nov. 1937	D 34111 - D 34126	
56		Scotland: Visit to. Speeches outside Parliament	June 1937	D 34127 - D 34160	

Notes prepared by Mr. Pickering

D34127

RE LORD AND LADY ABERDEEN.

friendship with Lady Aberdeen and late Lord Aberdeen dating from their years in Canada;

his high sense of public duty and obligation -
worthy of great traditions of a name that had given a Prime Minister to his country;

great service in Canada -
to Art, Science, Letters;
democratic sympathies;
close identification with those causes having to do with human welfare and social well-being;

maintained his association with Canada -
welcome to Canadians visiting Scotland;
visits to Canada by Lord and Lady Aberdeen;

recall that through nearly 60 years Lord and Lady Aberdeen united in purpose,
in happiness of their domestic life;
in fidelity to faith of their fathers;

Lady Aberdeen's association with Canada -
precious memory to all who knew her;
founder of -
National Council of Women;

D34128

May Court Club;

Victorian Order of Nurses;

unbroken and lifelong record of public service;

her good works, gracious personality, true Christian character have won for her esteem and affection in many lands.

D 34129

LORD ABERDEEN (d. March, 1934).

Governor General of Canada 1893-98;

Lord Lieutenant of Ireland, 1886

1905-16;

High Commissioner Church of Scotland,

on more than one occasion.

D34130

LADY ABERDEEN -

President International Council of Women 1893-99

1904-37;

Chairman of Scottish Committee for Women's Training

and Employment;

President Women's National Health Association of Ireland;

D 34131

MACKENZIE CONNECTION WITH DUNDEE.

William Lyon Mackenzie's parents, Daniel and Elizabeth Mackenzie, were married at Dundee on the 8th of May, 1794, by the Reverend Macewen.

Daniel Mackenzie died there in 1795.

William Lyon Mackenzie was born at Springfield, a suburb of Dundee on March the 12th, 1794. He was educated at Dundee - at Mr. Kinnear's Parish School and Mr. Adie's School.

His first two positions were in Dundee, first as assistant in Mr. Henry Tulloch's Draper Shop in the High Street, and then as Indentured Clerk in Counting House of Gray, a wood merchant.

Isabel Baxter, whom he married when out in Canada, was also a native of Dundee and had been to school with him there, and a friend.

D 34132

DUNDEE

Dundee is the third largest city of Scotland, coming after Edinburgh and Glasgow. The census of 1931 gives the population as 175,583.

SITUATION

Situated on the Firth of Tay where the three counties Angus, Perth and Fife come together.

Dundee is a natural harbour.

NAME AND PROBABLE ORIGIN OF TOWN.

Name derived most probably from the Gaelic Dun Taw "the fort of Tay", of which Taodunum is a Latin transliteration - derivation pointing to a Pictish settlement.

First mention of Dundee is in 834 when Alpin, King of the Scots, was defeated nearby by the Picts.

There is no record of Dundee ever having been destroyed by the Danes.

About 1200, Dundee - or 'Dunde' as it was then called - was erected into a royal burgh by William the Lion, in a deed of gift to his brother David, Earl of Huntingdon, to celebrate his safe return from the Crusades.

D 34133

THIRTEENTH CENTURY

Owing to Dundee's favourable situation for commerce it flourished and was the richest town of the United Kingdom both in wealth and population in the early XIIIth century. (History of Dundee, by James Thomson. 1847. Page 21).

In 1291 Dundee was plundered and burnt by EdwardI of England. He is also said to have removed the charter of the town. Wallace, who was being educated at Dundee, took up the cause of Scotland, and [redacted] many successes (Battle of Stirling Bridge) and reverses was finally taken prisoner by the English.

FOURTEENTH CENTURY.

In 1358 David, in gratitude to the citizens of Dundee for raising the money for his ransom to secure his freedom from the English, gave them a new Charter confirming their privileges, and this was confirmed by the great Charter of Charles I in 1642.

Dundee was again captured and partially destroyed by the English under John of Gaunt, in 1385.

REFORMATION.

The inhabitants of Dundee were among the first, it is recorded, to break away from the Papal authority.

George Wishart, (died 1546) a preacher of great ability was the first to infuse the people of Dundee with a zeal for religion for which their descendants have been so peculiarly distinguished (J. Thomson p.46).

D 34133

THIRTEENTH CENTURY

Owing to Dundee's favourable situation for commerce it flourished and was the richest town of the United Kingdom both in wealth and population in the early XIIIth century. (History of Dundee, by James Thomson. 1847. page 21).

In 1291 Dundee was plundered and burnt by EdwardI of England. He is also said to have removed the charter of the town. Wallace, who was being educated at Dundee, took up the cause of Scotland, and after many successes (Battle of Stirling Bridge) and reverses was finally taken prisoner by the English.

FOURTEENTH CENTURY.

In 1358 David, in gratitude to the citizens of Dundee for raising the money for his ransom to secure his freedom from the English, gave them a new Charter confirming their privileges, and this was confirmed by the great Charter of Charles I in 1642.

Dundee was again captured and partially destroyed by the English under John of Gaunt, in 1385.

REFORMATION.

The inhabitants of Dundee were among the first, it is recorded, to break away from the Papal authority.

George Wishart, (died 1546) a preacher of great ability was the first to infuse the people of Dundee with a zeal for religion for which their descendants have been so peculiarly distinguished (J. Thomson p.46).

REPEAT
REPETITION

D34134

Dundee played such a prominent part in propagating the Reformed doctrines that it was known as "the Scottish Geneva".

The Reformers won after a severe struggle, but their triumph knew no bounds and they destroyed or defaced every Catholic church and monument.

SEVENTEETH CENTURY.

Dundee was sacked and partly burnt by the Marquess of Montrose, in 1645.

In 1651, it wasceaptured, after an obstinate resistance, by General Monk, who put more than one-sixth of the inhabitants and garrison to the swor.

These repeated slaughters and pillages were the cause of Dundee's decline from its former importance.

EIGHTEENTH CENTURY.

During the 1745 Rebellion the adherents of the Pretender took and held possession of Dundee for two weeks.

At this time Dundee seems to have sunk under the misfortunes which affected the whole nation. The depression of trade rapidly reduced the population, while those who remained languished in hopeless inaction. But after the suppression of the rebellion the Government began to bestow some attention on the affairs and condition of Scotland. The once acknowledged tyran ical powers of

D 34135

the Constable merged into the mild and regular government of the Provost and Magistrates (1747). Parliament granted a bounty on brown linens made for exportation, which revived trade and animated the industry of the inhabitants. And since this happy period Dundee has continued to flourish.

INDUSTRIES:-

Jute the most important. Large quantities of raw material imported from India.

Linen manufacture.

Celebrated for confectionery and preserves, especially marmalade.

Other industries are bleaching and dyeing, engineering, shipbuilding, tanning, sawmills, etc.,

D 34136

BROUGHTY CASTLE.

This gives its name to a suburb of Dundee.

The Castle played a great part in national history. It was built by Andrew, 3rd Lord Gray, at the end of the 15th century. In 1541, when the Scots were defeated by the English at the Battle of Pinkie, the Castle was held by an English garrison for 2½ years, but was taken back again by the Scots, aided by the French, in 1550.

When the crowns of England and Scotland were united in 1603, there was no longer the danger of invasion by the English, and the Castle was allowed to fall into decay. In 1855 it came into the possession of the Government, and is now used as a training station on submarine mining.

Charles II spent a few days at Broughty Castle after his crowning at Scone on January 1st, 1651.

DUNDEE UNIVERSITY COLLEGE

This was founded in 1883, and is united to St. Andrew's University. The College owes its origin to John Boyd Baxter and Miss Baxter of Balgavies, who gave £130,000 towards it.

D 34137

CATHEDRAL CHURCH OF ST. PAUL.

This was built in 1853 from designs by Sir G. Gilbert Scott.

D 34138

FAMOUS PEOPLE OF DUNDEE.

Was the birth place of Hector Boece (1465-1536), the first principal of King's College, Aberdeen.

Among the other eminent men who were born or lived in Dundee are:

Viscount Dundee (1643-89).

James Halyburton, the reformer (1518-89)

James Chalmer, inventor of adhesive stamps.

William Thom (1798-1848) writer of the "The Rhymes of a Handloom Weaver". Was buried in Western Cemetery.

D 34139

MUNICIPAL GOVERNMENT OF DUNDEE.

The Municipal Government is composed of the Lord Provost, eight Baillies, and the Town Council.

The city is divided into eleven wards each returning three councillors, who are elected by popular vote once a year.

Baillies: They are elected once a year by the Town Councillors from their own numbers. They correspond to London Sheriffs. They are, with the Lord Provost, the Magistrates of the town, that is, they all sit on the Bench for police cases, in other words they are equivalent to Justices of Peace.

Lord Provost: The Lord Provost is elected from the Baillies for a term of three years. He is the Chief Magistrate of the Town. Is equivalent to an English Mayor.

D34140

[redacted] - Lord Provost of Dundee.

Was elected Lord Provost in November, 1935.

Lord Provost Phin is an outstanding example of a young and active business man who has devoted his leisure to public affairs. Although only 56 years of age he has been a member of Dundee Town Council since 1922. He disposed of his ironmongery business in 1925. He has gone through all the grades of municipal work. In his capacity as convener of the Works Committee and Hon. Treasurer of the City, he handled many big schemes notably the construction of the City Square which involved the demolition of the Old Town House on High Street and its famous "Pillars".

Notable also in Lord Provost Phin's public work is his association since 1919 with Lord Roberts Memorial Workshop for disabled ex-servicemen.

In 1924 he became chairman of the Directors of the Workshops in Meadowside, Dundee and was the organiser of a Bazar which raised £22, 218 for the funds of the scheme.

He has done much to foster wider trade interests for Dundee being chairman of Dundee Development Committee and chairman of the Dundee-Angus Trade Exhibition in Industries House, London.

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REPEAT
REPETITION

D34141

The Lord Provost is ably assisted in all his public duties by Mrs. Phin, who is a graduate of St. Andrews University (M.A. degree). Mrs. Phin has the courtesy/of Lady Provost.

(Data obtained from Mr. Spence).

NAMES OF BAILLIES:-

Mr. Gillies.	Mr. Sawers.
" Blackwood.	" Crost
" Gillespie.	" Creegan
Mr. Aimer.	" Noble.

The Lord Dean of the Guild is Mr. C.H. Marshall.

The City Treasurer is Mr. D. R. K. Kidd.

Prepared by Mr. Pickering, June 1937

D 34142

ORIGIN OF TITLE PROVOST.

Provost comes from the Latin Prepositus, which meant president or overseer, it also denoted a bishop's representative as head of the Chapter of a Cathedral, and it is from this ecclesiastical usage that the title of Provost comes from, and not from the French as it is sometimes suggested.

In the early days the Provosts were known as Aldermen in the vernacular, but in the early XVth century the title of Provost became fixed and has been the title ever since - it is now Lord Provost.

The first known Provost of Aberdeen was Richard Mason in 1272.

p.36-42
(Pamphlet "The Aberdonians and other Lowland Scots" by G.M. Fraser. pub. Wm. Smith & Sons, Aberdeen, 1914).

PRESS CLIPPINGS

Office of
The Prime Minister

Name of Publication Aberdeen Press & Journal

Date June 21/37

Subject

D 34143

FREEDOM OF ABERDEEN GIVEN TO TWO DOMINION PREMIERS

MR MACKENZIE KING AND MR LYONS

EMPIRE'S UNFLINCHING LOYALTY AND PRIDE IN BEING BRITISH

STRESSED BY NEW BURGESSES IN SPEECHES DELIVERED

AUSTRALIAN STATESMAN'S HOPE OF ROYAL VISIT TO DOMINIONS

Unflinching loyalty to the Homeland on the part of the now independent Dominions, and pride in being British, gave the keynote to the speeches of Mr W. L. Mackenzie King, Prime Minister of Canada, and Mr J. A. Lyons, Prime Minister of Australia, when they received the Freedom of Aberdeen on Saturday.

Both these distant Dominions were watching the ceremony in the Music Hall, and the two Premiers said that by conferring the Freedom on them the citizens of Aberdeen had performed an act which bound the Empire still more closely together.

At the luncheon which followed, Mr Mackenzie King, who is an Aberdeenshire man by descent, spoke of the Imperial Conference and said they had been able to relate their various policies so as to form a harmonious whole.

"We are all of one mind and purpose and one heart," he said, "and with these qualities this great Empire can go ahead."

Mr Lyons hoped that the King and Queen would visit the Dominions.

Tremendous enthusiasm was shown by the large audience which filled the Music Hall. Among them were many Colonials, home for the Coronation, and at the back of the platform were 300 school children who will retain life-long memories of the ceremony, particularly the appeal to them by Mr Lyons to come out to Australia to share the risks in developing that Dominion, and the words of advice from the Canadian Premier.

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REPEAT
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Town Sergeants, with halberds draped with the city's colours, led Lord Provost Watt, the two Premiers, and the party of distinguished guests to the platform. The Empire atmosphere was heightened by the presence of Sir Robert Williams of Park, pioneer in Africa, and Lord Stonehaven, former Governor-General of Australia.

DISTINGUISHED COMPANY

Accompanying the Lord Provost and the two Premiers on the platform were the Earl of Caithness, Lord Stonehaven, Lord Arbuthnott, Sir Robert Williams, Sir Alexander Stewart, Lord Provost Phin, Dundee; the Rev. P. C. Millar, Sir Douglas Thomson, M.P.; Mr G. M. Garro Jones, M.P.; Sir John Orr, Sir Andrew Lewis, Sir W. Ashley Mackintosh, Mr James R. Rust, Principal Fyfe, Mr James Sangster, convener, Incorporated Trades; Mr J. Ogilvie Skea, master of hospital, Incorporated Trades; the Rev. Gordon J. Murray, Professor Campbell, Professor A. C. Morrison, Mr H. J. Butchart, and members and officials of the Town Council.

Dressed in a neat blue coat and hat, Miss Lyons, daughter of the Australian Premier, made a charming figure as she took her seat in the front of the hall beside Lady Lewis. Also in the front row sat Lady Aberdeen, Mr King's hostess, and widow of a former Governor-General of Canada. With her was Lady Provost Watt.

To Mr Mackenzie King the ceremony was in the nature of a homecoming, though more than a century has elapsed since his forebears left this part of the country. And it was in the couthy terms of the North-east that the Lord Provost spoke of him and claimed him as one of themselves, when presenting him for the Freedom.

FROM ABERDEEN AND ANGUS

Lord Provost Watt told the enthralling story of the Canadian Premier's Aberdeenshire and Angus grandfathers.

His paternal grandfather, he said, was John King, a native of Aberdeenshire, who inherited a love of military life, was educated at the Royal Military Academy at Woolwich, went to Canada with the Royal Horse Artillery, and served in her Majesty's forces in the Rebellion of 1837.

His maternal grandfather was William Lyon Mackenzie, born at Dundee in 1795, the son of a farmer in Glenshee, whose wife, also a Mackenzie, came from the same glen. William Lyon Mackenzie was among the first to advocate confederation, and headed a movement which aimed at securing for the people of Canada the rights of British citizenship.

LASTING INFLUENCE

Premier's Distinguished Career

This was called Rebellion, and Mackenzie was on the opposite side from John King. Imprisonment and exile followed, but he was subsequently pardoned, and returned to Canada, and was elected to Parliament.

The example of his grandfather had a lasting influence on Mr Mackenzie King, the Lord Provost said when he traced the Premier's distinguished career. He had settled, he said, about forty labour disputes and rendered valuable services in regard to such difficult questions as Oriental labour in the west, and the suppression of the opium traffic in Canada.

"These have been momentous years," he said. "Canada has emerged with the full status of nationhood. The Chanak incident was a pointer. The Imperial Conference of 1926, at which Mr Mackenzie King did more than any Dominion statesman to reconcile conflicting points of view, prepared the way and the Statute of Westminster completed the work. Canada a nation!"

Lord Provost Watt mentioned that Mr Mackenzie King's name would be inscribed on their Burgess Roll which already contained the names of two great Scots from the North-east who had spent their lives in the service of Canada—Lord Mount Stephen and Lord Strathcona.

SCOTTISH ELEMENT IN CANADA

"Any visitor to Canada," he said, "must be impressed by the strong Scottish element throughout the Dominion. You meet it everywhere—in the Maritime Provinces, in Quebec and Ontario, on the Prairies and on the Pacific Slope.

"On one occasion I was being driven in the car of the Prime Minister of Ontario, and I soon discovered that the chauffeur was the son of a well-known Aberdeen cab-driver, who used to stand on the Union Street rank at St Nicholas Churchyard.

"The explorers of the early days, Fraser, Thomson, Mackenzie and others, have left their names on the map. The Hudson's Bay Company has employed many a lad from Aberdeen, and the Governor to-day is an old boy of our ancient Grammar School. (Applause.)

"To stop at the stations of the Canadian Pacific Railway reminds one of a journey on the Great North or the Highland Railway. You may find yourself at Banff or Craigellachie, and I remember once passing through a station in Saskatchewan which bore the name Aberdeen.

PRESS CLIPPINGS

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"One dark night we were running down the Pacific Slope to Vancouver. The train stopped. I had no idea where we were. I heard the sound of a hammer tapping the wheels, and then a voice—'Are ye a' richt noo, Geordie? Ca, awa'.' It sounded like home. I might have been leaving Peterhead.

"The links that unite Scotland and Canada are many and strong. More will be forged as time goes on. To-day we are forging one of which Aberdeen will always be proud."

SIGNED WITH WOODEN PEN

Mr Mackenzie King was cordially applauded when he stepped forward to sign the Burgess Roll. A flaming red quill stood like a tongue of fire ready for use, but the Canadian Premier picked up a prosaic red wooden pen to write his signature.

Mr Mackenzie King, returning thanks for the honour accorded him, spoke of the pleasure it would give to the people of Canada, and, remarking that the casket and the Burgess Ticket would be dearly cherished by him, said that when his work was over they would be left as a national possession to the Dominion as a symbol of the political and intellectual freedom which had been Scotland's greatest gift to Canada.

He referred to the great contribution Scots had made to Canada's progress, and, in a fine tribute to Lady Aberdeen and the late Lord Aberdeen, said that it was forty-three years since, as a student at the University of Toronto, he joined with his fellow students in taking the horses from the carriage in which Lord and Lady Aberdeen were travelling and helping to pull it round the University campus. Each Governor-General, he said, had made some contribution to the institutions and life of Canada, and Lord and Lady Aberdeen made many.

Mr Mackenzie King referred to his own personal associations with Scotland, and spoke of the part which his paternal and maternal grandfathers took in the struggle a century ago for political freedom for the mass of the people in Canada. It was not rebellion against the authority of the Queen, he emphasised; it was a rebellion to win for British citizens in Canada the liberties and freedom which British citizens at home had already begun to enjoy.

GRANDFATHERS AT WAR

He revealed an interesting fact in the lives of his grandfathers during those anxious days. His mother's father was a leader of the rebellion, and his father's father, John King, left Aberdeen with a detachment of the Royal Horse Artillery, to take up life in the Dominion.

"During that rebellion," he said, "he trained a cannon at a windmill in which my mother's father was supposed to be secreted in the hope of blowing both the windmill and my grandfather to pieces." (Laughter and applause.)

"Each was serving as he thought best and right the traditions and the ideals that were dearest to his heart. John King had his natural inclinations strongly associated with the Crown; my mother's father's associations at the time were more closely with the people and their struggles for political freedom.

"But each of these men was seeking to do his part to preserve what he believed to be best both in the Crown and in popular institutions; and the story of the development of the British Empire has been the keeping of these two together in such a way that instead of there being discord between them there is perfect harmony." (Applause.)

UNITED EMPIRE

Speaking about the system of responsible government in the Dominions, Mr Mackenzie King said that the Empire was more united by a spirit of harmony and goodwill and unity of purpose than it ever was in its history.

He talked again about his Scottish forebears when he spoke of the 180-mile journey he had made from Dundee through Glenshee on his way to Aberdeen.

He had looked out the homes of his ancestors, he said, and found how they had lived.

"My thoughts went back to what it must have meant to those men and women over 150 years ago, who spent their lives in toil on those hillsides and glens, and then had the courage to leave all and their security here and go across the Atlantic, with all its terrors then, and enter the primeval forests of the Dominion, there to hew out homes for themselves with the end in view that their children and their children's children might have a freedom greater than they themselves had been privileged to enjoy."

When he thought of government and the struggles of responsible government he found that the struggle was not merely in the lives of those who were in the forefront, but in the lives of the great unknown and unnumbered pioneers who went out and settled in Canada and helped to develop it in those early days. They brought with them qualities which made the Dominions what they were.

"If to-day we have this great Dominion," he said, "it is due to the lives of those simple, humble folk who feared God, upheld the King and loved the King and carried these virtues to Canada."

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REPEAT
REPETITION

PRESS CLIPPINGS

Office of
The Prime Minister

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D 34146

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TRIBUTE TO PARENTS

Recalls Name of John King of Tyrie

Mr Mackenzie King then paid a touching tribute to his mother and father.

"Had it not been for what they had done and sacrificed," he said, "to enable me to have the benefits of a full education, which they never had, I should never have been Prime Minister of my country."

In accepting the honour, he also thought of John King of Tyrie, who went out from Aberdeen to uphold the rights of the Crown, and who lay to-day within the walls of Quebec.

"If I take your Freedom to-day," he said, "I take it because it was his due, because I am proud to-day of his name."

Mr Mackenzie King's last words were for the children.

"If you wish to help your country, the Empire and the whole world, try through your lives to develop in every way goodwill as between country and country, as between race and race, religion and religion, class and class and man and man. That and that alone will cure the ills of the world and give us a civilisation we all greatly need at this time.

"In doing that you will be faithful to the motto of your great city. Bon-Accord is the secret of the world's security to-day."

LINKS WITH AUSTRALIA

Links between Aberdeen and Australia were mentioned by the Lord Provost when he presented the Freedom to Mr Lyons, particularly the Aberdeen-built clippers which served in the wool trade, whose names, Mr Lyons said later, are as well-known in Australia as they are here.

Lord Provost Watt described Mr Lyons as an idealist. He was an Irishman whose parents went to Tasmania. The story of his youth was one of hard struggle and perseverance.

"The Lyons Government," said the Lord Provost, "brought prosperity back to Australia. Sound finance, with a balanced Budget, inspired confidence. Industry revived, employment increased, taxation was reduced, salary and wage cuts were restored. And so, after five-and-a-half years' government by the Lyons administration, it is that all sections of the Australian people to-day enjoy a measure of prosperity comparable with that existing before the depression."

HISTORY OF CLIPPERS

Examples of Glorious Era of Sail

Showing the close connection between Aberdeen and Australia, Lord Provost Watt recalled the history of the clippers. They were, he said, magnificent examples of the glorious era of sail, and had forged a link between the Australian Commonwealth and the Mother Country and more especially Aberdeen, which he trusted would endure.

Mr Lyons, he said, like Mr Mackenzie King, is a statesman whose vision is not bounded by the immediate problems of his own country. Only this week, at the closing meeting of the Imperial Conference, he declared that "the forebodings of those who felt that the constitutional developments of the past few years might lead to the destruction of the British Empire were without foundation, and we have again demonstrated the common sense and genius for self-government of the British peoples."

"And so," the Lord Provost ended, "Aberdeen is proud to add his name to its role of Freemen." He mentioned that Mr Hughes, the War-time Premier of Australia, was also made a Burgess.

Mr Lyons, when he signed to Burgess Roll, not only used the red quill, but also asked for it as a souvenir.

SCOTS IN AUSTRALIA

When Mr Lyons had signed the Burgess Roll amid enthusiastic applause, he embarked upon a happy speech, extolling the part that Scotsmen had played in the development of Australia.

"I don't just regard this as a Freedom ceremony," he said. "It is impossible for you people in this old land to realise just what it means to those of us who come from the other side of the world, 12,000 miles away, to realise what it means to us who come back to these places, because they are not only part of your history but part of our history too, and because what is yours is ours. (Applause.).

"Our Australian people have their roots back here in Scotland, Ireland, England, and Wales, and 99 per cent. of Australians are of British descent. So there has been no problem in Australia in that direction, or, at any rate, our task has been an easy one. The heart of Australia beats in tune with the heart of Great Britain, and there are no people in this Empire prouder to be associated with the British Commonwealth of Nations under the British Crown than the people of Australia."

It was in the name of Australia that he accepted with pride the Freedom of Aberdeen.

PRESS CLIPPINGS

Office of
The Prime Minister

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OTHER ABERDEENS

Laughingly, he said that the name of Aberdeen was not unknown to Australians. It was pretty well known to the world through the stories which Aberdonians told about themselves. In Australia he had not far to go to find another Aberdeen. There was a town in New South Wales, but nearer to his home, only four or five miles away, there was a small town or settlement called Aberdeen.

"So you will see," he added, "we are not so far away after all."

Aberdeen, Mr Lyons told his audience, had played an important part in the administration and development of Australia. He mentioned Sir Alexander Stewart, a native of Aberdeen, and personal friend of his own, who, he said, had done much for Australia.

"You can read the history of Australia," he said, "in reading the history of the achievements of outstanding Scots in that country. You can go back to the very beginning. The very foundation of Australia's prosperity was the establishment of the wool industry, and the introduction of the merino sheep by a man with a Scottish name, John MacArthur. He was born in England, because his parents left Scotland on account of their Jacobite tendencies."

Australia's first Governor-General was a Scot, and so was the present. On the platform was Lord Stonehaven, a former Governor-General, who had a splendid record in the Dominions.

CLIPPERS

Speaking of the clippers built in Aberdeen to which the Lord Provost had referred, Mr Lyons said their names were known throughout Australia, and to show the efficiency of Scottish engineering, he mentioned a Clyde-built steamer which went into commission in Australia fifty years ago and is still in service in the China Sea.

"She is not finished," he said, adding amid laughter, "she is doing one knot more than when she came out of Scotland."

Mr Lyons struck a solemn note when he described Australia's fight against the depression from which it has recently emerged.

"We came out of that depression with our heads high as a nation that had kept true to the traditions of your country of always meeting commitments and paying our debts," he said. "We are proud that we have not been guilty of any repudiation of any obligation whatever"

SCOTS BANKER'S WORK

Mr Lyons declined to accept all the credit for that achievement which the Lord Provost had given him. He said it belonged to a Scot, Sir Robert Gibson, head of the Commonwealth Bank of Australia, which was founded on Scottish principles. There were lots of temptations for them to deviate from the straight path, and look for an easy way, but Sir Robert stood four-square against them all.

Sir Robert, he said, would give his life rather than give away the principles on which his bank was established. There was only one path to follow, straightforwardness and honesty. The Australian people rose behind him because they trusted him. He went along that path, and led Australia on to the road of prosperity which it was now travelling.

"My association with him," he said, "has raised my estimation of and my admiration for—if it is possible—the country and the people to which he belongs. Australia will never forget him, and as long as there is history Robert Gibson's name will be held in esteem."

The Dominions, he said, were independent nations, but that did not weaken but rather strengthened the bonds. They were more attached to Britain in their freedom than when they had not that freedom.

MESSAGE TO CHILDREN

Mr Lyons ended with a message to the young people. Looking behind him, he said he was glad to see the children on the platform. He had always been interested in youth.

"I would say to them," he added, "that I hope that some of them will follow in the footsteps of their fathers and go out and take some of the risks the others have taken; the risks that the Australians have to take, and will go and help to develop and build up that great and important part of the British Empire.

"On behalf of my people," ended, "I am very deeply grateful to you."

TICKETS TIED TO HATS

Following an old custom, Lord Provost Watt tied the Burgess tickets with blue ribbons to the hats of the new Burgesses, and as they left the platform at the close of the ceremony, Mr Lyons' hat was adorned not only by the ticket but also by the vivid red quill, his souvenir.

Each of the new Burgesses received an elegantly-executed casket.

PRESS CLIPPINGS

Office of
The Prime Minister

Name of Publication Aberdeen Press & Journal

Date June 21/37

D3418

Subject

200 AT LUNCHEON

LORD PROVOST PROPOSES "YOUNGEST BURGESSES"

A company of about 200 attended the luncheon which was afterwards held in the Town and County Hall.

Lord Provost Watt, who proposed "Our Youngest Burgesses," spoke of the importance of the Empire Exhibition to be held in Glasgow next year.

"We are exceedingly anxious," he said, "that the whole Empire should be represented at it as far as possible. I am glad to think that only the other day we had the assurance of Mr Vincent Massey, High Commissioner for Canada, that it is Canada's intention to be very adequately represented there.

"I do not know what Australia has done, but we hope that all the Dominions will see their way to come into the exhibition. We hope, too, it will draw to Scotland exiled Scots from all parts of the world back to their native land." (Applause.)

In a reference to the high honour which Freedom of the city implies, the Lord Provost pointed out that in the past fifty-three years only twenty-one names had been added to the Burgess Roll. Of these, he said, one-third could be described as philanthropists, the Navy and Army had four, the Empire and the Colonies were represented by six, and others numbered four.

"The Empire and Colonial group," he said, "which was second up to this morning, has now, by the accession of the two distinguished Premiers, gone to the head of the list."

GRATITUDE EXPRESSED

Mr Mackenzie King, in his reply, took what he said might be his last opportunity in public before returning to Canada to express gratitude for the hospitality extended to Dominion visitors who had come to this country for the Coronation.

Expressing his pleasure at being a Freeman of the city, he said that in the city's motto was the secret of the world's need to-day. The world was in a very troubled condition; there was no quarter of the globe that was not suffering from unrest and uncertainty. He was convinced that no solution would be found except the one which was in the hands of all, and in which all would have to take a hand, and that was in an attitude of goodwill.

Speaking of nature as proving that there is a Divine purpose in its material organisation, he asked if it was conceivable that the world was so framed without our realising that the same thing must be true with regard to individual and human relations and the purpose of human life.

"I believe," he said, "that these old islands are going to help, along with the Dominions, to show the world that goodwill between men and women, though they are scattered to the uttermost parts of the world, can bring about a degree of unity and strength comparable to nothing else.

THE EMPIRE SPEAKING

"That is what we have had at this Coronation. This is the British Empire speaking to the world. We are not talking to the world in terms of armaments, but in terms of goodwill and affection towards all men." (Applause.)

Mr Mackenzie King referred to the Imperial Conference, and said he was sure Mr Lyons went back feeling that his task was easier—and he felt his own task was easier—because they had sat round that table.

They had met not for the purpose of framing some single policy for all parts of the Empire, for they had each their own problems, and must face them in their own way, but what they had been able to do was to see how far, if possible, recognising their own particular difficulties and problems, their policies could be so related as to form a harmonious whole.

"That we have been able to do," he said. "We are all of one mind and purpose and one heart, and with these qualities this great Empire can go ahead."

Mr Mackenzie King spoke of the impressions that are formed by visitors from the Dominions when they come to this country, and referred to the spiritual background which, he said, was among the forces that helped the people of this country in their struggles in the past. What, he thought, was wrong with the world to-day was that people had lost the old spiritual values.

ROYAL FAMILY LIFE

Their Majesties' family life won the warm admiration of Mr Lyons. He recalled his visit two years ago for the Jubilee of King George V. and Queen Mary and how the dignity and example of their family life was an inspiration to the Empire. The same qualities were to be found in the present King and Queen, he said. Scotland could be proud of the part being played by the Queen.

"We are inspired once again," he said, "to increase our efforts to make the Empire worth while and of service as a whole. One day, we hope, the traditions of history will be broken and our present King and Queen will visit the Dominions and go 12,000 miles across the sea to their subjects." (Applause.)

He had found it an inspiration to be seated beside Lady Aberdeen, whose name was known throughout the world, and particularly the Empire, for the encouragement she gave to women's work. His wife would be disappointed to think she had not been able to sit beside one who had been an inspiration to herself.

Mr Lyons goes back to face a General Election, and he hoped that the fact that Colonials headed the list in the Burgess Roll, as mentioned by the Lord Provost, was a happy augury for the election. (Laughter).

"CITY AND ROYAL BURGH"

Lord Provost Phin, Dundee, proposed "The City and Royal Burgh of Aberdeen," and spoke of the city's luck in having a variety of industries, which had allowed Aberdeen to sail a very clear and calm passage through the depression.

He also paid tribute to Aberdeen's regional and town planners, and spoke of the Royal Infirmary buildings at Foresterhill as a memorial to the generosity of the people of Aberdeen and surrounding district.

PRESS CLIPPINGS

Office of
The Prime Minister

Name of Publication.....

Date.....

Subject .....

D34149

Speaking of the feeling of isolation from the south in Aberdeen, Dundee and other East of Scotland towns, Lord Provost Phin said if the Tay and Forth bridges were built—and it would be a profitable proposition—he considered that Aberdeen, Dundee, Montrose and Edinburgh and other towns in between would benefit locally, and Britain would benefit nationally.

"We feel Scotland is not getting a fair share of those Government grants that England—and especially round about London—are getting," he said.

"Lord Provost Watt and I and others up and down the east coast are certainly not to leave a stone unturned until these bridges are an accomplished fact."

Baillie Jones replied.

Lord Caithness proposed "The Chairman," and paid tribute to the dignity and grace with which Lord Provost Watt had conducted the day's proceedings.

"WONDERFUL DAY"

Mr Lyons' Remark on Leaving City

After the luncheon Mr Mackenzie King motored with Lady Aberdeen to Haddo House.

Mr Lyons and his daughter, Miss Sheila, were the guests at afternoon tea of Lord and Lady Provost Watt at Glenburnie House before leaving for London on the 5.45 p.m. train.

The Lord Provost was at the station to bid them goodbye.

"It's been a wonderful day," were Mr Lyons's last words. Miss Sheila agreed as she smiled happily as the train moved out of the station.

Sir Douglas Thomson also travelled south on the same train.

On Saturday night the Lord and Lady Provost dined with Mr Mackenzie King as guests of Lady Aberdeen at Gordon House.

MR MACKENZIE KING PLANTS TREE

Mr Mackenzie King planted a Coronation tree in the garden of Gordon House, the residence of Lady Aberdeen, on Saturday.

This interesting little ceremony was performed by the Canadian Premier a short time before he attended at the Music Hall to receive the freedom of the city.

He used the same spade which King George used when, as Duke of York, he planted a tree at the House of Cromar.

There was no formality at the ceremony, in which Mr Mackenzie King was assisted by Lady Aberdeen, whose guest he was over the week-end.

The tree was of the purple maple species.

In the party, in addition to Lady Aberdeen and Mr Mackenzie King, were Lady Pentland, Mr Handy, Mr King's private secretary; the Rev. M. Urie Baird and Mrs Baird, and Mrs Mackenzie, Lady Aberdeen's private secretary.

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REPEAT
REPETITION

D34150

[illegible] June/37

[illegible] June 19

[illegible] June 18

Aberdeen [illegible] June 19.

Sent Mr. Henry
16/8/37

D34151

Extract of Mr. King's Speech at Dundee, Scotland,
taken from the People's Journal, June 19, 1937.

Honouring Canada.

Mr. Mackenzie King, on rising to reply, was warmly received. He said he knew they were honouring him as one who was representing the Dominion of Canada at the Coronation of His Majesty and at the Imperial Conference.

The people of Canada would recognise that in honouring him they were honouring the Dominion.

"I should like to express to the people of the United Kingdom generally the warm appreciation of my colleagues and myself for the manner in which we were received, not only during the period of the conference, but during the time of the Coronation.

When I say 'we' I mean not only those who represented the Government, but that large number of men and women who came across to be present at the Coronation. If ever a country opened their hearts this old country did to us. (Applause.)

I should like the people of this country to know that the warm welcome which was received will touch deeply the hearts of the people of Canada and will remain long in the memory of those who were fortunate to be recipients.

I think what we all felt most at the Coronation was that it was a family affair, no matter where we came from, and that the events were giving us an opportunity to exchange views in a manner which we believe will be helpful to us all in time to come.

A Bond of Union

"A bond of closer and stronger union has been formed between all parts of the British Empire, stronger than it has ever been before." (Applause)

Mr. Mackenzie King went on to comment on his visit to Dundee. He said he was delighted to see something of the industrial side. It

D 34152

confirmed the impression he had before he came that Dundee was a great commercial and industrial city.

"The view from the top of the Law of the city showed a wonderful resemblance to Ottawa, the capital of Canada. As one looks across the Tay and to the hills beyond it is very like what we see in Ottawa."

Mr. King said that all his ancestors he had been able to trace had come from Scotland. He had two ancestors in particular who had an immediate association with this part of Scotland.

His mother's father, William Lyon Mackenzie, was born in Dundee in 1795. His father's father came from Tiree, in Aberdeenshire. Just a hundred years ago Canada was in the throes of a rebellion, and the leader was his mother's father.

On Opposite Sides.

"My father's father left Aberdeen for Canada with a detachment of Royal Artillery. My ancestor trained a cannon on to a windmill in which he thought William Lyon Mackenzie was with the idea of blowing it and Mackenzie to pieces. (Laughter)

"My mother's father was exiled and was imprisoned for a time. It was during that time that my mother was born. When he was about twenty years of age my grandfather, Mackenzie, left Dundee on a little vessel called Psyche to go to Canada. It took forty days at that time to cross the ocean. Crossing the Atlantic in these days took stamina and purpose for those who made the journey.

"My grandfather's bride, a Miss Baxter, of Dundee, followed him to Canada later on, and they were married there. My grandfather's father and mother were married in Dundee."

Reverting to the career of Wm. Lyon Mackenzie, Mr. King said he saw that the country was being controlled by a group who, he believed, were administering affairs in the interests of patronage, and he began to attack them. To do this he left his business and took up journalism.

D 34152-1

He claimed the same rights as were being fought for in this country. He was elected to the legislature by his constituency in York County, later Toronto, seven times. His grandfather, being leader of the people's party, bore the brunt of the struggle and eventually when they could not get redress by constitutional means they adopted force.

The idea was not separation but to secure better government. Mackenzie was pardoned after his exile and returning, he stood for the first constituency that was open to him and was returned. When York Country became Toronto Mackenzie was chosen as the first mayor.

The motto of the city, designed by Mackenzie, was industry, intelligence and integrity. They signified all that was best in the life of the Scottish people.

PRESS CLIPPINGS

Office of
The Prime Minister

Name of Publication Aberdeen Press and Journal

Date June 21, 1937.

Subject Mr. King's Speech at the Luncheon at Aberdeen, Scotland, June 19, 1937.

D 34153

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Memo by Mr. Pickering, June 1937.

SCOTS ASSOCIATED WITH THE DEVELOPMENT OF CANADA.

D34154

Exploration:

Alexander Mackenzie -

native of Stornoway; born 1779;
penetrated the Canadian North to the Arctic -
down the river which immortalizes his achievements;
traversed the Rockies to the Pacific;
the greatest of North American explorers -
more than any other man pointed to the potential greatness of the North-West;

Simon Fraser -

made his way to the Pacific down the river which now bears his name:

Robert Campbell -

made his way down the Yukon past Klondyke and Fort Yukon.

D 34155

Settlement:

Quebec -

numerous members of Highland regiments who fought under Wolfe, remained as settlers on the banks of the St. Lawrence, and to-day French-speaking MacDonalds, Gordons and Frasers are to be found in the province of Quebec.

Nova Scotia -

1773 - Highland families from Ross-shire, Inverness, Sutherland, arrived at Pictou.

1775-1820 - 25,000 Highlanders settled over Cape Breton Island.

Ontario -

Highland veterans, rewarded by grants of lands, founded the counties of Glengarry, Stormont and Dundas;

Lowland men from Lanarkshire founded the new Lanark;

John Galt and his Canada Co. founded Town of Guelph;

Place-names such as Arnprior, Perth, Renfrew, Hamilton tell their own tale.

D 34156

Lord Selkirk -

(X)

Colonizer of the Red River area -

launched in interests of impoverished Scottish farmers;

first to appreciate the significance of the Empire from point of view of settlement;

foresaw abundance on the plains of Central Canada.

British Columbia -

John McLoughlin -

1824, founded Fort Vancouver.

James Douglas -

1843, founded Victoria on Vancouver Island.

D 34157

Commercial Enterprise:

Northwest Co.

founded in Montreal 1783;

amalgamation of small traders, mostly Scotsmen;

dominated by Simon McTavish;

bitter rivalry with Hudson's Bay Co. - regarded as an "English" company.

Edward Ellice, an Aberdonian, largely responsible for amalgamation in 1821 of the Hudson's Bay Co. and the Northwest Co.

George Simpson-

governor of new Company;

did a great work in reconciling those who had been rivals in Northwest and in opening up and settling this vast territory.

C.P.R.

almost a Scottish enterprise -

Sandford Fleming, the surveyor, b. Kirkcaldy.

George Stephen (Lord Mount Stephen) }
Duncan MacIntyre } Directors.
R.B. Angus }

Donald Smith (Lord Strathcona)

hailed from Forres in Elgin County (neighbouring Aberdeenshire)

a great Empire Builder.

D 34158

Politics and Administration:

William Lyon Mackenzie -

(to be noted that the Family Compact against which Mackenzie struggled was composed in no small part of Scots - Strachan, MacNab, Archibald Campbell, (N.B.) and Colin Campbell (N.S.))

Earl of Elgin -

James Bruce, 8th Earl of Elgin.
in his term gave Canada a new dignity by recognizing and firmly establishing principle of responsible government.

John A. Macdonald -

son of Highland parents, b. in Glasgow (1815), whither his father had come after eviction from his home at Laing by Duke of Sutherland.

John Brown -

b. at Alloa (near Glasgow), (1818.)
co-operation with Macdonald at critical period in Canadian history made possible confederation;

Alexander Galt -

son of John Galt;
Minister of Finance, who in 1859 asserted in famous despatch to Duke of Newcastle Canada's fiscal autonomy.

D 34159

Alexander Mackenzie -

b. Perthshire, 1822.

succeeded Macdonald as Prime Minister;

stone-mason;

responsible for establishment of Supreme Court and voting by ballot.

D 34160

Miscellaneous:

McGill -

a Glasgow man who founded one of most famous Canadian universities;

McKay -

a Scot who gave to Canada Rideau Hall, the residence of the Governor-General of Canada.

Mackintosh -

a Scottish emigrant, who laid the foundations of the great apple industry in Canada; clearing his settlement, noticed a wild apple tree particularly pleasing to the eye; evolved what has become famous as the Mackintosh Red.

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
56		World Economic Co-operation Campaign, Ottawa. Speeches outside Parliament	19 Sept. 1937	D 34161 - D 34222	
57		Address: Speech on Debate. Speeches in Parliament	Jan. 1938	D 34223 - D 34335	
57		Agriculture: Department of. Speeches in Parliament	Jan. 1938	D 34336 - D 34339	
57		Agricultural Farm Implements. Speeches in Parliament	Mar. 1938	D 34340 - D 34343	
57		Alberta Legislation. Speeches in Parliament	1938	D 34344 - D 34350	
57		Austrian Plebiscite. Speeches in Parliament	Apr. 1938	D 34351 - D 34352	
57		Bank of Canada. Speeches outside Parliament	1938	D 34353 - D 34356	
57		Bennett: Rt. Hon. R.B. Speeches in Parliament	1938	D 34357	
57		Borden, Sir Robert. Speeches in Parliament	Jan. 1938	D 34358 - D 34420	
57		Budget: Speeches in Parliament	June 1938	D 34421 - D 34438	

K. Speeches 1937
World Economic Cooperation
Campaign

Draft for Speech of September 19th, 1937, prepared by Mr. Christie.

R 243

DRAFT 17.IX.37

D 34161

This, I understand, is the inauguration of an effort which wishes to play a part in advancing co-operation between nations and peoples everywhere. It is to concentrate on their economic difficulties and relations; it is to be world wide; and it is, I believe, wholly a private effort, to be carried on by non-official persons and bodies.

It is fitting that governments should recognise such efforts, and I am glad to join the representatives of other nations to that end.

He would be a bold man who, in the midst of our present world wide distresses and clashes of ideas, would undertake to offer specifics. In any case, upon an occasion like this, that cannot be the part of one charged with official responsibility. I may be permitted to speak at large about symptons and perspectives, but you will not expect me to write full prescriptions.

D 34162

If men and women everywhere are to find opportunity and security for the good life which we believe to be within the power of the human race, we must clearly seek for better international conduct in the economic sphere as well as in the political. That, in recent years, has become a commonplace, but it is none the less true.

No one today can doubt there is something unsolved in the workings of human associations, some defect that does not allow the innate elements of good will and sympathy to have their full sway in human affairs.

Within each country we all try to arrive at customs and institutions which will encourage the instinct for gregariousness, for working together, for team play, to assert itself and reach the highest aims. We more or less succeed, and we keep on perpetually experimenting and trying over and over again.

D34163

But this national task is only the beginning. Each group of us lives in a world of other peoples, each finding its life affected by the others' necessities and what they do or fail to do. Our wider ultimate task is somehow to contrive that the instincts of sympathy and good will shall have their chance to work between the peoples and nations.

Within each nation the task progresses according as we reach greater unity of outlook, greater common measures of agreement between men upon the most useful conduct and aspirations to be pursued. Between nations this is obviously not so easy. Because of the ever present past, it is easier in some cases than in others. Among the members of the British Commonwealth of Nations, for example, from their origins and historic experience there has grown such a community of essential outlook and conduct that we have grounds for saying that arbitrary, indifferent forces are being superseded by the progesses of mutual, reasoned discussion as the standard for managing our relations one with another. For similar reasons, a like fortunate relation exists between two peoples who occupy a greater part of the North American continent.

D 34164

We have to hope and contrive therefore for the growth of a wider community of outlook as between all peoples - a greater common measure of agreement upon conduct and aspirations. It must be the preoccupation alike of official persons and of those private co-operators in public affairs whose work, whether they are students or more active workers, is an indispensable element in good government everywhere.

In practice what this evidently calls for is educational activities, self-discipline in persons and among peoples, an unceasing exchange of knowledge and truth about each other, so that each group may understand the necessities of the others and how these have arisen from the past.

In another sphere of practice, we have all seen how deeply the institutions of peoples matter. They are not only a vital means by which the community exists and works and prospers together as a nation. Common sense and historic experience alike tell us that a most decisive force in moulding a people's outlook and aims and character - a dominating element

D 34165

of their environment - is the character of their institutions. This axiom in the arts of governance doubtless has its lesson in the wider field. In practice today in the international field difficulties arise from certain rigidities everywhere in the national institutions and constitutional conventions which, while laying down the responsibilities of governments to the peoples, at the same time inevitably set real limits to the powers of statesmen and restrict the field wherein remedial proposals may even be broached. If we are to expect good will and sympathy and knowledge to have their effective sway, we will have to evolve the workable institutions which are both practically suited to the day to day adjustments of affairs between peoples and which will tend to mould beneficently the character of their conduct and aims as a human family.

If it is perspectives of this order which must fairly govern our hopes and efforts, there is evidently no room for any man or people setting themselves up in judgment over others. That kind of process may have its uses for those, if unhappily

D 34166

there are such, who have both concluded that unbridled competition and rivalry is the only outcome and are ready to enlist passion and bitterness on their side of the issue; but constructive efforts can have nothing to do with such desperate conclusions and devices.

In this stormy, transitional period, when fear so often threatens to supplant faith between peoples, when their civilisation seems at stake, it is plain that, to the limits of the instruments at their command, the governments of the nations must pursue the arts of co-operation and conciliation in every possible field of affairs, whether economic or political, and at every possible opportunity open to them. However baffling the outlook at any moment may be, they and the peoples must shrink from no opening which may appear to fortify the processes of reasoned mutual discussion and good will against the age-old processes of force and compulsion in human affairs.

(I greatly value the opportunity to join on this occasion with colleagues from other lands in offering deep sympathy and good wishes to the effort now being opened).

K. Speeches 1937
World Economic Cooperation
Campaign

Draft for Speech of September 19th, 1937,
prepared by Mr. Fredenburgh.

D 3416?

Alternative Draft

A little less than nineteen years ago, the nations laid down their arms after a struggle in which mankind had made untold sacrifices in order that wars might cease. After years of anguish and devastation, the peoples of the earth turned again to peace, with the prayer, which had become a determination in their hearts, that never again would such a tragedy be permitted to overtake the world.

In the two decades since the close of the Great War, we have slowly learned that, we cannot, so readily as many had hoped, solve the problems and remove the prejudices which make for strife between nations. Through the discoveries of science, we have now in large part conquered the forces of nature, and all but eliminated the elements of space and time from our daily lives. We have come to regard as commonplace countless things of which earlier generations dared not dream. But we have yet to learn whether man is capable of supreme and sustained effort sufficient to avert the recurrence of world-wide violence and destruction.

In every man two forces are engaged in conflict - the forces of Good and of Evil. Character in the individual is achieved when, in all the relations of life, right instincts and conduct prevail. The same is true of nations. In every land the struggle between Good and Evil is incessantly waged; in every land the powers of Light and the powers of Darkness contend for mastery.

D 34168

The ceaseless conflict and unrest of our day is evidence of a struggle to determine whether, in all the aspects of life,- in industry, within the community, and between nations,- Reason or Force shall be the basis for the conduct of human relations. The very intensity of the struggle reveals man has not abandoned the belief that reason has been given him as an alternative to violence and hate, and that force has not yet been adjudged the ultimate factor in the affairs of mankind.

The present is no time for one nation to set itself up in judgment over others. Rather is it a time for men and women everywhere to strive, by their conduct and influence, to ensure, in their own land, that forces and tendencies are suppressed which make for evil, and those triumph which make for good. In this effort, on the part of those who think and feel alike on the basic issues of human behaviour, lies the surest hope of peace. Only out of it can come true co-operation between peoples. Our essential humanity, a seeking after truth and righteousness, a yearning for love and brotherhood, however obscured by passion and selfishness, are common to all. Ominous and threatening as the world scene may be, the eternal spark of mankind has not been extinguished. The elemental aspirations of humanity, in the final resort, will enable men of different climes and tongues and political faiths to work together

D 34169

in establishing an order of international relations, out of which justice, material well-being and peace may flow.

In the past, the question of peace or war was largely the outcome of policies pursued by governments in the conduct of their relations with other states. Today, the question is becoming rather one of clashing ideologies, of opposing classes and groups, and of friction which has its origin in economic and social issues. In the face of these differences, which tend increasingly to transcend national frontiers, we do well to remind ourselves that peace is not a policy which may be fulfilled merely by its inclusion in the programme of governments. It is the consequence of innumerable factors, among which none is more essential than the right conduct, not only of governments, but, as well, of groups and individuals within each nation.

If we are to achieve peace on an enduring basis, we must correct those conditions which make for dissension and strife within each country. So long as nations are divided within themselves, and social and economic justice denied to large numbers of men and women, the danger of international conflict will ever be present. To a degree unequalled in the past, ~~the security and~~ the well-being of the private citizen has become linked with that of the world as a whole.

D 34170

There is perhaps no more immediate or effective step which the nations can take at the present time towards bringing about economic conditions which make for peace, than the removal of those undue restrictions which, in recent years, have had the effect of destroying trade, of reducing standards of living, and of imperilling relations between peoples. Happily there are signs that the nations are at last beginning to recognize that, in the promotion of the common good, lies the assurance of prosperity and security. If the peoples of the world can solve existing economic difficulties, and establish commercial relations upon a basis of amity and mutual advantage, we will, I am confident, escape the tragedy which threatens to overtake us, and which we are all striving so desperately to avoid.

September 16, 1929.
P/MP

D 34171

I welcome the opportunity of sharing, with public men in other lands, in the inauguration of the campaign to promote world economic co-operation, which is being conducted by the National Peace Conference of the United States.

An appeal in the name of peace must at all times enlist the support of men and women of good-will the world over. When, as today, on two continents, resort has been had to armed force, when uncertainty and mistrust characterize all too generally the existing state of world relations, a great international endeavour to establish an enduring economic basis for peace will, I am sure, receive the earnest co-operation of all who would have mankind avert the tragedy, the futility, and the horror of another world conflict.

The present campaign holds promise of making a timely and valuable contribution to peace. In the change and confusion in world events of recent years, many ambitious and widely cherished plans for advancing peace have had to be abandoned or, for the moment, deferred. What seemed desirable or feasible a few years ago appears, in so many cases, impossible today. Nations and individuals who would further the cause of peace must adopt a realistic attitude towards the world situation as it is today, and concentrate their efforts upon those courses of action which serve at the present time to decrease the danger of war.

I am convinced that, overwhelmingly, the peoples of the world desire peace, and are anxious to collaborate in securing it.

D34172

The difficulty is to find fields of effort in which the nations are not prevented from working together, by ancient animosities, by existing disputes between them, or by conflicting national points of view.

It is for this reason especially that I should like to commend the study and discussion of the problem of world economic co-operation. A programme which aims at the removal of barriers to trade, at the restoration of world commerce on a healthy and growing scale, at the reversal of the destructive trends of economic nationalism and at the re-adjustment, by peaceful means, of economic inequalities, is one which all nations can endorse. Indeed, this is perhaps the one great international problem of which it is reasonable, at the present juncture in world affairs, to hope for an early solution.

The lessening of economic tension and uncertainty is indispensable to peace. Economic warfare indefinitely prolonged can but be the prelude to armed conflict between the nations. It is idle to hope that political peace can be achieved while economic strife continues unabated. Diminishing returns in industry and declining standards of living are the inevitable result of economic nationalism. They help to create those attitudes of despair and defiance which engender differences with others. Violence, alike in the national and the international field, has too often been

D34173

the heritage of depression. There can be no sounder foundation for peace than a restoration of stability in the economic order, with a consequent improvement in the material well-being of all peoples.

The task of bringing about economic co-operation between the countries of the world is one with which governments primarily must deal. It cannot, however, be met successfully without the support of individuals and of public and private bodies in every land. The probabilities of success will be greatly increased if there can be brought about, on the part of the people everywhere, a sympathetic understanding of the difficulties with which governments are faced in seeking to lessen the intensity of economic rivalries.

On behalf of Canada, I am happy to be able to say, that we have sought, wherever possible, to co-operate with other countries in seeking to restore the normal flow of international commerce, alike as a means of re-establishing our own national prosperity and of making an effective contribution to world peace. We have concluded with a number of countries, reciprocal agreements which, through the reduction of duties and the removal of other barriers, have had the effect of increasing trade and of enhancing good relations. It is now happily possible for Canada to claim that she employs no quotas, no exchange restrictions and no embargoes, except, of course, those connected with the traffic in arms and

the prevention of the spread of disease. At the moment, the Canadian Government is conducting negotiations with other countries looking towards a mutually advantageous increase of trade with them. Believing that in the promotion of the common good will be found the assurance of the prosperity of each and the surest path to good-will and understanding between nations, Canada is prepared and anxious to do all in her power to foster improved commercial relations with all countries willing to trade with her upon a reciprocal basis.

I should not like to suggest that economic co-operation, however essential, is of itself sufficient to avoid the catastrophe of war. Adherence to fundamental principles of good international relations is also a necessary condition to abiding peace. But, in this stormy and transitional period in human affairs, when Fear has so largely supplanted Faith in the conduct of nations, it may well prove that the art of co-operation, practised again in the economic sphere, may serve to restore confidence between all peoples. With international confidence once restored, Reason rather than Force will, I believe, come finally to prevail in the counsels of mankind.

September 14, 1937.

P/MP

D 34175

In every man's breast there are two forces at conflict, one that is good and one evil. The essence of character is to see that in the conduct of individuals, the right forces prevail. The same is true of nations, the conflict of good and of evil constantly being waged in every land. The struggle is one between reason and force. Have not abandoned idea that man's reason has been given to him for a purpose. Force is not the ultimate factor in the affairs of mankind. All these efforts to appeal to reason rather than force. What is needed today is that men who believe in the supremacy of truth, who do not want to revert to the jungle, should work together suppressing in their own countries those forces making for evil. The present is not a time to judge others. Above all a time to make sure that in the struggle between light and darkness, in their own land, darkness does not prevail. Out of this effort, in every country, there can be achieved real co-operation. The forces of evil today would appear to be gaining the supremacy. "The children of darkness are wiser in their day than the children of light". Men of all nations share a common humanity. This is greater than differences of race, religion, nationality. It is the spark of mankind. These elemental aspirations

D34176

common to all peoples, are what will really matter in making it possible for men of different climes and tongues and political faiths to work together in establishing an order of international relations, out of which increased prosperity and peace may flow.

See Geneva Speech.

We of this Continent cannot understand what is being done elsewhere.

Men who feel and think alike, regardless of what country they belong to, justice is the fundamental thing.

Do not talk about Peace as a policy, Peace is a result or a consequence of things - the fruit of policies and conditions.

1. Sp. 1937 World Economic Cooperation Campaign

R

Draft for Speech of September 19th, 1937, prepared by Mr. Pickering

P 34177

6 minutes

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The present campaign holds promise of making a timely and valuable contribution to peace. In the change and confusion in world events of recent years, many ambitious and widely cherished plans for advancing peace have had to be abandoned or, for the moment, deferred. What seemed desirable or feasible a few years ago appears, in so many cases, impossible today. Nations and individuals who would further the cause of peace must adopt a realistic attitude towards the world situation as it is today, and concentrate their efforts upon those courses of action which serve at the present time to decrease the danger of war.

I am convinced that, overwhelmingly, the peoples of the world desire peace, and are anxious to collaborate in securing it.

The difficulty is to find fields of effort in which the nations are not prevented from working together, by ancient animosities, by existing disputes between them, or by conflicting national points of view.

It is for this reason especially that I should like to commend the study and discussion of the problem of world economic co-operation. A programme which aims at the removal of barriers to trade, at the restoration of world commerce on a healthy and growing scale, at the reversal of the destructive trends of economic nationalism and at the re-adjustment, by peaceful means, of economic inequalities, is one which all nations can endorse. Indeed, this is perhaps the one great international problem of which it is reasonable, at the present juncture in world affairs, to hope for an early solution.

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D 34179

the heritage of depression. There can be no sounder foundation for peace than a restoration of stability in the economic order, with a consequent improvement in the material well-being of all peoples.

The task of bringing about economic co-operation between the countries of the world is one with which governments primarily must deal. It cannot, however, be met successfully without the support of individuals and of public and private bodies in every land. The probabilities of success will be greatly increased if there can be brought about, on the part of the people everywhere, a sympathetic understanding of the difficulties with which governments are faced in seeking to lessen the intensity of economic rivalries.

On behalf of Canada, I am happy to be able to say, that we have sought, wherever possible, to co-operate with other countries in seeking to restore the normal flow of international commerce, alike as a means of re-establishing our own national prosperity and of making an effective contribution to world peace. We have concluded with a number of countries, reciprocal agreements which, through the reduction of duties and the removal of other barriers, have had the effect of increasing trade and of enhancing good relations. It is now happily possible for Canada to claim that she employs no quotas, no exchange restrictions and no embargoes, except, of course, those connected with the traffic in arms and

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I should not like to suggest that economic co-operation, however essential, is of itself sufficient to avoid the catastrophe of war. Adherence to fundamental principles of good international relations is also a necessary condition to abiding peace. But, in this stormy and transitional period in human affairs, when Fear has so largely supplanted Faith in the conduct of nations, it may well prove that the art of co-operation, practised again in the economic sphere, may serve to restore confidence between all peoples. With international confidence once restored, Reason rather than Force will, I believe, come finally to prevail in the counsels of mankind.

September 14, 1937.

P/MP

King Speeches 1937
World Economic Cooperation
Campaign.

D 34181

Address
by

The Right Honourable W. L. Mackenzie King, M.P.

Prime Minister of Canada

on the occasion of the inauguration of

The World Economic Cooperation Campaign

Sponsored by the National Peace Conference of the United States

and the League of Nations Society in Canada

Delivered over the networks of the Canadian Broadcasting

Corporation and the Columbia Broadcasting

System.

Ottawa, September 19, 1937.

D 34182

With conditions of war actually existing on two continents, as is the case today, it may appear to some that the National Peace Conference of the United States and the Columbia Broadcasting System have not selected the most opportune moment in which to begin a campaign for world economic cooperation. The same thought applies to the League of Nations Society in Canada, and the Canadian Broadcasting Corporation, whose efforts in this endeavour are being combined with those of the United States organizations. It may well be that, for all countries, it would have been better had something of the kind been commenced years ago. The fact, however, that this is so, only serves to make clear the wisdom of the undertaking itself. The choice, today, lies between a further postponement and an immediate beginning of such a campaign. It is indeed fortunate that organizations which combine in their members and equipment the means of educating and influencing world opinion, on an unprecedented scale, have found it possible to unite their forces in this very necessary way.

Along the path of international economic cooperation, there surely lies an effective means of avoiding further widespread, if not world-wide, civil and international strife. In economic cooperation there also exists a means of bringing into being a world order which holds within itself some promise of an enduring peace.

D 34183

Nations and individuals who would further the cause of peace must adopt a realistic attitude towards the world situation as it is today. They will do well to concentrate their efforts upon those courses of action which at the present time are likely to be of assistance in diminishing international strife.

I should not like to suggest that economic cooperation, however essential, is of itself sufficient to avoid the catastrophe of war. In this stormy and transitional period in human affairs, Fear has largely supplanted Faith in the conduct of nations; and their ultimate civilisation is at stake. It is quite plain, therefore, that governments and individuals alike must, to the limits of the instruments at their command, pursue the arts of cooperation and conciliation in every possible field of affairs, whether economic or political, and at every opportunity. However baffling the outlook at any moment may seem, governments and peoples must shrink from no opening which may appear to fortify the processes of mutual, reasoned discussion, and good-will, against the age-old processes of force and compulsion in human affairs. The one and only bridge between hatred and good-will is understanding.

In the relations between the several members of the British Commonwealth of Nations, force and compulsion play no part.

D34184

In the relations between the two countries which make up the greater part of North America, the same fortunate position exists. This is true also of the relations between many other countries which vastly differ in size and power. It will, of course, be recognized that, in these instances, good relations are greatly facilitated by the existence of common standards of international policy and social ideals. It is a more difficult task to ensure peace where this common basis has not been established. That is all the more reason for beginning with such interests as are common to all countries. None could be more so than the interest all nations share in economic prosperity, and in an expansion of international trade, as contributing to that end.

Speaking for Canada, I am happy to be able to say that we have sought, wherever possible, to cooperate with other countries in seeking to restore the normal flow and volume of international commerce. This we have done alike as a means of re-establishing our own national prosperity, and of making an effective contribution to world peace. We have concluded with a number of countries reciprocal agreements, which, through the reduction of duties, and the removal of other barriers, have had the effect of increasing trade, and of enhancing good relations. It is now possible for

D34185

Canada to claim that she employs no quotas, no exchange restrictions, and no embargoes, except, of course, those that may be connected with the traffic in arms, and the prevention of the spread of disease.

In the promotion of the common good, will be found an assurance of the prosperity of all and the best path to understanding and friendship between nations. In this belief, Canada is anxious and prepared to do whatever lies within her power to promote the widest measure of international cooperation.

King Speeches 1937
World Economic
Cooperation Campaign

D 34186

Luke 16-8

(King James Version)

"For the children of this world are in their generation wiser than the children of light."

Luke 16-8

(Revised Version)

"The sons of this world are in their generation wiser than the children of light."

D 34187

List of Speakers taking part in broadcast, Sunday, September 19th.

4.00 to 5.15 p.m. D.S.T.

1. Secretary Cordell Hull	-	United States.
2. Mr. King	-	Canada.
3. President Lopez	-	Colombia.
4. Premier Hodza	-	Czecho Slovakia.
5. Hon. Anthony Eden	-	England.
6. Chancellor Schuschnigg	-	Austria.
7. Premier Von Zeeland	-	Belgium.
8. Premier Chautemps	-	France.

Cue for the Prime Minister - "Will speak from Ottawa, Canada".

D34188

MEMORANDUM

Office of the Prime Minister

Ottawa, September 20th, 1937.

Miss Walker:

This may not be reprinted. Mr. Pickering would like you to put a note on one copy to the effect that it took Mr. King six minutes to deliver the speech.

R.

Time for delivery
6 minutes - E.A.P. (a.w.)

D34189

Address

by

The Right Honourable W. L. Mackenzie King, M.P.

Prime Minister of Canada.

on the occasion of the inauguration of

The World Economic Cooperation Campaign

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D34190

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Along the path of international economic cooperation, there surely lies an effective means of avoiding further widespread, if not world-wide, civil and international strife. In economic cooperation there also exists a means of bringing into being a world order which holds within itself some promise of an enduring peace.

D 34191

Nations and individuals who would further the cause of peace must adopt a realistic attitude towards the world situation as it is today. They will do well to concentrate their efforts upon those courses of action which at the present time are likely to be of assistance in diminishing international strife.

I should not like to suggest that economic cooperation, however essential, is of itself sufficient to avoid the catastrophe of war. In this stormy and transitional period in human affairs, Fear has largely supplanted Faith in the conduct of nations; and their ultimate civilization is at stake. It is quite plain, therefore, that governments and individuals alike must, to the limits of the instruments at their command, pursue the arts of cooperation and conciliation in every possible field of affairs, whether economic or political, and at every opportunity. However baffling the outlook at any moment may seem, governments and peoples must shrink from no opening which may appear to fortify the processes of mutual, reasoned discussion, and good-will, against the age-old processes of force and compulsion in human affairs. The one and only bridge between hatred and good-will is understanding.

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D34193

In the promotion of the common good, will be found an assurance of the prosperity of all and the best path to understanding and friendship between nations. In this belief, Canada is anxious and prepared to do whatever lies within her power to promote the widest measure of international cooperation.

D34194

Address

by

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Ottawa, September 19, 1937.

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D 34196

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D 34197

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In

D 34198

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D34199

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D 34200

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D 34201

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D34202

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D 34203

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D 34204

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D 34206

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which

D34207

which make up the greater part of North America, the same fortunate position exists. This is true also of the relations between many other countries which vastly differ in size and power. It will, of course, be recognized that, in these instances, good relations are greatly facilitated by the existence of common standards of international policy and social ideals. It is a more difficult task to ensure peace where this common basis has not been established. That is all the more reason for beginning with such interests as are common to all countries. None could be more so than the interest all nations share in economic prosperity, and in an expansion of international trade, as contributing to that end.

Speaking for Canada, I am happy to be able to say that we have sought, wherever possible, to cooperate with other countries in seeking to restore the normal flow and volume of international commerce. This we have done alike as a means of re-establishing our own national prosperity, and of making an effective contribution to world peace. We have concluded with a number of countries reciprocal agreements, which, through the reduction of duties, and the removal of other barriers, have had the effect of increasing trade, and of enhancing good relations. It is now possible for Canada to claim that she employs no quotas, no exchange restrictions, and no embargoes, except, of course, those that may be connected with the traffic in arms, and the prevention of the spread of disease.

D 34208

In the promotion of the common good, will be found an assurance of the prosperity of all and the best path to understanding and friendship between nations. In this belief, Canada is anxious and prepared to do whatever lies within her power to promote the widest measure of international cooperation.

D 34209

Address

by

The Right Honourable W. L. Mackenzie King, M.P.

Prime Minister of Canada.

on the occasion of the inauguration of

The World Economic Cooperation Campaign

Sponsored by the National Peace Conference of the United States

and the League of Nations Society in Canada.

Delivered over the networks of the Canadian Broadcasting

Corporation and the Columbia Broadcasting

Systems

Ottawa, September 19, 1937.

D34210

With conditions of war actually existing on two continents, as is the case today, it may appear to some that the National Peace Conference of the United States and the Columbia Broadcasting System have not selected the most opportune moment in which to begin a campaign for world economic cooperation. The same thought applies to the League of Nations Society in Canada, and the Canadian Broadcasting Corporation, whose efforts in this endeavour are being combined with those of the United States organizations. It may well be that, for all countries, it would have been better had something of the kind been commenced years ago. The fact, however, that this is so, only serves to make clear the wisdom of the undertaking itself. The choice, today, lies between a further postponement and an immediate beginning of such a campaign. It is indeed fortunate that organizations which combine in their numbers and equipment the means of educating and influencing world opinion, on an unprecedented scale, have found it possible to unite their forces in this very necessary way.

Along the path of international economic cooperation, there surely lies an effective means of avoiding further widespread, if not world-wide, civil and international strife. In economic cooperation there also exists a means of bringing into being a world order which holds within itself some promise of an enduring peace.

Nations

D 34211

Nations and individuals who would further the cause of peace must adopt a realistic attitude towards the world situation as it is today. They will do well to concentrate their efforts upon those courses of action which at the present time are likely to be of assistance in diminishing international strife.

I should not like to suggest that economic co-operation, however essential, is of itself sufficient to avoid the catastrophe of war. In this stormy and transitional period in human affairs, Fear has largely supplanted Faith in the conduct of nations; and their ultimate civilization is at stake. It is quite plain, therefore, that governments and individuals alike must, to the limits of the instruments at their command, pursue the arts of cooperation and conciliation in every possible field of affairs, whether economic or political, and at every opportunity. However baffling the outlook at any moment may seem, governments and peoples must shrink from no opening which may appear to fortify the processes of mutual, reasoned discussion, and good-will, against the age-old processes of force and compulsion in human affairs. The one and only bridge between hatred and good-will is understanding.

In the relations between the several members of the British Commonwealth of Nations, force and compulsion play no part. In the relations between the two countries

D 34212

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D 34213

In the promotion of the common good, will be found an assurance of the prosperity of all and the best path to understanding and friendship between nations. In this belief, Canada is anxious and prepared to do whatever lies within her power to promote the widest measure of international cooperation.

D 34214

For Publication in the morning papers of Monday, September 20, 1937.

Address

by

The Right Honourable W. L. Mackenzie King, M.P.

Prime Minister of Canada.

on the occasion of the inauguration of

The World Economic Cooperation Campaign

Sponsored by the National Peace Conference of the United States

and the League of Nations Society in Canada.

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D 34216

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D34217

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In

D34218

In the promotion of the common good, will be found an assurance of the prosperity of all and the best path to understanding and friendship between nations. In this belief, Canada is anxious and prepared to do whatever lies within her power to promote the widest measure of international cooperation.

PRESS CLIPPINGS

Office of
The Prime Minister

Name of Publication Montreal Star

Date Sept 20/37

D34219

Subject

Mackenzie King Supports Campaign

RIGHT Hon. W. L. Mackenzie King, Prime Minister of Canada, said:

"With conditions of war actually existing on two continents, as is the case today, it may appear to some that the National Peace Conference of the United States and the Columbia Broadcasting System have not selected the most opportune moment in which to begin a campaign for world economic co-operation. The same thought applies to the League of Nations Society in Canada and the Canadian Broadcasting Corporation, whose efforts in this endeavor are being combined with the United States organization. It may well be that for all countries it would have been better had something of the kind been commenced years ago. The fact, however, that this is so only serves to make clear the wisdom of the undertaking itself.



Premier King

The choice today lies between a further postponement and an immediate beginning of such a campaign. It is, indeed, fortunate that the organizations which combine in their members and equipment the means of educating and influencing world opinion on an unprecedented scale have found it possible to unite their forces in this very efficient way.

Along the path of international economic co-operation there surely lies an effective means of avoiding further widespread, if not world-wide civil and international strife. In economic co-operation there also exists a means of bringing into being a world order which holds within itself some promise of an enduring peace.

"Nations and individuals who would further the cause of peace must adopt a realistic attitude towards the world situation as it is today. They would do well to concentrate their efforts upon those courses of action which at the present time are likely to be of assistance in diminishing international strife.

"I should not like to suggest that economic co-operation, however essential, is of itself sufficient to avoid the catastrophe of war. In this stormy and transsitional period of human affairs fear has largely supplanted faith in the conduct of nations, and their ultimate civilization is at stake. It is quite plain therefore that Governments and individuals alike must, to the limits of the instruments at their command, pursue the arts of co-operation and conciliation in every possible field of affairs, whether economic or political, and at every opportunity.

"However baffling, at any moment, the outlook may be, Governments and people must shrink from no opening which might appear to fortify the processes of reason, discussion and goodwill against the age-old policies of force and compulsion in human affairs. The one and only bridge between hatred and goodwill is understanding.

"In the relations between the several members of the British Commonwealth of Nations force and compulsion play no part. In the relations between the two countries which make up a greater part of North America the same fortunate position exists. It is true also of the relations between many other countries which vastly differ in size and power.

"It will, of course, be recognized that in this instance good relations are greatly facilitated by the existence of common standards of international policy and social ideals. It is a very difficult task to insure peace where this common basis has not been established. That is all the more reason for beginning with such interests as are common to all countries. None could be more so than the interest all nations share in economic prosperity and in the expansion of international trade as contributing to that end.

PRESS CLIPPINGS

Office of
The Prime Minister

Name of Publication Montreal Star

Date Sept 20/37

Subject

D 4220

"Speaking for Canada, I am happy to be able to say that we have sought, wherever possible, to co-operate with other countries in seeking to restore the normal flow and volume of international commerce. This we have done alike as a means of re-establishing our own national prosperity and of making an effective contribution to world peace.

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"In the promotion of a common good, will be found an assurance of the prosperity of all, and the best path to understanding and friendship between nations. In this belief, Canada is anxious and prepared to do whatever lies within her power to promote the widest measure of international co-operation."

PRESS CLIPPINGS

Office of
The Prime Minister

D34221

Name of Publication Montreal Star

Date Sept 20/37

Subject

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PRESS CLIPPINGS

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Name of Publication.....

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Subject .....

D 34222

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KING, William Lyon Mackenzie: Speeches Series

MG 26, J 5, Volume 57, pages D 34223 - D 34947

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D 34223

Congratulations mover and seconder.

Francoeur (Lotbiniere)
Many years Quebec Legislature.
Minister of Crown.
Speaker Assembly - 9 years.
Leading member of Bar.
Able and eloquent speech has reflected his known high attainments in law and politics.
-- also how valuable an acquisition he is to membership of this House.

Warren - seconder - (Renfrew North)
Considerable experience in public affairs.
Reeve of Township.
Member of County Council.
Member of Ontario Legislature.
Farmer.
May be expected to make valuable contributions.

Congratulate other new members.
MacLean - Cape Breton-North Victoria
McCallum - Frontenac-Addington.
Bonnier - St. Henri.
Mayhew - Victoria.
Extend wishes for useful Parliamentary career.

Congratulations also to Rowe
Member - Dufferin-Simcoe, on return to the fold after escapade of last Summer and Fall. No doubt experience gained will be helpful to him in public life.

D34224

Re Bennett:
Has complained of Government shortcomings but made no reference to recent by-elections.
Party returned with largest majority.
Present majority larger.
17 by-elections since.
Liberals won - 15.
Conservatives won - 2.

blocks were taken off the market to prevent it going to a larger discount than it did. You have to compare the 3¼ per cent loan offered by this dominion with the 3¼ offered by Australia.

Mr. DUNNING: Does my right hon. friend mean to say that there is less confidence in London in Canadian loans than in Australian?

Mr. BENNETT: I mean to say that there is less confidence in this Canadian loan than there was in the Australian loan.

Mr. DUNNING: My right hon. friend cannot possibly have the facts.

Mr. BENNETT: The underwriters did not get forty-nine per cent of the Australian loan, and they did of this.

Mr. DUNNING: No, no.

Mr. HANSON: Oh, oh.

Mr. BENNETT: The great financier from Skeena will be well advised to confine himself to something he knows. That is all that may be said with respect to that.

Mr. DUNNING: I shall have an opportunity to give the facts on some future occasion.

Mr. BENNETT: There is no difficulty about the facts; I am familiar with them.

Mr. Speaker, I desire to move an amendment to the address:

We desire respectfully to express regret that the speech from the throne does not indicate that the government has taken or contemplates taking efficient measures to deal with unfavourable economic conditions in Canada, and that no legislative action is proposed to deal effectively with the prevailing uncertainty and insecurity resulting from the inadequate incomes of large numbers of our people.

The real truth is that today, despite what may be said with respect to prosperity, the average incomes of the people of this country are wholly inadequate to maintain decent life and the amenities of life in their homes. Let the government explain why it is that the incomes of the people of this country are wholly inadequate to supply their wants; the unemployed, the hundreds of thousands on relief. Let us hear the adequate explanation. Then will begin, I am sure, that great struggle, so long hoped for, of the giant against the money power, by which it is to be shaken to its very foundations and torn asunder, so that peace and good will will reign amongst the sons of men.

[Mr. Bennett.]

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I desire to extend my heartiest congratulations to the mover and the seconder of the motion for an Address to His Excellency in reply to the speech from the throne. Both were known to us before their entrance into this house. We knew them as gentlemen who had each played an important part in the affairs of his own province. The hon. member for Lotbiniere (Mr. Francœur) was for many years a member of the Quebec legislature. He was for a time Minister of Public Works in the Quebec government, and, for nine years, Speaker of the legislative assembly. Those of us who had the pleasure of listening to him this afternoon will agree that his experience and attainments in political affairs and in his chosen profession were amply reflected in the eloquent and able address which he delivered.

My hon. friend from Renfrew North (Mr. Warren), as we know, played an active part in municipal affairs, having served as reeve of his township and for many years as a member of the Renfrew county council. He has as well been a member of the Ontario legislature and, as in the case of the hon. member for Lotbiniere, his address this afternoon afforded evidence of the experience which he has already attained in public life. His address has made apparent that we have had added to our number one who is particularly interested in the well-being of the farming community; one who has a broad interest in questions of the day and one who is well able to participate effectively in the discussions of the house.

I should like, in addition to welcoming these new members to the house, to extend also a welcome to the other members who have entered parliament at this session for the first time: the hon. member for Cape Breton North-Victoria (Mr. MacLean); the hon. member for Frontenac-Addington (Mr. McCallum), and the hon. member for St. Henry (Mr. Bonnier). We will have with us in a few days, I hope, the hon. member for Victoria, (B.C.) (Mr. Mayhew), who, unfortunately, is indisposed at the present time. All these gentlemen, will, I trust, have useful careers in this parliament in the service of their country.

There is one other hon. gentleman whom I am also glad to see again in his seat in this house, our friend the hon. member for Dufferin-Simcoe (Mr. Rowe). With his usual modesty he did not permit himself to be reintroduced to the house. May I say to him that we are glad to see him back again in the fold, as I am sure he is glad to be back. I

D34226

can recall what the hon. gentleman has said on various occasions. But, I repeat, are we doing anything? I was chided because I did not do anything; we were chided because we did not do anything. But we did not make the promises that were made then.

Some hon. MEMBERS: Oh, oh.

Mr. BENNETT: We did not.

Some hon. MEMBERS: Oh, oh.

Mr. BENNETT: It is gratifying to think that the tension on the part of hon. gentlemen opposite has been relieved by the first smile in which they have been able to indulge for some time. Mark you, I do not say for a moment that these hon. gentlemen are not as greatly concerned about the human side as we are. It used to be charged against us in days of black depression that we did not do this and we did not do that. Go and look at the revenues; look at the number of people able to contribute to the taxes of the country at that time; consider the problems that confronted us then, and look at the condition in the world and in Canada to-day and tell me this—

Mr. DUNNING: They have the ability to pay to-day.

Mr. BENNETT: That is what I am saying.

Mr. DUNNING: Then they are that much better off.

Mr. BENNETT: I was about to say that they are that much better off, but that the government of the country is making no provision for the continuance of that condition. I have not forgotten that only seven or eight years ago the present Minister of Finance stood where he now sits and I heard his May-day budget speech in which he talked about the glorious prosperity of this country; yet he knew, or ought to have known at that very moment that the country was being plunged into the greatest depression it ever experienced. He must have known it—

Mr. DUNNING: I had not the omniscience of my right hon. friend.

Mr. BENNETT: The hon. gentleman may not have had it, but at least he professed it. It is pleasing to have him admit that he had not.

Now, Mr. Speaker, in the face of these conditions, in the face of the world interest in the problems that concern not this country alone but the whole world, we find on the part of this government inaction. Inaction! A statement that foreign trade will solve our difficulties, when they know as well as I do that the moment the buying power of those who take our products ends, that moment our prosperity departs. They know that; every man knows that is what happened in 1929-30. When those who have been buying our products can no longer buy, then our prosperity vanishes. I believe in foreign trade; I desire foreign trade; but I desire foreign trade only as the complement of the development of our own life and provision against any onslaught that may come to our economic life by reason of the fact that we cannot market our products abroad. When you say it is other than that you cannot but know what the end must be. It cannot be otherwise.

But this government has done nothing. With respect to monetary policy it is just the same old tale: the fight with the money power is still to be joined, the great struggle is about to commence. It is always about to commence but it has not commenced. Tomorrow or the day after peradventure we shall indeed engage them, if the day be not stormy or the signs unpropitious. Peradventure we may be able to increase our paper money five or six times over what it now is and enable the fortifications of Vancouver island to be erected.

An hon. MEMBER: How about the guns?

Mr. BENNETT: An hon. gentleman wants to know about the guns. I commend to him that poem of Kipling's about the guns. When he has read that he probably will have a clear understanding.

I see no possibility of this government initiating anything that looks toward the amelioration of the condition of the people. They are content to say that all you have to do is to establish foreign trade, and supplant the representatives of the Department of Trade and Commerce by those of the Department of Agriculture. That is all there is to be done; when that is done all is accomplished. Now, Mr. Speaker, we have to do something more than that. We have to establish security and confidence. What happened to your loan in London the other day? What happened to it?

Mr. DUNNING: Does my right hon. friend want to know?

Mr. BENNETT: Well, he reads, and he is familiar with the method by which these matters are dealt with. The underwriters took forty-nine per cent of it, and large

have no doubt that, after his little escapade last summer and autumn in provincial politics, he has come back a much wiser though perhaps a somewhat sadder man.

Now may I say to my right hon. friend (Mr. Bennett) that we all enjoyed very much some of the humour of his speech. We have been entertained by his digressions in many directions, although it has been a little difficult to follow him in some of his denunciations, exclamations, innuendoes and insinuations. I am not going to try to follow him along that devious course. I was however somewhat surprised that he was not a little more courteous to one of the hon. members who has just come into this house, whom he had heard speaking for only a very few minutes and whom he would not permit even to ask a question when, in the mind of the hon. member for Renfrew North, the right hon. gentleman himself was misconstruing what that hon. member had just been saying.

My right hon. friend said that the hon. member for Renfrew North had been drawing on his imagination for the facts. Well, there are some things with respect to which we need not draw on our imagination to be perfectly sure of the facts. One is that the present administration received from the people of this country the largest majority that any administration has had in the history of Canada. Nor do we need to draw on our imagination to recall that while for a time my right hon. friend was the leader of a very large party, he got at the end of one term of office one of the worst lickings any prime minister ever received. Nor do we need to draw on our imagination for a further fact, which I think is also important, in view of what my right hon. friend has had to say by way of criticism of the government, particularly with reference to what we have failed to do, as he says, in the matter of improving conditions. Let me ask: How has the country itself viewed the actions of the government since it took office? We have had seventeen by-elections since the general elections of 1935. Of that number my right hon. friend has carried three and the present administration fourteen. Of the three which my right hon. friend and his party have carried, one was in the city of Victoria. Since that by-election, there has been another and the seat has been lost by my right hon. friend's party. One of the other two was the by-election which returned my hon. friend from Dufferin-Simcoe, to whom I spoke a moment ago. Evidently he was quite overcome by the few kindly remarks which were made about him, for he has left the chamber. The hon. member was allowed to leave this house by one door and to come back unopposed by the same door.

There is another fact to be kept in mind, it is not something imagined. While this government was returned to power after the general elections of 1935 with the largest majority any administration has ever had in the history of Canada, to-day, at the beginning of the third session of the present parliament, we enjoy an even larger majority than we had at the time we came into office.

It is the country's opinion, I value. So, Mr. Speaker, I do not intend to devote too much time to what my right hon. friend has said about our failure to help meet the situation as it exists in this country. He has said a great deal about unemployment, which he states is continuing. May I remind the house of what my right hon. friend told the electorate when he was appealing to them and when they returned him to office in 1930? He promised that he would end unemployment or perish in the attempt. Far from perishing, he is here in livelier form than ever. My right hon. friend talks about the number of unemployed, but the number of unemployed to-day is very different from what they were during his period of office, fortunately for the people and for the incomes of the people, to which his amendment to-night relates.

I was pleased, as we all were, to hear the reference the right hon. gentleman made to Their Majesties the king and queen. Those of us who were privileged to attend the coronation ceremonies were deeply impressed by what we witnessed in Westminster Abbey. Even more impressive, however, than the consecration by Their Majesties of their lives at that service, is the devotion which they have shown to the public service in their high post of duty since His Majesty's accession. I doubt if at any time in the history of any country there have been upon the throne a king and queen more devoted to each other and to their subjects, and whose lives have been more completely consecrated to the well-being of their fellow men, than King George VI and Queen Elizabeth. The affection in which they are held in the old land itself is already all but equalled by the affection entertained for them in all parts of this great empire.

The speech from the throne affords, I think, an appropriate opportunity for a reference to the recognition given in the coronation ceremoney to the complete nationhood of the Dominion of Canada. I confess that as I listened to the oath which was administered to His Majesty, and heard His Majesty promise

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to obey it, I felt great pride as a Canadian to hear for the first time in history my own country in its relation to the crown mentioned in terms exactly the same as those applied to Great Britain itself. The oath administered at the time of the coronation ceremony was as follows:

> Will you solemnly promise and swear to govern the peoples of Great Britain, Ireland, Canada, Australia, New Zealand and the Union of South Africa, of your possessions and the other territories to any of them belonging or pertaining, and of your empire of India, according to their respective laws and customs?

The reply was:

> I solemnly promise so to do.

That oath marks the end of any suggestion, remote or otherwise, of anything in the nature of subordinate or colonial status. It is the enunciation by the crown itself of the complete nationhood of Canada on equality, so far as status is concerned, with all other nations of the British Commonwealth.

I found it somewhat difficult to follow the observations of my right hon. friend with regard to the imperial conference. So far as I am able to recollect, his observations were to the effect that speeches were reported to have been made by me, or that something had appeared somewhere referring to me, purporting that, at the imperial conference, I had acted as the chief interpreter of the views of the chief executive of another country with respect to that country's relationship with Great Britain.

Why did my right hon. friend not come right out and state that many Tory papers, here and there, have been saying that Mr. Mackenzie King was seeking to be of some service to the President of the United States in connection with his desire to conclude a trade agreement with Great Britain. That is what he meant, but he did not say it. He left it as a sort of vague impression, one which has been fostered right and left in the press supporting my right hon. friend. In fact, in an editorial in one of the papers of this city there appeared the statement that, when last year I visited Washington as the guest of the President, the purpose of my visit was to discuss the proposed trade agreement with Great Britain, that I had gone very fully into the whole matter with the President and with the Secretary of State, and that I had then gone to the imperial conference and at the conference had been the advocate for the United States with respect to an agreement with Great Britain.

May I say to you, Mr. Speaker, and to hon. members, that at the time I visited Mr. Roosevelt at the White House in the early part of last year, and had the privilege of discussing a great many questions with him in an intimate way, the subject of a trade agreement between the United States and Great Britain was never so much as mentioned. The same is literally and absolutely true with respect to any conversation I had with the Secretary of State for the United States at that time, or with any member of the United States government.

It was from the British Ambassador in Washington, and from our own minister in Washington who, in turn, had received his information from the British Ambassador, that I learned for the first time that for some little time there had been explorations, negotiations, conversations, whatever the proper description may be, with respect to the possibility of a trade agreement between the United States and Great Britain. It was information given, not with any request attached to it, but a simple statement of the fact that these two countries were contemplating negotiations and had begun discussions.

When, with some of my colleagues, I was present at one of the sessions of the Imperial conference in London, the matter was brought up, not at my instance, as was stated from some inspired source, but by a minister of the crown in Great Britain. The question was discussed openly before the representatives of the empire countries there represented, in which number Canada was included. We were told of the nature of the negotiations under way and were asked to express our views with regard to them. I need not say to this House of Commons that any expression of views from any of my colleagues or myself was wholly to the effect that, while Canada was anxious in every way to be of service in the matter of furthering friendly relationships among different countries, we would necessarily wish to see that every privilege we enjoyed in the British market was fully protected, and that any change which might be made in that position could be made only as the result of what in our opinion were adequate compensations therefor.

I do not propose to-night to go into the matter of trade negotiations between Great Britain and the United States, or for that matter into trade negotiations between Canada and the United States. I shall have something to say on these matters at a later date. Part of the business of a leader of the opposition is, so far as possible, to draw out the government in advance of the time at which discussions on certain subjects may

properly take place. The time to discuss these trade matters is when we have something concrete before us for deliberation.

I should, however, make it abundantly clear that any trade negotiations between Great Britain and the United States were begun and entered into by those countries themselves. Of necessity we have to take notice of them. We have an agreement with Great Britain and one with the United States, each of which will expire shortly. In fact, the one with the United States runs to the end of the present year, and is subject thereafter upon notice to complete cancellation at the end of six months. The agreement with Great Britain expires in 1940.

It is necessary for a government at all times to have regard, not only for today but for tomorrow, to situations which may arise not only in the immediate present but also in the future. Under these circumstances I would ask any hon. member this question: When other countries belonging to the British Commonwealth of Nations have declared their willingness to cooperate helpfully, if it is possible so to do, in the furtherance of trade relations between the two greatest trading countries of the world, in a manner which it is hoped will help to serve the interests not only of these two countries but of all parts of the British Commonwealth and other nations as well, should Canada be the one to sit back, like a dog in the manger and say, "We will have nothing to do with either of you in transactions of the kind"? I wonder where we would be in the course of another year if that were the attitude we chose to take.

If that is the attitude he would take, it is a fortunate thing for Canada that my right hon. friend is not in office to-day. I tell him that, strong as he may feel about the importance of having a wall around his own country, those walls which have been built up around different countries more than anything else, are responsible for the unrest throughout the world at the present time. The world will get through its present difficulties, not by nations adopting an attitude of non-cooperation, but by all countries being as helpful as they can and in as many directions as possible. Particularly is this true with respect to matters tending to improve conditions in international trade.

The next topic to which reference is made in the speech from the throne is the improvement in Canada's economic condition. The facts of recovery are so evident, I had thought I would not say very much on this subject, but the amendment of my right hon. friend forces me to make some observations. He has moved the following in amendment:

> We desire respectfully to express regret that the speech from the throne does not indicate that the government have taken or contemplate taking efficient measures to deal with unfavourable economic conditions in Canada, and that no legislative action is proposed to deal effectively with the prevailing uncertainty and insecurity resulting from the inadequate incomes of large numbers of our people.

The amendment regrets that the speech from the throne does not indicate that the government have taken or contemplate taking efficient measures to improve economic conditions. Why should the speech from the throne state that the government contemplates taking efficient measures to improve economic conditions? Look at the facts and figures with regard to the present conditions in Canada in comparison with what they were when we came into office and see what they disclose. They speak more eloquently than could any words in the speech from the throne. If we had put into the speech from the throne the exact words of my right hon. friend's amendment he would have criticized us at once. He would have told us that instead of putting any such words into the speech from the throne it would have been much better to have enumerated the statistics which would verify the fact that an improvement had taken place.

He said that within the last little while there had been a falling off of trade with the United States, that there had been a setback to some extent, and that the balance of trade was not what it had been. My right hon. friend knows very well that the falling off this year in exports to the United States and other countries is due, more than anything else to the unfortunate drought which has been experienced in western Canada. In the past year, the United States had a surplus of grains, feed and fodder, whereas Canada unfortunately, as a result of intense drought had no exportable surplus. A year ago that situation was entirely the reverse. At that time we had a surplus of these commodities and drought in the United States necessitated large imports of them from Canada. Because of drought, Canada did not have a normal quantity of wheat for export in the closing months of 1937. The exports of wheat in December, 1936, were valued at $25,256,000, whereas in December, 1937, they were valued at only $10,121,000. In the one item of wheat there was a decrease of $15,000,000 or 60 per cent in one month. This decrease was due in

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part, to the fact that the dominion had not been able to produce the wheat required for export. We hope that this condition will not recur in the present year, and there is strong reason to believe that it will not. If conditions should again become what we hope they will, then unquestionably sales to the United States and other countries will be appreciably increased as a consequence.

Mr. BENNETT: The exports that have just been mentioned were not to the United States only.

Mr. MACKENZIE KING: They were Canadian wheat exports, but a very large part would have gone to the United States if we had been in a position to sell.

Notwithstanding what my right hon. friend asserts in his amendment, there is abundant evidence of substantial progress. The speech from the throne refers to the new levels that have been reached in revenues. Revenues are a fairly good index as to whether or not conditions have improved. For the first nine months of the fiscal year 1935-36, the total ordinary revenues of Canada amounted to $288,000,000. In the same period in 1936-37, they had increased to $339,000,000. In 1937-38, they totalled $401,000,000. The figures for 1937-38 showed an increase of 18 per cent over the 1936-37 period and 39 per cent over the 1935-36 period. In 1937-38, the revenues of this country were the highest that they have ever been for a similar period in any year.

These figures supply the answer to my right hon. friend's amendment. They indicate the degree of relative prosperity in this country when compared with what it has been in the past.

Let us take the figures with respect to trade. The total trade of Canada for the calendar year of 1937 was the highest since 1929, which was one of the best years. In 1935, the last year my right hon. friend was in office, the total trade of Canada amounted to $1,389,000,000. In 1936 it amounted to $1,663,000,000, and in 1937, $1,934,000,000. The 1937 figure shows an increase of $271,000,000 or 16 per cent over the 1936 figure and $545,000,000 or 39 per cent over the 1935 figure. For those who insist that the important factor is the balance of trade, let me state that Canada had a favourable visible balance of trade of $316,000,000 for the calendar year 1937. For the first time since 1921, Canada regained her position as the fourth greatest exporting nation in the world.

[Mr. Mackenzie King.]

Yet to-night this new doctrine of no advantage in export trade, is put forth quite evidently to help combine the Tory party with those of the Social Credit and other groups who sit to its left.

Mr. BENNETT: I did not say that.

Mr. MACKENZIE KING: I know my right hon. friend did not say it, but I am saying it. I know what he has in his mind.

Mr. BENNETT: I did not say there was no advantage in export trade.

Mr. MACKENZIE KING: My right hon. friend has so many doctrines that it is hard to keep track of them, but, according to the latest one put forth to-night, it is a mistake to think of international trade as being a good thing.

Mr. BENNETT: I did not say any such thing.

Mr. MACKENZIE KING: My right hon. friend said that it led to war.

Mr. BENNETT: That is not what I said either.

Mr. MACKENZIE KING: My right hon. friend may have his eyes on the Edmonton East by-election.

Mr. BENNETT: No, I am not thinking about it.

Mr. MACKENZIE KING: He may be hoping that between now and the next general election he can succeed by some doctrine of economic nationalism in finding an alleged solution of all problems. He evidently hopes to bring these two parties into a working combination. The Conservative party will be brought into this combination on the basis of high protection, and the Social Credit party will be brought in on the basis that their experiment can succeed only where there is no contact with the outside world.

My right hon. friend came into power in 1930 on the cry that he would end unemployment in a short time. He went out of office five years later because he had not succeeded but had made the situation worse. He left us with a pretty heavy legacy. We have, however, tried to do our best, and have succeeded to a considerable degree. What is the position with regard to the increase in employment and the decrease in unemployment? More persons were employed in Canada on January 1, 1938, than at the corresponding period of any previous year in the history of Canada. That fact is disclosed by the figures of the Dominion Bureau of Statistics with regard to employment by firms employing fifteen or

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more persons. The index number for January 1, 1930, stood at 111·2; in 1938 it was 113·4. I want to repeat that fact: More persons were employed on January 1, 1938, than at the corresponding time in any previous year.

What about unemployment? Unemployment was lower in December 1937, than in the same month of any year since the beginning of the depression. The Dominion Bureau of Statistics estimate of unemployment in Canada for the month of December in different years is as follows:

1930	413,000
1932	675,000
1936	502,000
1937	381,000

A very substantial decrease. The relief figures at last also show a marked decrease. There is always a time lag between reemployment and the corresponding reduction in relief. This was evident a year ago, despite the substantial increase in employment at that time. The figures for this year are as follows: The total number afforded direct relief, including dependents and those receiving part time relief, for the month of December, 1932, was 1,243,000; December, 1936, 1,119,000; December, 1937—no longer in the million—down to 970,000. This reduction in the relief figures has taken place notwithstanding the drastic increase in relief in Saskatchewan due to drought conditions. The total of the direct relief for the province of Saskatchewan alone—which helps to show where the numbers are—ran up from: in December, 1935, 176,000; and December, 1936, 230,000, to 400,000 in December, 1937. The total estimated population of Saskatchewan in 1937, it should be borne in mind, is 939,000.

Now what do these figures of the increase in employment and increase in trade indicate? They indicate that a consequent improvement has taken place all along the line of our economic life. Carloadings, for instance, have materially increased. In fact, they have been the highest this last year since 1930. The gross operating revenue of the railways has been the highest since 1931. In the year just closed, industrial production and the volume of business in Canada have attained unprecedented levels. I will not go into details, they can be given at some other time if necessary. If you are to gauge economic improvement and progress, what are the indices by which you will do so? One is the increase in revenues, another is the increase in trade, another is the increase of employment, and another is the decrease of unemployment. In every one of these, the record is exceptionally good. While undoubtedly much remains to be done, this much shows at least that our policies have been in the right direction. We have heard my right hon. friend to-night describe an individual case of hardship and distress. There are too many of these cases, but, thank heaven, there are not anything like the number to-day that there were when he was in office Things are very different indeed. We are witnessing gradually an improvement of conditions, not as quick an improvement as we should like, but as rapid, apparently, as the circumstances of the times have made possible. It may be that some hon. members can make suggestions which will serve as a cure-all for the ills of to-day. We have heard a good many of them in the past. Heretofore when most of them have been tried, they have not been too successful.

My right hon. friend spoke of the employment commission and asked why, the commission having made its report, we were not acting upon its recommendations. Well, there have been several recommendations of the commission which have already been acted upon. I shall not anticipate what the Minister of Labour (Mr. Rogers) may have to say, but I might point out to the house that, when we came into office, there was no registration of the unemployed in this country. To-day the unemployed have been registered from the Atlantic to the Pacific. In this particular, we know where we are at in dealing with this problem. This registration was one of the initial recommendations and subsequent accomplishments of the commission. When we came into office there were from one side of this country to the other relief camps in which single unemployed men were massed together in great numbers. These camps were becoming more and more hotbeds of unrest and dangerous discontent and were proving anything but helpful to those who were the members of them. Happily, these relief camps have completely disappeared. The men who were in them have, in considerable numbers, found employment elsewhere or have been receiving training to fit themselves for an honourable occupation in some business or industry in which they might wish to engage. Another recommendation of the commission, put into operation by the government had to do with youth training projects. Up to the present, 26,000 unemployed young people have received, or are receiving training in various types of useful and profitable work. Then there has been the scheme for placing large numbers of single unemployed men on the farms, helping to supply the farmer with labour which he needed, helping to supply these men

with work, remuneration, and the comfort of a home. Thousands have been placed in these positions. Moreover, under the home improvement plan, another recommendation of the commission acted upon by the government, 34,000 loans have been made by the Minister of Finance (Mr. Dunning), all of which have helped to provide employment to large numbers of those engaged in the building and other trades.

These are some of the things which have been done under recommendations of the employment commission. The final report of the commission reached the government only a day or two ago. That report is being translated and is also being set up in type at the printing bureau. The government has assumed that hon. members will wish to have the report in printed form as soon as it is tabled. We assume that the house will desire to order a number of copies. But we are anticipating that order by asking the bureau to go ahead with the printing, so that as soon as the report can be tabled in both French and English, it may be immediately available in printed form to all hon. members.

The same is true with respect to the report of the textile commission, which is now in the hands of the translators. It was not received until shortly before parliament opened. As soon as it is translated and printed it, too, will be laid on the table. My right hon. friend has complained about the length of time it has taken for that report to be completed and signed. It is true that it has taken longer than the government hoped it might. My right hon. friend has spoken about Mr. Justice Turgeon being employed upon another report, which has to do with the grain trade. It so happens that Mr. Justice Turgeon has an exceptional knowledge of matters pertaining to the grain trade, and when it was thought advisable to have an investigation made into the subject of the wheat board and its operations, it was, I think, a matter of general opinion that no better person could be secured in Canada than Mr. Justice Turgeon to undertake that particular work. The matter being as important as it was, the government felt that, notwithstanding the fact that he had undertaken the onerous task of conducting an inquiry into conditions in the textile industry, it would ask him to undertake the other task as well. He has had a very heavy time of it, but I think that when the house receives the reports which will be presented to it there will be every reason to believe that it was worth waiting a little longer to get the results we shall obtain in that way.

I pass on to the next subject, which is one that seems to afford my right hon. friend considerable amusement, namely the relations between the Department of Trade and Commerce and the Department of Agriculture. No doubt he has in mind some of the experiences he himself underwent when he was head of a previous administration and had to do with government officials in different departments. The matter is a very simple one. I think the press in some cases has looked upon it as one that, with the aid of their own imaginations, could be exploited with interest to the public. They have sought to make out that there was a sort of government crisis arising out of different points of view being held by officials of various departments. May I tell my right hon. friend and other hon. members exactly what the facts are?

As my right hon. friend has said, there has always been a question as to just where the jurisdiction of the Department of Agriculture in the matter of marketing products ended, and where the jurisdiction of the Department of Trade and Commerce with respect to marketing, began. There is a point at which the two come more or less into pretty close contact; and when they do, the officials of the departments concerned are apt to come into close contact as well. If there happens to be the slightest comment which can be construed as a suggestion that some department has not quite measured up to the mark, immediately it is taken as a reflection upon the officials of a particular department.

My colleague, the Minister of Agriculture (Mr. Gardiner), appointed Mr. A. M. Shaw, along with other experts, to prepare a report on certain aspects of the United Kingdom market and Canadian agricultural products. That report was printed and distributed. It so happened that it contained some inaccuracies. It also contained some statements that were a bit ambiguous and capable of being misconstrued. That being the case, strong exception was naturally taken to certain phases of the report. However, when these matters were brought to the attention of the government, the Minister of Agriculture himself immediately suggested that there should be a committee, which would be composed of representatives of the Departments of Trade and Commerce and of External Affairs, as well as of his own department, to go over the report to see wherein statements might require revision for the sake of accuracy. That has been done and the report has been changed to that extent. The report had been printed and distributed to the extent of some five thousand copies, six

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thousand in all having been ordered. When the matters to which I have referred were brought to the attention of the government, the minister himself suggested to me that it would be inadvisable for him to continue the distribution further. He said he would retain what he had and that the part of the report which contains constructive suggestions, with respect to production might later be made available in another form in connection with any statement of policy which might be based upon recommendations contained in the report. That is where the matter stands at the present time.

Mr. BENNETT: Was there an order in council?

Mr. MACKENZIE KING: With respect to the report?

Mr. BENNETT: No, with respect to the consolidation of the department.

Mr. MACKENZIE KING: With respect to the consolidation of the department, that has been a matter of internal organization in the department, the minister managing his own department and arranging its affairs within the terms of the law.

So that there may be no mistake about the line of demarcation between the functions of the two departments, may I say what my understanding of it is—and I think it is correct. The marketing of agricultural produce in so far as it relates to Canada is a matter that belongs entirely to the Department of Agriculture. There can be no doubt about that. There are in Canada provincial departments of agriculture as well as the federal department, and it is necessary for the minister so far as the federal Department of Agriculture is concerned, to have supervision over the entire work of marketing throughout all parts of Canada. As Minister of Agriculture, he is equally interested in seeing that all agricultural commodities for sale in foreign countries are so processed, packed, classified, packaged, transported and inspected, that there can be no doubt regarding their quantity and quality when they reach the market. In other words, he has to see to the quality and acceptability of the commodities that are exported.

Mr. BENNETT: "Acceptability" might be open to a wrong construction.

Mr. MACKENZIE KING: "Acceptability" in this sense, that the effort of the Minister of Agriculture is to ascertain the particular form and the quality and the kind of commodities most desired in the markets of the world. The jurisdiction of the Minister of Trade and Commerce begins with the matters of trade and of sale. The Minister of Trade and Commerce has to do with the business of sales, the business of trade in foreign countries. There need not necessarily be a conflict between the two. The line of margin where possible differences may arise, or at least have arisen in the past—they need not in the future if proper safeguards are observed—is with respect to the borderline I have described, where the Minister of Agriculture sees to it that products reach the old country and are there in a form for marketing that will be acceptable, and the part which the Minister of Trade and Commerce and his officials play in seeking to advertise these goods and to gain for them the widest possible sale.

All along there have been a number of inspectors in the old country, under the Minister of Agriculture, to inspect live stock and commodities as they reach that country. They have been there since 1912. It is proposed that there shall be—in fact the government has agreed to it—a commissioner to supervise the work of these various inspectors, and who is to be free to travel in foreign countries for the purpose of gathering information which he can send to his own department to be of assistance to the minister in having agricultural products prepared as necessary and in the manner most desirable. That is the extent to which his organization is expected to operate beyond the bounds of Canada; the rest of the work is all under the control of the Minister of Trade and Commerce.

That brings me to another matter which has been the subject of discussion, to which my right hon. friend referred when he was speaking to-night, namely that in some way the supervision of advertising had been taken from the High Commissioner for Canada, Mr. Massey, in consequence of the estimates having been transferred from the Department of External Affairs to the Department of Trade and Commerce.

Mr. BENNETT: I did not mention advertising.

Mr. MACKENZIE KING: What was it my right hon. friend had in mind?

Mr. BENNETT: I had in mind the question of the relation between the two departments in connection with the high commissioner's office. The statute says he shall act as agent for Canada in connection with all business.

Mr. MACKENZIE KING: What my right hon. friend says is correct; the high commissioner's position is that of agent for Canada with respect to all departments. However,

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my right hon. friend will recall that prior to 1933, I think it was, the Minister of Trade and Commerce brought into the house estimates with respect to the work of publicity overseas, and he himself changed that arrangement and had them brought in by the Minister of External Affairs, which office he held, because, as I understand it, he felt, from representations which the Hon. Mr. Ferguson had made—Mr. Ferguson was high commissioner at the time—that there was need for closer coordination of effort with respect to publicity in the old country, and that there should be more immediate control by the high commissioner. He believed that he himself was in a better position than anyone else to bring about the desired result. When we came into office Mr. Massey continued the work which Mr. Ferguson had carried on in that regard; and Mr. Massey has done that work as efficiently and effectively as could be expected of any high commissioner.

What is the change that has been made? In reality none, so far as Mr. Massey is concerned. Mr. Massey's position remains exactly as it is with respect to the supervision of the work of publicity. He will be assisted in the future, as in the past, by an advisory committee composed of representatives of the departments that are doing advertising there. The only difference is that instead of my presenting, as Secretary of State for External Affairs, the estimate for overseas publicity, advertising and the like, in the estimates of the Department of External Affairs, these estimates will be presented hereafter by my colleague the Minister of Trade and Commerce.

Mr. BENNETT: Instead of the high commissioner's office?

Mr. MACKENZIE KING: Yes, instead of their being presented in connection with the vote for the high commissioner's office they will be presented with the estimates of the Minister of Trade and Commerce. That change was made at my own instance after the experience I went through in the house last year in presenting the estimates to the house. After having endeavoured to tell this house about the overseas advertising publicity campaigns, and the like, I said to Doctor Skelton, the Under-Secretary of State for External Affairs, that I did not see why I should have to do this, that it properly belonged to the Minister of Trade and Commerce, and that I hoped that, when the estimates were prepared this year, that vote would be submitted in the name of the Minister of Trade and Commerce.

Mr. BENNETT: Then there is no change at all?

Mr. MACKENZIE KING: There is no change at all, and the effort to have it appear that in some way there has been some difference which accounts for the change is as erroneous as it could possibly be. I think that what was felt most keenly in connection with the Shaw's report was that references, which were not intended in any way to relate to the advertising campaign which Mr. Massey had put on for the Canadian government in England, were construed as relating to that campaign. They did not refer to that campaign at all. I think it has been generally conceded that that work was done most effectively and efficiently. It is very much to Canada's interest that it should be distinctly understood in the old land that there is nothing but the highest approval on the part of the government, and I believe on the part of the opposition and all hon. members of the house, of the campaign put on by Mr. Massey in the old country in the last year or two. In fact one of the strongest endorsations of that campaign came from the other side of the house last year.

In order that there could be no difference of view, and that the matter might be presented more clearly to the house when parliament met, I submitted a recommendation on the 25th of this month, and an order in council was passed with respect to advertising and the promotion of trade overseas, defining the relation between the work of the Department of Trade and Commerce and the high commissioner's office regarding advertising in the United Kingdom. The recommendation adopted is as follows:

1. All financial provision for governmental assistance to the promotion of Canadian trade abroad (including any appropriations for advertising and trade publicity) shall be made in the estimates of the Department of Trade and Commerce and shall be subject to the supervision of the Minister of Trade and Commerce.

2. An advisory committee on trade publicity overseas shall be set up of representatives of the Department of Trade and Commerce, External Affairs, Agriculture, Fisheries, whose duty it will be to assist in securing effective collaboration between the several departments concerned with special aspects of government advertising and publicity policy abroad.

3. The advisory committee on publicity in the United Kingdom established under the chairmanship of the High Commissioner shall continue to carry out the work it has been doing in connection with the vote for government advertising and publicity in the United Kingdom.

With the permission of the house I should like to table the order in council.

I hope this will clear up the situation. I deplore very much the criticisms that have

been made of the high commissioner in London. I think they have been most unfair and unjust.

While speaking of the high commissioner, may I refer to one other criticism that has been made. It has been alleged anonymously that Mr. Massey did not show the attention he should have shown to some Canadians who were in London during the period of the coronation. I believe if it were left to hon. members who were in London at the time of the coronation to speak for themselves, they would agree with me that the high commissioner did all that any man could have possibly been expected to do in meeting the difficulties with which the high commissioner's office was faced at that time, and that what Mr. Massey and his small staff accomplished was really most remarkable in face of the situation as it existed. The coronation and the imperial conference made exceptional demands on the high commissioner's office. I wonder if hon. members realize how great that additional obligation was. There were arrangements for invitations to and the placing of Canadians in the abbey; the allocation of 4,800 tickets for Canadians to view the possession on the line of march, as well as the financing and administration of the sale of those tickets. This involved the writing of approximately 30,000 letters by a small staff hurriedly improvised for the occasion. There were arrangements for the erection of the stand at Canada House, the allocation of 525 seats thereon and the financing of this enterprise through receipts from tickets. This was entirely a Canada House initiative. Canadian visitors registered at Canada House during the coronation period to the number of 7,360. Efforts were made to assist them in a variety of ways, securing them accommodation, tickets for luncheons, hospitality, and looking after their mail. Approximately 30,000 letters were distributed or readdressed, to visitors by the Canada House staff during this period, while some 13,000 invitations to official, semi-official and private functions were arranged. The high commissioner himself entertained at his own house during the coronation period some 2,000 Canadian visitors. I submit that with a task of that size thrown upon the organization at Canada House, what was accomplished in the circumstances was truly remarkable.

Before leaving this subject, I desire to refer to an insinuation, if not a statement made by one newspaper correspondent, that money voted by this parliament for publicity purposes had been used by Mr. Massey as high commissioner for entertainment and social purposes. I deny that statement emphatically and totally. I wish to add that if more statements of that kind appear in future, the government will not hesitate to institute prosecution of those responsible for them.

Mr. BENNETT: It could not happen anyway.

Mr. MACKENZIE KING: No, certainly not. There will be other opportunities to discuss the work of the royal commission appointed to deal with dominion-provincial relations. I should like, however, to say at once that the criticism my right hon. friend has directed against the personnel of the commission is not so much a criticism of individuals of this particular commission as it is a criticism of all royal commissions. It is a criticism of the integrity of men who undertake judicial duties. My right hon. friend knows as well as anyone living, better than most people, that any attack of the character upon the judiciary would be wholly indefensible.

Mr. BENNETT: This is not judicial duty.

Mr. MACKENZIE KING: These are judicial duties, very much so. The commission is presided over by a chief justice of one of our provinces. I was surprised that my right hon. friend should make the attack he did upon the personnel of the commission. He has told us to-day that he did not make the criticism of the chief justice attributed to him. But he did, I think, include him as belonging to the pack of Grits to which he referred. He now nods his head to that effect. But the chairman of the commission was not so classified at the time he was president of the Privy Council in Sir Robert Borden's government. I think the present administration has shown pretty clearly in this appointment as in the appointment of Mr. Dafoe, the attitude of those who were supporters of Sir Wilfrid Laurier throughout the whole of his leadership. We have not been hidebound by a narrow or bigoted party point of view. We have sought to take what we believed was the right and large view of liberalism in this country. May I ask my right hon. friend a question? I suppose there is no greater political partisan in the country to-day than himself. And I think he would agree that there are few men in Canada—and I say this with pride and pleasure—who are more admirably equipped intellectually and by high legal attainments and learning for a position on the bench than himself. Would he regard the fact that he had been in politics, and is to-day the bitter partisan that he is, as evidence that he was wholly unsuited to occupy

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a position on a royal commission or wholly unsuited to occupy a place on the bench? The judiciary of this country is filled with men who at one time or another have occupied seats in this House of Commons, who have been extreme party men or perhaps I ought to say very sincere party men, who fought their political battles in the open, feeling that others believed in their integrity and sincerity of purpose. When they have gone on the bench or have acted as members of royal commissions or have been given other positions of honour and trust and confidence, they have sought to bring to those positions the integrity which their fellowmen had come to know and admire while they were sitting in parliament.

The same is true of the gentlemen who have been appointed to this royal commission. There is not in this country a man, with the possible exception of the chief justice of Ontario, who has given more careful thought and study to constitutional questions than Doctor Dafoe. I do not believe there is a man whose integrity of mind and purpose is stronger and firmer or more respected than that of Doctor Dafoe.

No one knows better than my right hon. friend that this commission is not deciding on the future constitution of Canada. The work of the commission is concerned with the finding of facts and the expressing of opinions in reference to those facts. Whether or not the opinions reached prove to be wise and such as to commend themselves to the judgment of others will depend upon what those opinions are, in the light of all the facts put before the commission. My right hon. friend says we should have had the matter so arranged that there would be a convention where, as soon as one opinion was put forward, in the very next moment it could be combated by another. I wonder what would be accomplished at a convention of that sort, where every time a speaker got up to make one proposal from one province he would be combated by someone with a counter proposal from another province. It was precisely to avoid that sort of thing that this commission was appointed, and that is the reason most commissions are appointed. The commission will make its investigation thoroughly, as it is doing now, with respect to facts and opinions from coast to coast, being prepared to receive any representations presented to it in a responsible way for consideration. All this information will be at the disposal of hon. members of this house and the members of provincial governments when estimating the value of the opinions of the commission. Whether or not the government itself will accept the views of the commission, or the opinions of the commission, is not by any means certain. The government like everyone else, will wish to study the report. We are not obligating ourselves in advance to accept whatever this or any other commission may recommend or suggest. The terms of reference have been drafted in specific terms to make clear that what the commission is expected to do is to give opinions and the grounds for those opinions and endeavour so to elucidate matters that when public bodies come to deal with the great questions with which the commission is concerned, they will have accurate and adequate information before them.

I venture to say that the commission has more than justified its establishment already, if for no other reason than that the country sees to-day, as it has never seen before, the reasons for the differences that exist between different parts of Canada and the difficulties in the way of meeting the various situations that arise. I venture to say there is not an hon. member of this parliament who has not already had his eyes opened by the representations that have been made to the commission in different parts of the country; as to what was expected of the central government; as to what is to be expected in years to come, and as to the impossibility of the acceptance of some of the proposals that are being advanced. It is just because the whole situation is so complex and involved that it is necessary to have a commission to sort out the material and go through it in a thorough manner, reviewing it so that it can be taken up intelligently by those who later will have to deal with the question of policy.

So far as policy is concerned, what is to be done with the information that will be put before parliament as a result of the work of the commission, is a matter which will come up entirely independently of the commission. Anyone who seeks to say that we are seeking, by means of the commission, to change the constitution of this country, and that we are changing it, is stating something that is wholly without foundation. The commission has been appointed, not to change the constitution, but to examine facts with regard to economic conditions, financial responsibilities and the like. There is a difference between changing and examining. When it comes to the question of change, this parliament and the legislatures of the different provinces of Canada will have their full say in the matter.

Mr. BENNETT: The order in council speaks of the distribution of legislative powers.

Mr. MACKENZIE KING: Yes, the commission is empowered to examine into the distribution of legislative powers, but not to change them. My right hon. friend knows

that no commission can alter the distribution of legislative powers. He knows that this parliament is the only body which can do that with respect to the constitution of Canada. His time would be much better spent, and his great knowledge of these questions better utilized, if he sought to show wherein it might be possible, step by step, precept by precept, here a little and there a little, to bring about changes that are going to be in the interests of Canada as a whole, rather than trying to add to difficulties by suggesting, because different views are finding expression, that the commision is rendering a disservice to Canada. I never listened to anything so—I was going to say "puerile"; I hope my right hon. friend will not mind the word—

Mr. BENNETT: Not at all, considering its source.

Mr. MACKENZIE KING: —as his statement with respect to a document which had been prepared by the present Minister of Labour (Mr. Rogers) for the government of Nova Scotia, which evidently has been much appreciated by the citizens of other parts of Canada as well as of the maritime provinces. My right hon. friend says that this document is going to upset the constitution, and put the east against the west. My right hon. friend went a long piece out of his way to attack the government when he had to do it in that roundabout fashion over the head of the present Minister of Labour in reference to a matter that related to the maritime provinces.

Mr. BENNETT: No, in it he referred to the other provinces.

Mr. MACKENZIE KING: Yes, I know. And may I say this to my right hon. friend, that the Duncan commission, as he will recall, had to deal, among other things, with problems that affected the relations between the dominion and the provinces. If evidence was needed as to the service that a commission can render in just those very matters, nothing better could be cited than the work of the Duncan commission itself, because it helped in very large part to meet some of the conditions with which it was faced.

My right hon. friend appointed a commission himself. He appointed a good many; but the one I have in mind in particular is the commission that inquired into railways and transportation. At the head of that commission he placed the chief justice of Canada, and on the commission he appointed a number of other gentlemen who were known to have very definite and fixed ideas with regard to certain phases of transportation. When he appointed the members of that commission, was he doing so in the belief that they would not act in a wholly honourable manner in discharging their duties, and give to the country the best of their intelligence by way of a careful and just analysis of all the evidence that was put before them? Unless he is prepared to say as much in regard to the commissions which he appointed he should not begin to criticize other people from motives which they find it difficult to understand.

Mr. BENNETT: My right hon. friend is wrong. I was not criticizing motives; I was simply saying the method was wholly inapplicable to a constitution; that is all.

Mr. MACKENZIE KING: I think we shall agree to disagree, but may I say this last word in regard to the value of the evidence that may be given before the Dominion-Provincial commission. I do not recollect any too well much of my early classical training, but there was one sentence in Cicero which left a lasting impression upon my mind. It is: "Magna vis veritatis qua facile se per se ipsa defendit." As my latin may not be too easily understood, may I give the translation. It is: "Great is the power of truth which of itself so easily defends itself." That is the way in which the most of this commission will be judged, as will the most of every other commission. We will judge what is best in the situation from the truth itself. The truth will be easily defended because of itself it defends itself, once the facts are adequate and clear.

Mr. BENNETT: And my right hon. friend will remember, "What is truth"?

Mr. MACKENZIE KING: That is a question which has not yet been answered.

Mr. BENNETT: No.

Mr. MACKENZIE KING: But we are getting nearer the answer every day.

My right hon. friend's attention was next directed to the course the government is taking with respect to seeking to have enacted by parliament as speedily as possible a national system of unemployment insurance. I was amazed to hear his observations on the subject. He said, "How do you ever expect to amend the constitution? How do you expect to pass an unemployment insurance measure? Are you going to take the word of the premiers of the provinces? Are you going to listen to provincial governments? Are you going to take the approval of legislative assemblies of the provinces, or

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will you take the word of the electors?" He sought to have the impression that all of these were necessary before a measure of unemployment insurance could be brought into parliament.

Mr. BENNETT: I did not say that.

Mr. MACKENZIE KING: That was the inference left.

Mr. BENNETT: Well, that is not what was said.

Mr. MACKENZIE KING: I find it difficult to tell what my right hon. friend does say, but I do point out—and I do not think he will deny it—that it was he who, only a year or two ago, introduced a national unemployment insurance bill into this house. He drove it through the house, without asking the premier of a single province what he thought of it. He never asked the members of provincial governments in any of the provinces what they thought of it. He never thought of referring a copy of it to the legislative assembly of any of the provinces.

Mr. BENNETT: Hear, hear.

Mr. MACKENZIE KING: He never thought of giving the electorate in any of the provinces a chance to say a word about it, nor was he willing to permit the electorate of Canada to say anything about it. He was determined to jam it through the House of Commons, at no matter what cost—and he did that very thing.

Mr. BENNETT: Surely my right hon. friend knows better than that. He is putting into my mouth words which I did not use. What I did was to introduce and carry through the house a certain measure, on the assumption that the house had sole jurisdiction to act.

Mr. MACKENZIE KING: My right hon. friend, who usually stands behind the courts—and I believe he is right in so doing—would not allow the courts even to look at his measure. He knew that there was a statute which provided expressly that the Supreme court might be asked to express an opinion upon matters of that kind.

To-night my right hon. friend has had a great deal to say about the extent to which the provinces have been arraying themselves against the central government. I will tell him where the responsibility for that lies. I tell him that it began during the time he was in office, and because of the methods he adopted while in office. He was the man who in office tried to take from the control of parliament, and to handle himself, the management of public affairs. He was the one who, in the first instance, instituted a sort of quasi dictatorship in the conduct of public affairs in Canada. It was he who brought down and put on the statute books the so-called social reform legislation to which I have referred, although he knew, and was told over and over again by the opposition of the day, that he was attempting to deal with something which came within provincial jurisdiction, and that the provinces would so regard it. Notwithstanding that fact, and notwithstanding the position which had always been taken by parliament, he insisted upon putting through the new deal concocted between himself and the then minister to Washington, and did so in large part much against the will and wish of his own party. He insisted on jamming these measures through parliament. That is what antagonized the provinces.

That is what has given rise to a suspicion in the provinces that, so far as Ottawa is concerned, there is a desire to get everything into our own hands. Instead of attempting to do things in that way, the present administration has sought to go about the matter in the only way in which it can be speedily and satisfactorily solved, namely to communicate with the provinces themselves, with the constituted authorities in each province, hoping that they may see the reasonableness of the position taken by the government, and extend their cooperation so as to enable the necessary amendment to be made to the British North America Act. That cooperation would facilitate the early introduction of the legislation. If it cannot be brought in as a result of cooperative effort between the provinces and the dominion, I fail to see how else it can be done. It is the one and only method, and if that method had been taken at the start by my right hon. friend, instead of adopting arbitrary action at the end of his term of office, the results might have been different.

As leader of the opposition, at the beginning of the parliament over which my right hon. friend presided, I urged him to do that very thing. Had he sought an amendment to the British North America Act at that time, some seven years ago, and had an unemployment insurance measure been then introduced, we might have had such a law on the statute books five years ago. If there has been delay, such delay is due, first of all, to the years of inaction of my right hon. friend opposite, and, second, to the wrongful methods he adopted in seeking to bring such legislation into being.

I now pass on to the next subject mentioned, namely the elections and franchise

acts, and the export of power. Here may I say at once that I believe my right hon. friend went out of his way to do something he was not in the least called upon to do. He said he proposed to join these two topics in what he had to say, and then proceeded to talk about political corruption in Canada. His statement was that he wanted to end that corruption. Well, for five years he had the elections and franchise acts under his control. Furthermore, he put through legislation with respect alike to the franchise and elections. Why did he not at that time put into the legislation those provisions so necessary to prevent corruption, if it was possible to do anything more than was done?

Mr. BENNETT: It is there.

Mr. MACKENZIE KING: My right hon. friend comes along today and speaks as though there were some sinister connection between the desire of the government to amend the franchise and elections acts and the other subject he has mentioned. He knows very well that there is no connection whatsoever between the two subjects. He knows, further, that so far as the franchise act is concerned this House of Commons was committed at the last session of parliament to bring in legislation in accordance with certain recommendations of a committee, and in the light of what it thought was needed properly to amend the act. We are now fulfilling a promise made at the previous session.

My right hon. friend would have the country believe that this has something to do with the export of power, something which was not even thought of at the time the government was dealing with the franchise measure. He makes the observation that while out in British Columbia at the time of the recent by-election he heard a clergyman say, or that someone else had heard a clergyman say that he had been paid by the Liberal party to talk over the radio. Well, now that we are talking about things we have heard, may I say to the right hon. gentleman I heard from a number of sources that the Tory party thought they had a good chance to win the seat, until the right hon. gentleman came along and made a speech in which he introduced the trade issue. He said, "This is the issue, and you must decide the by-election upon it." After he had been heard, his supporters threw up their hands and said, "The thing is lost; the other party will carry the day." And that was exactly what happened. I do not know who paid my right hon. friend to go out there to make the speech, but I do know he went all the way from Halifax to Victoria and, by himself, succeeded in losing the seat for his party. There is just as much justification to talk about political corruption in the payment of franchises by the Liberal party in the Victoria by-election as there is justification in talking corruption as respects what my right hon. friend said when he himself tried to preach to the electorate in Victoria.

I do not think that we need to take any lessons from the Tory party with respect to the management of elections and payment to party funds. It is something new to hear that doctrine expressed from the other side of the house. My right hon. friend knows that there is no one in this parliament more ready to join him or any other hon. member in seeking to bring about such reform as will make political corruption as impossible as it can be made than myself. I will welcome and the government will welcome anything that can be done to make it impossible for any man or any party to seek to gain political advantage in that way.

When my right hon. friend talks about the effect of promises and their influence on political campaigns, even in connection with by-elections, he must realize that it takes a long time to untrain the minds of the people with the respect to the value of promises. I have in my hand Hansard of 1930. I well remember that just after my right hon. friend came into power it took me a couple of hours to read the promises which he had made from coast to coast during the elections just concluded. He referred to something being said about a station in Montreal and to one or two other things. I should like to quote from an article which my right hon. friend wrote, signed and had published in MacLean's magazine in 1930 under the heading, "The Election Issues as I See Them." Speaking of stations, here is what he had to say about transportation, one of the many subjects he dealt with in that article:

> We pledge ourselves to the improvement of the whole scheme of Canadian transportation northward by the completion of the Hudson Bay route, and the construction of such branches as may be necessary to render it most readily available to every part of Canada; to the Pacific slope by a Peace river outlet, and east and west by the development of the St. Lawrence waterways, and we pledge ourselves to aid existing traffic channels and to increase port facilities on the Great Lakes, Hudson Bay and the Atlantic and Pacific oceans, and to the establishment of a national highway system.

That was only one pledge out of 300 or more of the same order. They were not made in one by-election campaign; they were made in a general election in every constituency in Canada. My right hon. friend had better go

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back to Sunday school for a while before he begins to lecture this House of Commons on election promises.

Mr. BENNETT: Every one of those was carried out.

Mr. MACKENZIE KING: Those who make promises sometimes find it difficult to carry them out. I do not believe in making promises myself. I agree with my right hon. friend when he says that we should discourage that sort of thing as much as possible, but I say that he is the last one who should try to teach anyone that particular lesson.

My right hon. friend appeared to be critical of the government with regard to the action taken in connection with the export of power. Has the action we have taken been of a character to deprive parliament of control? He says that whatever is to be done must be done by an act of parliament, an act that will pass the Commons, an act that will pass the Senate and an act that will be assented to by His Excellency the Governor General. He is going to get his act and it will help in making effective the control of this parliament with respect to the export of electrical power.

May I say that I think it ill becomes him to bring into a debate on this subject in the manner he did to-night the names of any members of another house.

Mr. BENNETT: It was as officers of the Liberal association.

Mr. MACKENZIE KING: If I wished to do so I might have pointed to my right hon. friend's deskmates who sat on either side of him in past years, and who while members of this House of Commons were treasurers and organizers of his party.

Mr. BENNETT: No.

Mr. MACKENZIE KING: Yes. Organizers and treasurers of his party. And referring to the Senate, what about Senator McRae?

Mr. BENNETT: He was not in the Senate; he was not appointed until after. He declined to have anything to do with the matter.

Mr. MACKENZIE KING: I should like to know since when it has become a crime, political or otherwise for an honest, honourable man to hold the position of treasurer of a political party? I should like to know since when it has been made a crime, political or otherwise, for a gentleman to give his time as president of a party association?

Mr. BENNETT: That is not what was said.

[Mr. Mackenzie King.]

Mr. MACKENZIE KING: That was the insinuation.

Mr. BENNETT: There was no insinuation.

Mr. MACKENZIE KING: I resent it very strongly. I say that it was unworthy of my right hon. friend to make the references he did. I believe that on reflection he will regret having done so. Every one who has had to do with politics knows that no political party can be managed without some of its members performing the duty of treasurers. The fact that a man is made treasurer of a political party is usually a mark of confidence which his fellow men have in his integrity and honesty. My right hon. friend knows that the position of president of the National Liberal Federation, a body which commands the confidence of young and old alike from one coast to the other, is one of the highest offices of honour and trust a man can hold in this country. It is an office of trust and responsibility, and the fact that a man holds such an office should commend him highly to the favour and regard of his fellow men.

Let me return to what I was saying about the export of power. If this government were seeking to deprive parliament of its control over the export of power, then we might be challenged as to our reasons for so doing, but the action we have taken has had the effect of reserving the question for a fuller measure of control by parliament.

I shall say only a word about the export of power as the whole matter will come up in full discussion when the bill is introduced. On April 17 last, an application was received from Montreal Light, Heat and Power Consolidated asking for a licence to export a certain quantity of electrical energy. Some of my colleagues and myself were leaving at that time for the imperial conference, and speaking on behalf of the government I stated that it would be impossible for us at that time even to consider the application. The law of the country as it stands gives to the government the right to issue licences for the export of power. The executive has to take the responsibility for granting or refusing to grant a licence, but the authority is there. We would have been taking no new authority to ourselves had we granted a licence to export power. As I have said, I took the position that it was impossible to consider the application and the grounds for granting or refusing to grant a licence until the entire government had had a chance to review the whole situation, declined, on behalf of my colleagues and

myself, to have anything to do with it until we had returned to Canada after the conference and it was possible to hold a meeting of the full cabinet.

An application in due form had been sent to the Minister of Trade and Commerce (Mr. Euler) by the Cedars Rapids Manufacturing Company, a subsidiary of Montreal Light, Heat and Power Consolidated, asking for the right to export 40,000 horse power. That was the application which we had not found it possible to consider prior to going abroad.

Mr. BENNETT: Was that a public body or a private enterprise?

Mr. MACKENZIE KING: For export?

Mr. BENNETT: Yes.

Mr. MACKENZIE KING: Well, the export was to the United States. I believe it was to the Aluminum Company of America at Massena, New York.

Mr. BENNETT: That is what I understand.

Mr. MACKENZIE KING: At any rate the matter was very carefully considered by my colleagues and myself. On August 14 I replied to a communication which had come formally from Mr. Norris, president of Montreal Light, Heat and Power Consolidated, asking if the application could not be granted. The letter dated Prime Minister's office, Canada, August 14, is as follows:

Dear Mr. Norris:

I wish to acknowledge your letter of August the 10th, just received, with reference to the application of the Cedars Rapids Manufacturing and Power Company, a subsidiary of the Montreal Light, Heat and Power Company, for a licence to export 40,000 horsepower to the United States for sole use by the Aluminum Company of America at Massena, New York.

The representations in your letter have received the most careful consideration of my colleagues and myself. I regret, however, that the government is not in a position to grant the licence, at the present time. In view of the broad question of policy involved and the fact that the export of power to the United States has been debated at length in parliament on several occasions, the government is of opinion that an opportunity should be afforded at the approaching session for a discussion on the subject, before any final action is taken with respect to the application of the Cedars Rapids Manufacturing and Power Company.

Yours sincerely,

W. L. Mackenzie King.

Mr. BENNETT: Perhaps the Prime Minister would file the letter.

Mr. MACKENZIE KING: Yes.

Mr. BENNETT: He can put it on Hansard.

Mr. MACKENZIE KING: I intend later to file all the correspondence we have had with reference to applications for export of power.

Mr. BENNETT: It would make the reply much more clear.

Mr. MACKENZIE KING: Early in November I was waited on in my office by Mr. Powell, president of Aluminum Limited, of Montreal, in company with Mr. Geoffrion, his counsel, asking if it would not be possible for the government to grant a licence to Aluminum Limited for the export of power. It was practically the same application as the one to which I have already referred. A few days later, a reply was sent to Mr. Powell on my behalf by Mr. Read, the acting Under-Secretary of State in language almost identical with that which I have just read. Mr. Powell and Mr. Geoffrion interviewed me on November 2. Mr. Read's reply was sent on November 12. On November 29 the Hon. Mr. Hepburn waited on myself and members of the government to ascertain whether the Dominion government would grant a licence to the Ontario Hydro Commission for the export of power. All I wish to draw attention to is this, that the government had in August, and again in November indicated in writing its position with respect to the granting of licences. On both occasions it had stated that no licence for the export of power would be given by the administration until after the matter had been fully discussed in this parliament and the question of policy further and fully considered here. When the premier of Ontario met with my colleagues and myself, and preferred his request, we read him the communication that I have just read to the house, outlined the nature of previous discussions on the subject of the export of power in this parliament, and indicated that, while we were prepared to consider the additional information that he had just then put at our disposal, we could not at that time consider granting the application in view of the government's position as previously adopted with respect to the two earlier applications, and as set forth in the communications to Mr. Norris and Mr. Powell.

Mr. BENNETT: Pardon me, what quantity was involved in the Ontario application?

Mr. MACKENZIE KING: I have forgotten at the moment, but I believe it was 90,000 horsepower.

Mr. EULER: No, 120,000.

Mr. BENNETT: It was 90,000 to 110,000.

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Mr. MACKENZIE KING: I shall speak on this question later and at that time give full particulars. What I wish to make perfectly clear to-night is this, that the government, before it had any knowledge whatever that the Ontario government was contemplating applying for a licence, or the negotiation of a settlement of its differences with some of the power companies, had determined and laid down its policy. We made and could make no alteration in that policy when the premier of Ontario called upon us. When I told the premier that it was impossible for us to meet his wishes and gave him the reasons which I have given to the house to-night, he was naturally disappointed. My words to him were simply that, as an executive, we were the servants of parliament, not its masters. That is the position which this government is going to continue to take with respect to the export of electrical power in this country. It may be that there are circumstances and conditions which will justify one view or another with respect to what is most advisable as to the export of power. That may be discussed very fully and freely in this house. The words, however, injected by my right hon. friend into this debate which would seek to link in any way the present administration and its attitude towards the export of power with any matter which pertains to the franchise, are wholly uncalled for and wholly unworthy on his part.

The hour is late, but I wish to avoid if possible speaking in this debate again to-morrow. If the house will give me a few minutes, I will briefly conclude what I have to say.

Mr. BENNETT: Go on.

Mr. MACKENZIE KING: My right hon. friend has spoken about the international situation. I agree with him whole-heartedly when he deplores much that has taken place in China, the way in which women and children have been treated in that country, and many other of the incidents which have marked the conflict there. I agree wholeheartedly with him that we cannot be too careful, at this time of all times, to refrain from doing anything or saying anything which in any way can cause our neutrality to be suspected. These are dangerous times in the affairs of the world. My own feeling is that much of the unrest in our own country, many of those things that we describe as affecting the unity of Canada, are simply a contagion of ill-will which has spread itself over the globe—inevitably, because ill-will is contagious just as good-will is contagious, and the one can only be offset by the other. It behooves us in this country of ours, blessed as we are in our geographical position, blessed as we are in our neighbours, blessed as we are in being part of the great British commonwealth of nations, to be very careful and very guarded in everything we do and say at this time.

If in some particulars it may seem to hon. members that the government is not going as far as it might go, is not doing some of the things which it might do and which many of us in our hearts would wish to do if we had the power necessary to back up our acts against all possible consequences, let them remember that there are other powers in this world as well as Canada that have great concern in the world situation, that other powers are deeply interested in all that happens in China as well as in Europe, and that if great powers like the United Kingdom, France and the United States think it wisest in the present world situation to refrain from taking some steps which might be construed in a different way than they would wish to have them construed, perhaps we ourselves are not acting unwise, either in their interests or our own, in being equally cautious. Any one who has followed the attitude of the British government and some other governments towards the situation in Spain must have been impressed with the fact, that time and time and time again these governments have refrained from asserting themselves in an extreme way, lest such action provoke a still graver situation. They have remained seemingly silent under rebuke. There are times when it takes much more courage to remain silent in the face of seeming or actual insult than it does to be outspoken and to strike out from the shoulder. These are times when all the restraint that can be exercised by a country, a government or by members of parliament should be exercised. I do hope that, in the course of political discussions in this house during the present session, hon. members will think twice with regard to whatever they may have to say on foreign affairs, and ask themselves whether, in view of the attitude which great nations such as England, France and the United States have thought it wisest to adopt, we ourselves should seek to outrun them and attempt some of the things that go much farther than they are prepared to go.

With respect to the remarks attributed to the Hon. Mr. Bruce, may I say at once that no one regets more than Mr. Bruce himself does that there should have been by him even so much as a mention of the situation in the orient. He so expressed himself to me, and in reference to the article re-

ferred to by my right hon. friend gave a statement to the press which I think ought to be put on record:

I would not be so indiscreet as to make a statement of that kind. The statement is entirely misleading. It is a misinterpretation of my remarks, although I do not consider that it was done with any deliberate intent.

I talked over the situation with Mr. Bruce, and I believe that, in so far as he may have spoken at all in private conversation with people in different parts of the country or with others, what at most he did was to indicate in some cases what he believed was in the mind of Japan; not that he was giving his view of the situation but that he was seeking to interpret, to those who could not comprehend the situation, what from the Japanese point of view the situation was considered to be. That, I would say myself, might just as well have been left unsaid. I agree with the criticism which the leader of the opposition has made to-night as regards a member of the diplomatic service having said anything at this time with respect to a situation so critical as that between China and Japan. But I do not think that we need enlarge upon it to any extent. I do not believe that the Chinese government or the Japanese government could for a moment think that this country was seeking to take sides in the unfortunate differences which have arisen and the conflict which is in progress. I believe they understand that our decision is to be strictly neutral, to hold ourselves in a position where, if opportunity does offer, and some word of ours can help to shorten the conflict, to minimize the struggle, that word will be given in season and may prove of value.

Mr. Bruce has intimated to me that after the coming summer he would like to be relieved of his position as minister to Japan. When he took the position he did so with the understanding that it would be only for a year or two. He took the post to oblige the government. Mr. Marler was being appointed to Washington and it was difficult to find anyone wholly qualified to take his place in Tokyo. Mr. Bruce has an understanding of conditions on the Pacific coast which very few men possess. He has a wide knowledge of affairs. Above all he has a disposition and a nature which can be relied upon not to antagonize those with whom he is brought into contact but to further cooperative effort.

Mr. Bruce has done exceedingly well in Tokyo. Reports from those who have met him, reports from our own people who have been in Japan while he has been there, make clear to me that his service to Canadians in or passing through Japan has been a very real one, and certainly the reports we receive from him have been extremely helpful to the government. It is true that his sight is greatly impaired; but there have been men whose sight has been impaired, but whose judgment has been all the keener, though not perhaps as a consequence. Mr. Bruce is of that type. He is accustomed to bring about him into conference each day those who are close to him in the legation, and through other eyes and the confidences imparted to him, he obtains, I believe, pretty much all that can be comprehended at the present time by any minister in regard to the situation in the orient.

May I conclude with this one word to my right hon. friend with regard to the advantages of international trade and what he said in his remarks as to the danger of international trade leading to war. As I have already said—

Mr. BENNETT: I did not say that.

Mr. MACKENZIE KING: What was it he said?

Mr. BENNETT: The right hon. gentleman will read it.

Mr. MACKENZIE KING: Let me, then, put in it this way. His advocacy to-night has been of what we may term economic nationalism.

Mr. STEWART: Not at all.

Mr. MACKENZIE KING: I think so.

Mr. BENNETT: Quite the opposite.

Mr. MACKENZIE KING: Did he not say that greater freedom of trade leads to war?

Mr. BENNETT: No, he did not.

Mr. MACKENZIE KING: I think he did, and I believe a good many others in the house thought he did. At any rate, a difficulty I find in my right hon. friend's argument is this. When he was speaking of the agreement made with the United States he seemed to want to take credit for the whole agreement.

Mr. BENNETT: No.

Mr. MACKENZIE KING: Oh, yes; and in that connection he was assuming that an agreement was a good thing. He sought to point out how it had come about as the result of the work he had done before.

Mr. BENNETT: The work the government had done.

Mr. MACKENZIE KING: Well, if this greater freedom of trade is a bad thing, why did his government try to do anything? I think my right hon. friend has let the cat out of the bag to-night. I do not believe he ever meant to put through an agreement with the United States, simply because he believes in economic nationalism and economic imperialism. Had he remained in office, that agreement would not exist to-day.

Does my right hon. friend recall what he said just before he came into office in 1930? Does he recall what he said as to how he would get into other markets? He was not going to take the slow way of seeking entry by agreement into foreign markets. He was going to blast his way into the markets of the world. And now he comes and tells us that this business of blasting one's way into world markets is all wrong. What we need, he now says, is not to get into the markets of the world; we need as a country, to be in a watertight compartment where we can work out our experiments; experiments to be worked out between the Conservative party and its new allies the Social Credit party in the west.

On motion of Mr. Blackmore the debate was adjourned.

It being twenty minutes after eleven o'clock the house adjourned, without question put, pursuant to standing order.

"K" Speeches
Notes for Debate
on the Address.

King George VI
Coronation of: Miscellaneous Papers

Coronation

D 34245

Coronation

Coronation had new significance for Canada, as for other Dominions -

full nationhood of Dominions given formal recognition in ceremonies -

in effect, H.M. George VI crowned "King of Canada", and of other Dominions, in same way as of Great Britain;

oath taken by King clearly indicated new relationship; see exhibit

"Colonial period" as symbolized by former Coronation ceremonies now finally ended;

The Coronation (1937) was the "final word" in struggle for self government which had its beginnings more than 100 years ago;

Events of last summer served to emphasize that, among British peoples throughout world the Crown has never been regarded with deeper feelings of loyalty and devotion;

Already new King and Queen have attained very high place in affections of their people;

D 34246

Inspiring nature of Coronation - the young King and his Queen dedicating themselves to the service of their peoples;

Significant that Coronation recognizing new status of Canada should be in centennary year of Coronation of Queen Victoria and of culmination of struggle for responsible government in Upper and Lower Canada;

F/MC

December 6th, 1937.

Conferences (3)

D34247

Imperial Conference

Imperial Conference of 1937, in view of critical state of affairs throughout world, and of efforts to seek appeasement and conciliation, one of most important yet held;

While, from nature of Conference, no policies could there be formulated, or committments made, it nevertheless, offered valuable apportunities for exchange of information and views on questions of common interest -

Summary of Proceedings already tabled -

Not attempting, at this time, to deal with conclusions of Conference - full discussion at later stage;

Conference served to demonstrate anew how peoples pursuing common ideal of freedom and peace, while preserving full measure of their independence, can find means of working together for common good;

Full and frank discussion on various subjects facilitated better understanding of each others motives and policies, not alone where there was agreement, but also where different views were held;

D 34243

Conference, like Coronation, emphasized that, while visible bonds of Empire have largely disappeared, the real bonds of sentiment and mutual understanding have never been stronger - An example to world of how nations can work together for good of all, and a positive factor in the effort to secure economic well-being and peace throughout world;

F/MC

December 6th, 1937.

EARNSCLIFFE
LINEN BOND
MADE IN CANADA

"K" Speeches debate on address

General Economic Conditions

(4)

D 34249

GENERAL ECONOMIC CONDITIONS

Substantial improvement of past year in general economic conditions -

only exceptions:

(a) drought conditions of southern Saskatchewan - Government in no way responsible for this,
has undertaken far-reaching measures to alleviate distress, and long-term policies in endeavour to cope with situation;

(See Unemployment and Drought Relief)

(b) reduction in export trade in closing months of 1937:

(i) Due to drought, Canada has not had normal quantity of wheat for export:
Canadian wheat exports, month of
December 1936 - $25,256,000
" 1937 - $10,121,000

(ii) Business recession in U.S.-
While "business conditions in Canada have continued to improve throughout 1937, and consumer demand has

D 31250

been sustained for both domestic and imported goods," business recession in U.S. which "we hope and believe is already lifting, has tended in recent months to cut down U.S. purchase of both domestic and imported goods" -

(See Memo."Trade Negotiations")

(iii) Reversal of conditions due to drought in Canada and U.S.-

In 1936, Canada had a surplus of grains, feed and fodder, etc., when drought in U.S. necessitated large imports of supplies from Canada,

In 1937, U.S. had surplus of these supplies and Canada, as a result of intense drought, had no exportable surplus;

Notwithstanding these unfortunate factors, Canada's progress toward recovery has been substantial:

FARM LIFE

D34251

1. Revenues have reached new levels -

Total ordinary revenue of Canada for 9 months of fiscal year (Apr.1 - Dec.31):

1935-36 $288,000,000

1936-37 $339,000,000

1937-38 $401,000,000

Increase 1937-38 period over 1935-36 - 39%

" " " " " 1936-37 - 18%

(1937-38 highest for this period in any year)

2. Total trade of Canada highest since 1929 -

Calendar Year - 1935 - $1,389,000,000

1936 - $1,663,000,000

1937 - $1,934,000,000

1937 increase over 1935 - $545,000,000, or 39%

" " " 1936 - $271,000,000, or 16%

For those who insist important factor is balance of trade, Canada had a favourable visible balance of trade, calendar year 1937, of $316,000,000;

In 1936, Canada regained, for first time since 1921, position as fourth greatest exporting country of world -

D 34252

(Relative figures for 1937 not yet available.)

3. Steady gain in employment and decrease in unemployment:

(a) more persons employed on Jan.1,1938 than at corresponding time of any previous year in history of Canada -
Dominion Bureau of Statistics, Index of Employment (firms employing 15 or more persons) -
January 1, 1930: 111.2
" " 1938: 113.4

(b) unemployment lower in December 1937 than in same month of any year since beginning of depression;
Dominion Bureau of Statistics (unpublished) estimate of unemployed in Canada-

Month of December

1930	1932	1936	1937
413,000	675,000	502,000	381,000

4. Relief figures at last showing marked decrease -
Always a time lag between re-employment and corresponding reduction in relief -
This evident a year ago, when, in spite of

substantial increase in employment, little progress toward lower relief figures -

Total No. afforded direct relief (including dependents and part time relief)

Month of December

1932	1936	1937
1,243,000	1,119,000	970,000

Reduction in relief figures has taken place notwithstanding drastic increase in relief in Saskatchewan due to drought conditions:

Total No. on direct relief, province of Saskatchewan:

Month of December

1935 - 176,000

1936 - 230,000

1937 - 400,000

(Total population of Sask.,1937 - estimated - 939,000)

(See also - Unemployment and Drought Relief)

D 34254

5. Railways - (1937)

Car loadings highest since 1930;

Gross operating revenue highest since 1931;

6. Industrial production and volume of business in Canada attaining unprecedented levels:

In closing months of 1937 - indices of industrial production, and volume of business highest for corresponding period of any year since war -

D. B. S. Index of industrial production -

Average for year 1937 - 126.8;

(base 1926 = 100)

Except for 1928, (127.4) highest for any year since war;

D. B. S. Index of physical volume of business -

Average for year 1937 - 122.7;

(base 1926 = 100)

Except for 1928 (125.5) highest for any year since war;

"K" Speeches - Debate on address
Unemployment & Drought Relief

(4) contd

D 34255

UNEMPLOYMENT AND DROUGHT RELIEF

(A)- Government has sought to create employment and make relief unnecessary -

Trade policies of government designed to encourage industry, thereby creating employment and increasing purchasing power -

by negotiation of trade agreements,

reduction of tariff barriers;

Success of governments policies revealed in increased production and physical volume of business -

rise in wholesale prices,

" " prices of farm products;

(See notes - "General Economic Conditions")

Increase in Employment -

more persons employed on Jan. 1, 1938, than at same time in any previous year of Canada's history -

Dominion Bureau of Statistics Index of Employment:

(firms employing fifteen or more persons)

Jan. 1, 1930 - 111.2

" " 1938 - 113.4

Decrease in unemployment

Unemployment lower in December, 1937, than in

D34256

same month of any year since beginning of depression -

Dominion Bureau of Statistics (unpublished) estimate of unemployed in Canada, month of December -

1930	1932	1936	1937
413,000	675,000	502,000	381,000;

Government's policies have contributed to decrease in numbers receiving relief:

Relief figures at last showing substantial reduction except in areas of west affected by drought conditions;

Always a time lag between increase of employment and reduction in relief figures -

This evident a year ago when, in spite of marked rise in employment, relief figures failed to show corresponding decrease;

Total No. afforded direct relief (including dependents and part time relief) month of December:

1932	1936	1937
1,242,000	1,119,000	970,000;

Reduction in relief figures notwithstanding drastic increase in case of Saskatchewan and slight increase in Alberta,

D 34257

due to drought;

Total No. on direct relief, Province of Saskatchewan, month of December:

1935	1936	1937
176,000	230,000	400,000;

(Total population of Sask., estimated, 1937 - 939,000);

(B) Government has sought to alleviate distress and combat ill Effects of unemployment throughout Dominion:

Substantial sums voted by Parliament, as in past years, for relief of unemployment -

grants - in - aid to provinces;

joint works projects;

(i) Youth Training projects -

26,000 unemployed young people have received, or are receiving, training in various types of useful and profitable work -

served to restore morale of youth who have been denied opportunity to earn a livelihood, and helped to enable them take their places as respected members of the community;

Success of scheme throughout past year has been such as to justify government's proposals to extend projects to older age groups;

EARNSCLIFFE

D 34258

(ii) Farm Improvement and Employment Plan continued throughout 1937:

Begun in 1936, to replace Relief Camps, - proved highly beneficial;

During past year over 40,000 persons given employment on farms or in other branches of primary industry (e.g., forestry) -

has given valuable and needed assistance to those engaged in primary industry who suffered most severely throughout depression years;

(iii) Home Improvement Plan continued throughout 1937:

Like Farm Improv. and Employment Plan, accorded general approval throughout Dominion and more than justified efforts of government and relatively small outlay of public funds;

Since inception of plan, Nov. 1, 1936, 34,000 loans have been made to enable householders to make needed improvements -

Has given much useful employment both directly and indirectly, throughout Canada and provided valuable stimulus to depressed building trades;

(C) National Employment Commission has aided Government, in efforts to cope with depression:

Not proposing to enter upon extensive discussion of Commission's activities at this time -

Final Report has been completed and is now in process of translation -

will be tabled in due course;

Ample opportunity at that time to discuss work of Commission, together with its recommendations;

Commission appointed as an advisory body; although Act provided that administrative functions might be accepted;

In 18 months since appointment, Commission has more than justified its establishment -

Governments efforts to alleviate distress, create employment and stimulate industry have largely been based upon its investigations and recommendations;

(i) Registration of all persons on relief throughout Dominion -

has provided the basis for dealing in a more effective way with problem of relief;

(ii) have referred to projects already undertaken by government on basis of Commission's recommendations -

Youth training,

D34260

Home Improvement Plan;

Farm Improvement and Employment Plan;

In opinion of Commission, advisory functions have now been completed -

Feeling that body of that size not suitable to undertake administrative functions;

(D) - Government has undertaken special measures to combat effects of drought:

(See "Federal Assistance to Drought Areas, 1937")

occurrence of drought, like its duration, entirely unpredictable;

~~unlike~~ area affected during past year has happily, been more limited; the intensity of drought increased;

Total wheat production in Saskatchewan in 1937, only

35,000,000 bu., compared with

117,000,000 bu., in 1936;

normal year - 200,000,000 bu.

Shows where purchasing power comes from

Nearly half population of Sask. now dependent upon public assistance -

Drought conditions in Manitoba and Alberta fortunately much less pronounced;

Government's efforts have included -

(i) Assistance in marketing of cattle;

(ii) supplying of necessary feed and fodder;

(iii) removal of better grade cattle to feeding areas elsewhere;

(iv) Federal Government undertook full responsibility of direct relief in drought areas;

(v) Necessary foodstuffs purchased by government and furnished to those in greatest need;

Mr. Bennett's criticism re administration of drought;

Mr. Bennett speaking at Brandon Oct. 22, 1937):

"Conerning relief in Saskatchewan, money is being given by the people of Canada and being used to create a great political machine. How long can democratic governments last with that sort of thing."

(Edmonton Journal, Oct. 23, 1937)

Mr. Bennett's argument wholly without substance - Distribution of relief was carried out through municipal Councils -

Dominion governments activities limited to providing funds, approving principle of projects,

D 34262

and checking accounts for various undertakings;
Municipal Councils are elective bodies - not subject
to any influence whatever of Dominion Government;
Any other course of dealing with situation would have
entailed needless duplication and expense.

"K" Speeches: Wheat 1938

Wheat Board

Notes prepared by Mr. Fredenburgh for Mr. King's Speech on Debate on Address.

D 34263

WHEAT BOARD

Re Mr. Bennett's criticism: "There's the statute, it has not been repealed. How do you think they killed it?.....The Wheat Board Act had been killed by Order in Council which declared the Board was not to act unless the price fell below ninety cents a bushel..... Mr. King and his followers have hoisted the black flag of piracy and said an Order in Council supercedes an Act of Parliament....." (Regina Leader Post, Oct. 27/37).

Mr. Bennett's charge that Wheat Board Act has been negatived by action of Government wholly without foundation;

Objects of Wheat Board Act:

1.- To secure to the producers a fair minimum price for their wheat -

(producer has been, and still is ensured against eventuality of wheat falling below 90 cents)

2.- To sell and dispose of stocks of wheat which had been accumulated, and to promote the sale and use of Canadian wheat in world markets -

(Government has pursued only sound and effective course to restore confidence in world markets for Canadian wheat).

Government's action has not "killed" Act:

Government carried out its statutory obligation which was to approve or disapprove the recommendation

D34264

of the Board with respect to fixing a price -
duty of Board to recommend fixed price, of
government to give such approval as it saw fit,
quite within its province to attach a provision
such as conditions upon which wheat would be
purchased by the Board;
In fixing a contingent minimum price, Government
first conferred with the Chairman of Board;
Also took Counsel with Law Officers of Crown -
was assured that Government was entirely within
the law in taking the action it did;
In accordance with recommendation of House of Commons
Committee, Royal Commission established (June 27/36)
to make an exhaustive investigation of the operations
of the Wheat Board and to consider whole problem
of Canadian wheat -
Government hopes shortly to be in a position
to table report of Commission and to have
information necessary to make recommendations
to Parliament regarding future of Board and
of wheat trade generally;
Pending report of Commission, and any action of
Parliament arising out of it, Government's policy

D 34265

has preserved intact machinery of Act -
This machinery still ready to function again
in event of return of emergency conditions;

Essential purposes of Act was to solve wheat problem
as it then existed -
This purpose has been fulfilled to a degree
scarcely expected at time Act was passed;
(After present Government took office, Board
continued to purchase wheat so long as
unduly low price prevailed -
Between Dec.1, 1935 and July 31, 1936
Board took delivery of 48,000,000 bus.
of wheat);

Policy of present Government:

Liberal Government came into office pledged -
in general, to deal with wheat problem in
manner which would, primarily, help to
stimulate trade of country;
in particular, to sell wheat at competitive
prices, not to withhold it from the markets;
Holding for indefinite and prolonged period of huge
stocks of wheat had served in itself to keep
prices depressed and the grain trade in state

D 34266

of uncertainty and demoralization;

Present government, on taking office, reversed policy of former Administration -

Adopted policy of selling wheat on competitive basis, in a manner carefully designed not to disrupt the trade or depress prices;

Results of Liberal policies:

Under Bennett Government, wheat was accumulated, not sold, by the Board -

at prices which prevailed, brought very meagre return to farmer;

Under present Government, wheat was sold -

a farmer received good price for his crop;

(Stocks held by Board, Dec.31/35: 260,000,000 bus.
Dec. 31/36: 54,000,000 bus.

On Dec. 31/37 only stocks held by Board was a limited supply of seed wheat available for Saskatchewan in 1938;

Yearly average price per bu. at Fort William, crop year 1934-5 - 81.9 cents

- basis No.1 Northern, 1935-6 - 84.3 cents

1936-7 -122.7 cents

Average for month of Oct.1937 - 142.3 cents

D 34267

Benefits of higher prices passed on to farmer -
average farm price of wheat in
Canada, all grades, in 1932-3: 35 cents
for current crop year : 99 ")

Carefully considered policy of selling maintained so as to avoid depressing prices -
e.g.- no wheat sold by Board during period of heavy farm deliveries of 1936 crop;

Selling of wheat surplus during past two years -
has disposed of heavy financial burden which government had been carrying,
acted as a stimulus, not only to grain producers,
but to railways, shipping and to business
and finance generally, at a time most needed
to give economic help and encourage
recovery from depression;

At present time, abnormal surplus has been disposed of,
and Canada ready, with a "clean slate", to resume
its normal place in wheat trade of world -
Canadian producers, so far from fearing
a normal crop, as was formerly the case,
may now hope for a bountiful yield
of wheat.

Debate 1938

(12)

Trade
U.K. - U.S. negotiations
Canada - U.K. negotiations

TRADE

D 34268

(See Memorandum
"Trade Negotiations")

1. Canada and proposed U.K.-U.S. Agreement:

Mr. Bennett (Halifax, Nov.19/37) - "They cannot take a cent off the apple preference unless Canada agrees, but it is not Britain's fault that they are negotiating, because they see Mr. King was given a mandate, nevertheless he has got to give his consent before they can do it. All the casuistry in the world cannot get over that."

(Halifax Herald, Nov.20/37)

Substance of this and similar criticisms of Mr. Bennett:

Canada enjoys certain guaranteed margins of preference in British market,

Certain of these margins, at least, will probably have to be renounced, or modified, if a far-reaching agreement is to be concluded between U.K. and U.S.,

Britain cannot modify margins granted to Canada with consent of Canadian Government,

Canada should refuse to agree to any modification of these margins;

Mr. Bennett's arguments overlook certain important factors:

D34269

(a) Canada-U.K. Agreements of 1932 and 1937 both envisaged and provided for modification -

Article 16 of 1937 Agreement:

"In the event of circumstances arising which, in the judgment of the government of the United Kingdom or of the government of Canada, as the case may be, necessitate variation in the terms of this Agreement, the proposal to vary those terms will be the subject of consultation between the two governments."

Identical, in substance, with Article 23 of 1932 Agreement;

While both Agreements concluded for fixed period of years, each provided for modifying Agreement by consultation between signatory governments;

(b) Bennett Government itself modified Ottawa Agreements:

i. Re Canada-France Agreement, 1933 - involved modifications of guaranteed margins by Canada in favour of U. K.

ii. Re Additional Protocol to Canada-France Agreement, signed in February, 1935 - involved modifications of guaranteed margins by Canada in favour of

D34270

U.K., Australia and South Africa;

In both cases, Bennett government "had to ask for and secure the consent of other countries concerned to the surrender or reduction of their margins of preference in Canada, in order to facilitate the conclusion" of Agreement between Canada and France - an adequate formal precedent for present discussions;

Canada was first of countries participating in Ottawa Conference to seek release from certain of its undertakings;

With such a precedent, Canada could not now refuse to consider any modifications to facilitate conclusion of U.K.-U.S. Agreement;

(c) Probable consequences of Canada refusing to consider modifications:

Only alternative was a blunt refusal even to consider any modification in Agreement;

D34271

Canada could thus hold U.K to letter of Agreement until its expiry, Aug. 20, 1940;

Thereafter, it might be denounced at 6 months' notice;

If Canada took position "what we have we'll hold" until 1940 -

Could not then expect to receive friendly and favourable tariff treatment from U.K -

Future of Canada's good relations with countries constituting her two greatest markets would be jeopardized;

(d) Canada's interest in expansion of international trade:

Present government fully aware of value to Canada of vast U.K. markets -

Have indicated our concern to continue to enjoy freest possible access to it;

Canada, as fourth greatest exporting country of world also stands to benefit from expansion of world trade;

"New direction" of U.S. policy away from high tariffs:

A readiness to negotiate tariff reductions on basis of reciprocity;

D 34272

Most hopeful challenge to tendency of recent years toward economic self-sufficiency -

Beneficial to Canada which has, at times in past, suffered from high U.S. tariff policies,

Beneficial to world trade, in view of position of U.S. - second nation in terms of total trade;

Conclusion of U.K.-U.S. Agreement would strengthen policy of lower trade barriers:

Conclusion by two greatest trading nations of world of comprehensive agreement would have powerful influence as example to entire world -

Would consolidate recent gains toward relaxtion of trade barriers -

Would undoubtedly have greater effect than action any single nation could take;

Canada should, in self interest, support freer trade tendency -

If contrary tendency (towards higher barriers) goes on unchecked -

D 34273

Canada will be compelled "to recast its whole national economy and forego the full use of those natural advantages which have been the basis of Canada's prosperity and relatively high standard of living." (Memo. "Trade Negotiations");

Government must take a long view of our real national interests:

must seek, by compromise and adjustment between conflicting regional and special interests, to work out policy most beneficial to entire Dominion;

(e) Government fully alive to the implications of present negotiations -

for country as a whole and for its several parts -

Keeping careful watch of interests for which it is a trustee -

mindful of necessity of reconciling those special or local interests with the general interest of Canada;

D 34274

Imperial Preference not to be abandoned in principle or practice:

Negotiations now taking place do not necessitate or imply end of Imperial preference -

Imperial preference instituted by Sir. W. Laurier four decades ago -

Liberal government of 1921-30 extended policy - (1) 10% discount on British goods direct to Canadian ports (1923);
(2) re British West Indies Trade Agreement, 1925;
(3) Dunning Budget, 1930;

Present government's policy of preference through reduction of barriers -

1937 Canada - U.K. Agreement;

Prime Minister of U.K. and Secretary of State for Dominions have indicated attitude of U.K. government -

Mr. Chamberlain spoke of Imperial Preference as "now a fixed and unalterable part of our ..... policy" -

(See Exhibit)

Mr. Macdonald: "there is no question of the abandonment, in principle or practice, of Imperial preference" -

(See Exhibit)

Mr. Chamberlain has referred to friendly spirit in which recent trade discussions have taken place -

"never . . . was a sense of kinship deeper";

D 34275

(f) Government has made no commitments -

Mr. Bennett (speaking at Victoria, B.C.)-

"I would ask you people of this city to have the Government of Canada say ..... whether or not the preferences on lumber are to go ..... I know your government has agreed ..."

(Victoria Colonist, Nov.26/37)

(See Exhibit Attached)

Mr. Bennett's claim entirely without foundation;

"Government has made no commitment either to U.K. or U.S. and does not intend to make any commitment to any special interest in Canada;"

(g) Issue widely discussed in Victoria By-election:

Mr. Bennett: "Victoria had been made the testing ground for a great national issue; retention for Canada of British Preferences in the markets of the United Kingdom as against a purpose of the Liberal government at Ottawa to sacrifice Canadian industry to an economic appeasement to the United States to advance a mythical union of England and the United States for world peace was the fervent declaration here last night of Rt. Hon. R. B. Bennett ...."

(Victoria Colonist, Nov.28/37)

Mr. Bennett himself introduced present trade negotiations and made it outstanding issue of Victoria contest;

D 34276

Reply of electors of Victoria known to all -
seat won by Liberals after being held for
3 decades by Conservatives;

2. Canada-United States Trade:

Aim of present Liberal Government -
Since taking office, has sought lowering of tariff
barriers and the freeing of trade
from fettering restrictions -
alike in intra-imperial as in international trade;

1935 agreement with U.S. - a first step;
Time has now come for a second step in the same
direction ;

Effects of 1935 Agreement:
Mr. Bennett, speaking of Agreement said: "It had
been much talked about but had given
very little benefit...."
(Halifax Chronicle, Nov.20/37);
Figures of Canada's trade with U.S. reveal very
opposite to be the case;

D 34277

Items subject to reduction -

Calendar Year 1935 - $ 36,000,000

" " 1937 - $ 65,000,000

1937 increase over 1935 - 81%

Items affected by Agreement -

Calendar Year 1935 - $169,000,000

" " 1937 - $257,000,000

1937 increase over 1935 - 52%

Items not affected by Agreement -

Calendar Year 1935 - $190,000,000

" " 1937 - $203,000,000

1937 increase over 1935 - 7%.

(Present fluctuations in Canada-U.S. trade:

Might add cautionary word about tendency to discern long-run trends in short-term movements;

In last 2 or 3 months Canadian exports to U.S. - as to U.K. - were appreciably lower than in corresponding period of 1936;

D 34278

Reasons for this temporary decline obvious -

(a) Due to drought, Canada has not had normal quantity of wheat for export -

Canadian wheat exports, month of

December 1936 - $25,255,730

" 1937 - $10,121,421

(b) Business recession of U.S. -

While "business conditions in Canada have continued to improve throughout 1937, and consumer demand has been sustained for both domestic and imported goods", business recession in U.S., which, we hope and believe is already lifting, has tended in recent months to cut down U.S. purchase of both domestic and imported produce;

(c) Reversal of conditions due to drought in Canada and U.S. -

In 1936, Canada had surplus of wheat, feed and fodder, etc., when drought

in U.S. necessitated large imports of supplies from Canada,

In 1937, U.S. had surplus of these supplies and Canada, as result of drought, had no exportable surplus;)

Mr. Bennett's prophecies re trade:

Mr. Bennett is now prophesying that -

Canada will lose its place in U.K. markets if U.K.-U.S. Agreement is concluded;

that Canadian interests will be ruined;

Mr. Bennett has made prophecies of same sort in past -

e.g. Re customs exemption on $100 tourist purchases:

Mr. Bennett in H. of C., 1936 session:

"If we adopt ..... a provision to enable Canadians to bring back $100 worth of goods from the United States, even twice a year, that item will disappear entirely so far as these favourable factors are concerned. It is estimated that not less than fifty or seventy-five million dollars worth of free goods will enter Canada and to all purposes will constitute a Canadian payment to the American union."

(Unrevised Hansard, Feb.10/36,p.69)

D34280

The item was passed by Parliament;

Imports into Canada under this item:

Calendar Year 1937 - from U.S.	$6,195,000
" " " from all countries	$7,025,000

Exhibit D34281

Mr. Bennett re Government's Trade Policies

Victoria By-election

Excerpt from Victoria Colonist, November 26, 1937

"For the sake of economic appeasement to a stranger within our gates, are we going to hand over those agreements for which we fought so hard?'.... 'I would ask you people of this city to have the government of Canada say before Saturday night whether or not the preferences on lumber are to go. That is the issue in this by-election. I know your government has agreed,' and there Mr. Bennett halted, leaving the inference the Government has already committed itself to certain things concerning the lumber exports of Canada. 'It is an hypocrisy to say that this thing is being done in the sacred name of peace.... What are we going to get from the people to the South for what we are going to give by the sacrifice of our Imperial preferences?'.... 'A vote for the Liberal candidate is a vote to permit Mackenzie King to interfere with those agreements; to take away the work from your own people; to ruin the fruit industry of the Okanagan and the Annapolis Valley, and lessen the economic strength of the country.'"

D 34282

Text of Statement issued to the press November 18th, 1937, for publication in the morning papers November 19th, by the Right Honourable W. L. Mackenzie King, M.P., Prime Minister of Canada, regarding U.K.-U.S. trade negotiations.

- - - - - - -

Mr. Chamberlain has announced today that negotiations for a trade agreement between the United Kingdom and the United States are contemplated. The negotiations themselves have still to take place and will probably extend over a period of months. At some stage, they will undoubtedly require the consideration by Canada of possible changes in existing agreements. The government has been kept fully informed of the progress of the discussions between the United Kingdom and the United States, and is fully alive to the many and varied political and economic implications of these negotiations, and of Canada's interest in their outcome.

Exhibit D34283

Mr. Chamberlain re Imperial Preference

Excerpt from London Times dated December 10, 1937

".....As for the suggestion that the adoption of this system of Imperial Preference would lead to quarrels within the Empire, that dismal prophecy has been clearly falsified by the event. It was my privilege to preside over the latter part of the proceedings of the last Imperial Conference, held directly after the Coronation, and, so far from finding the harmony of the proceedings interrupted or disturbed by the conversations simultaneously going on on trade matters, I can confidently say that never in all the history of Imperial Conferences was a sense of kinship deeper and the fundamental unity between us on all essential issues more clearly demonstrated than it was on that occasion.

STILL FURTHER EFFORTS

I have tried to show you - I hope to your satisfaction - that with the establishment of Imperial Preference between the Ottawa group of countries, now a fixed and unalterable part of our Imperial policy (cheers), we have already woven a network of common interests which have been of great benefit both to this country and to the other countries with whom we have been trading, and which at the same time have benefited the world as a whole because they have made a valuable contribution to the restoration of a sense of stability, confidence and security. Are we to rest there, or are there still some efforts which we can make to bring us nearer to the goal at which we are aiming? I should have no hesitation in answering that last question in the affirmative...."

Exhibit D 3428

Mr. Malcolm MacDonald - re Imperial Preference

(Ottawa Citizen, December 7, 1937)

"Dominions Secretary Malcolm MacDonald, refuting reports the projected Anglo-American trade pact would negate the Ottawa agreements, declared Imperial preference was not to be discarded, either in principle or practice.

'I can assure you,' he told the annual meeting of the British Empire League, 'that at every stage of the discussions for a new agreement between Great Britain and the United States, we shall keep in close touch with the dominions and other parts of the Empire concerned, and that there is no question of the abandonment, in principle or practice, of Imperial preference.'"

Exhibit D34285

Mr. Mackenzie King, House of Commons Debates
February 25th, 1936, page 502:

"We believe that what has been done is a step in the right direction, a step which during the next three years will prove its wisdom so conclusively that, when that period has expired, the agreement will not only be continued indefinitely, but will be materially expanded to the increased mutual advantage of the two countries."

Exhibit D 34286

Re Canada - United Kingdom - United States Trade

Montreal Gazette, January 27, 1938

NEW TRADE TREATY WOULD BE BENEFIT

Bank of Nova Scotia Head hopes for U.S.-Great Britain Pact.

Halifax, January 26 - A trade treaty between the United States and Great Britain, in the hands of which nations lies "the power of initiative" in leading the world in removal of trade barriers, "would tend to reduce the barriers to trade over a large part of the world." President J. A. McLeod told the 106th annual meeting of the Bank of Nova Scotia here today.

"Now that the recovery in trade appears for the moment to have been interrupted, it is more important than ever that further steps should be taken to lower the barriers which still obstruct the flow of goods from one country to another," said Mr. McLeod. "Today as formerly the power of initiative primarily in the hands of the great creditor nations and above all in those of Great Britain and the United States.....

See: "Unemployment Insurance - Historical Survey 1919-1937"

(9)

Unemployment Insurance

UNEMPLOYMENT INSURANCE

D34287

No intention of extensive discussion at this time -

Matter now before provincial governments, awaiting their views;

Do not wish to prejudice question by discussion of any controversial aspects;

Ample opportunity for full consideration of question at later stage;

Evidence of Nation-wide demand for National Unemployment Insurance.

All parties support -

Liberal - (See "Historical Survey")

Endorsed since National Convention 1919;

Took first steps 1921-1930 -

Old Age Pensions etc.

recognized need to solve problem of jurisdiction

foremost in "14 points"

Conservative -

Adopted principle of social insurance at National Convention, 1927;

introduced Legislation at 1935 Session.

Endorsed by all parties in General Election 1935, accepted by electorate as an expression of the national will.

Sentiment throughout Dominion -

Endorsed by National organizations,

e.g., Canadian Chamber of Commerce;

D34288

Trades and Labour Congress;

General approval in all parts of Dominion reflected in the press;

(See Press Summary)

Employment and Social Insurance Act, 1935

Passed under Bennett Administration, 1935;

Liberal Opposition supported principle of measure but questioned jurisdiction of Parliament to enact; urged necessity of referring Bennett Legislation to Courts in order to avoid setting up costly administrative machinery under an invalid Act;

Immediately after taking office, Liberal Government asked Supreme Court for an opinion;

Upon opinion being handed down, question was taken to Privy Council for final decision -

Both Supreme Court and Privy Council declared measure ultra vires;

(Privy Council decision handed down Jan. 1937;)

Judgments completely justified fears of present Government as to validity;

Having ascertained lack of Dominion jurisdiction in matter, government took prompt action with a view to establishment of a national scheme of Unemployment Insurance

D 34289

on a constitutional basis;

Prime Minister announced intention of Government to undertake new endeavour (April 7, 1937) -

Mr. King "The government is most anxious to proceed rapidly with further legislation, and the matter will be given very full consideration between now and the time Parliament reassembles next year."

(H. of C. Debates, 1937, p.2939)

Throughout late summer and autumn months, 1937, Department of Labour undertook exhaustive survey of situation -

Consideration of Bennett Legislation;

Sought expert advice as to details of a national scheme;

Government gave consideration to question of basis upon which scheme would function most effectively -

best procedure to follow in seeking adherence and co-operation of provinces;

To secure jurisdiction of Dominion Parliament in matter the first necessary step:

In endeavour to secure co-operation of provinces in Amendment to B.N.A. Act, Prime Minister wrote (Nov. 5/37) to provincial premiers -

emphasized belief of Government in need of unemployment Insurance scheme;

indicated governments readiness to introduce measure during 1938 Session if the co-operation of the governments of the provinces were forthcoming;

Referred to lack of Dominion jurisdiction and to need of amendment to B.N.A. Act to permit establishment of scheme on a national basis;

Asked views of provincial governments regarding an amendment to B.N.A. Act "empowering the federal parliament to enact unemployment insurance legislation";

(Copy of P.M.'s letter attached)

Draft Amendment to B.N.A. Act sent to provinces -

Proposed amendment made as simple and unambiguous as possible -

Draft amendment sent to provincial premiers, Jan. 20, 1938, with request for expression of views of their government

(Copy of draft amendment attached)

Government proposes to table full exchange of communications;

Present Position -

Government has had indication of views in reply to first letter to Premiers;

Now awaiting replies re proposed amendment;

Hopeful all provinces may see way clear to approve;

D 34291

Federal Government desirous of dealing with provinces in friendly and reasonable way;

Nothing to be gained by unnecessary recrimination or by misrepresenting motives of others;

Convinced people as whole believe -

(a) national scheme only practicable basis;

(b) Unemployment Insurance desirable and necessary;

(c) Present is time to begin a scheme, not 5 to 10 years hence;

Not too much to hope that this sentiment, generally shared by the people of Canada, may facilitate a successful outcome of the government's efforts;

Failure to attain goal now will undoubtedly make more difficult its achievement in future and perhaps result in its postponement for a decade or even a generation.

Trust discussion in Parliament may facilitate a solution on basis of friendly co-operation.

"K" Speeches

Reserve

D34292

DEFENCE

Mr. Bennett's Criticisms:

"Mr. Bennett stated that his government..... took steps to have drawn up a programme of defence.
"'The present Minister of National Defence had no more to do with framing the programme for National Defence of this country than the man who, a moment ago, raised the curtain for this meeting.'
'They are bringing old worn out guns from Halifax to plant in Victoria. And what about ships?'"

(Victoria Colonist, Nov.26/37)

Mr. Bennett was speaking in a by-election (which he lost)-

Perhaps his statements may be discounted somewhat;

Do not propose to discuss at length points raised by Mr. Bennett -

Minister of National Defence will deal with these questions at appropriate time;

Certain claims of Mr. Bennett to which brief reference might be made:

1. Re "old guns from Halifax":

What substance there is in Mr. Bennett's charge is the consequence of policies of previous administrations;

When Liberal government took office, certain guns at Esquimault unfit for use;
These were replaced with guns from Halifax - the best available in Canada at time;
Since then, steps have been taken to set up modern, effective batteries at strategic points on Pacific Coast and to provide, as rapidly as possible, adequate means of defence for Canadian shores;

2. Re Mr. Bennett's jibe concerning ships:

Since present government took office -
2 obsolete destroyers replaced by 2 modern ones;
4 mine-sweepers now under construction;

3. Re Claim previous government responsible for defence measures:

No foundation in fact, except on one point - reorganization of militia - scheme submitted to previous government (in 1931) - nothing further done in matter by Bennett government -

D34294

present government carried out reorganization scheme - (completed less than 14 months after taking office);

In all other regards defence measures planned and carried out by present government;

Bennett government had drastically curtailed defence measures:

Appropriation - 1930-31 (Liberal budget) $21,700,000;
1931-32 (Cons. ") 12,600,000;
reduction - $9,100,000;

Air Force, in modern times essential arm of defence, cut 75%;

When present government took office, all branches of defence forces were far below normal standard of efficiency -

Prepared to accept explanation of Bennett government that drastic curtailment of defence expenditures represented effort to cope with difficulties of depression years;

In view of serious international situation and mounting armaments of rest of world, present administration would have been lacking in sense of duty if it had not undertaken to restore neglected defence services;

D 34295

Present Liberal government has taken adequate defence measures:

1937-38 appropriation:

Naval Services	$4,487,000
Militia Services	$17,850,000
Air Services	$11,753,000

Total 1937-38 appropriation for purely defence purposes $33,090,000x

Last Conservative budget -

1935-36 appropriation for purely defence purposes: $17,300,000;x

Progress of past year:

Substantial progress has been achieved in carrying out programme laid down during last session -

New and additional equipment, supplies, structures and premises have been acquired;

Unfinished part of programme being carried on with all possible dispatch consistent with nature of undertaking;

General Considerations re Defence:

Present government, like people of Canada, profoundly attached to peace -

Belief in disarmament as an end in itself and as a means of ensuring peace;

(x - Does not include Civil Government, service pensions, war graves maintenance, etc.)

D 34296

Folly, however, for Canada to be lacking in means of defending herself in light of serious international situation, and when other countries armed to a degree unprecedented in time of peace;

Why Canada needs arms at present time:

As I pointed out during last session, for some years after Great War, reliance was placed in "collective system" of League;

In certain regards League failed to fulfil early promises - universality of membership;

League unable to protect one of its members from dismemberment in 1931 (China),

failed to prevent Chaco war;

conquest of Ethiopia,

Sino-Japanese conflict;

As result of these failures, and return to pre-war reliance on force rather than reason, nations came to lose confidence in League's powers to protect them from agression;

With this lack of faith in League came feeling of need of national defence, which, in turn, led to race for armaments;

D 34297

Canada in fortunate position:

Canada enjoys unusual degree of security through geographic position -
separated by oceans from Europe and Asia,
no neighbour to north,
friendly neighbour to south;
Canada on friendly terms with all countries -
Present government has sought to ensure this -
e.g. Commerical agreements (Japan, Germany),
Removal of Russian embargo;

Cannot look solely to others for defence:

Canada fortunate to have security provided by membership in British Commonwealth and friendship with U.S.A. -
Would be lacking in sense of realism not to make the most of these fortunate circumstances;
If it were not for these factors, it would be imperative for Canada to undertake much larger defence programme at present time;
Cannot, however, depend entirely upon membership in Commonwealth and Munroe Doctrine for our defence;

Canada must undertake its part as befits a great nation such as this, just as a man must be prepared to defend his own home, at least until friends or police arrive to help him;

Canada has no secret commitments:

Each part of Empire decides its own defence policy;
In Canada, defence measures are based on need for defence of Canada -
defence plans not based on participation in foreign wars;
Government recognizes no obligation to participate in war, other than defence of this country;
No commitments or undertakings with respect to any country -
none given at Imperial Conference;

National Defence policy approved by Dominion:

In view of importance to nation of defence, essential that policies be approved by Dominion as a whole;
In measures proposed last year, government sought to present programme which would ensure general support throughout Canada -

D 34299

On no other aspect of national life is necessity of unity greater;

Past year has revealed that government's programme has commanded nation-wide approval - in Parliament and press; of individuals and semi-public bodies; (e.g. Canadian Legion);

In 3 recent by-elections (Victoria, Lotbiniere and St. Henri) government's defence programme has been a foremost issue -

In spite of most unscrupulous attempts to falsify issue, and appeal to narrow selfish interests, government's policies have met with general approval.

D. 34300

"We are called upon to make impregnable the walls which guard for posterity the inheritance our fathers left us on this Continent".

EARNSCLIFFE
LINEN BOND
MADE IN CANADA

"K" Speeches
Address: Debate on

D 34301

MARKETING IN UNITED KINGDOM

including

SHAW REPORT

(See Memo: "Advertising and Publicity")

1. **Publication of Shaw Report:**

Section of press has attempted to make capital out of certain criticisms implied in Report re Government's efforts to facilitate marketing of Canadian goods in United Kingdom;

Sought to find in Report evidence of misunderstanding between members of Government responsible for services in question -

Some have professed to find indication of major Cabinet crisis;

Happy to say that a disappointment is in store for those who looked for such an outcome;

Report issued by authority of Minister of Agriculture

December 9, 1937

Intended primarily to bring home to Canadian farmer importance of ensuring that his produce was of quality, and in form, acceptable to U.K trade;

Report was inaccurate in certain respects, and unhappily expressed in others - consequently, gave rise to certain misinterpretation;

Government has, therefore, thought it expedient not to re-issue report;

Government now giving consideration to the constructive suggestions which it contains and to best form in which circulation may be given to its recommendations for improvement of processing and preparing for market of Canadian agricultural goods;

2. Transfer of advertising appropriation from External Affairs to Trade and Commerce -

Here, also, certain persons have professed - or perhaps, hoped - to see evidence of dissension among members, and departments, of government;

As Secretary of State for External Affairs, I have a direct concern with question of transfer of $350,000 yearly estimate from Department of External Affairs;

D 34303

Vote being restored to estimates of T. and C. from which it was transferred in 1933-34; restoration to T. and C. has been under consideration for some time - long before issue of Shaw Report.

(See Prime Minister's statement to press re, attached)

Purpose of transfer in 1933-34 ~~from~~ to E.A.

to facilitate co-ordination of advertising and publicity activities in U.K. under direction of High Commissioner;

Former High Commissioner, (Mr. Ferguson) fully realized need for such co-ordination and his efforts in this direction have been successfully completed by present H.C.;

Mr. Massey has performed valuable services in organizing and developing, on most effective basis, governmental advertising assistance to marketing of Canadian produce in U.K.;

Work of co-ordination and elimination of overlapping in effort and expenditure facilitated by fact vote was administered by External Affairs -

Work of co-ordination now satisfactorily completed;

Advisory publicity committee, established under High Commissioner will continue its functions;

will be under supervision of High Commissioner as in past;

Long-range considerations indicate publicity and advertising should be integral part of general programme for promotion of overseas trade -

closely linked as possible with work of Commercial Intelligence Service and Exhibition Commission;

Time now appropriate to place vote under supervision of Minister of Trade and Commerce -

Minister of T. and C. already directly responsible for allied services to Canadian exporter -

Restoration of vote to Trade and Commerce in accord with Government's policy of seeking to attain maximum efficiency and saving through consolidation and co-ordination of similar services;

Proper for Minister of Trade and Commerce to take responsibility for vote to House in Commons;

(In past, Prime Minister had of necessity to get his information from Minister of T. and C. in explaining estimate to House of Commons.)

D34306

MEMORANDUM FOR THE PRIME MINISTER

ADVERTISING AND PUBLICITY

If the Leader of the Opposition refers to Government publicity and advertising policy overseas in the course of the Debate on the Speech from the Throne, he is likely to raise the question under the following heads:-

1. Publication of the Shaw Report

Mr. Bennett will probably wish to know under whose authority the Report was issued, whether copies are now available and if not whether it has definitely been withdrawn from circulation, or is to be reissued in revised form. He doubtless has a copy of the Report (there were some 5,000 issued) and will want to know what action the Government proposes to take in respect of the Report's implicit criticisms of the administration of the Trade Commissioner Service by the Minister of Trade and Commerce and of the advertising and publicity activities conducted under the supervision of the Secretary of State for External Affairs.

The first answer is that the Report was issued by the authority of the Minister of Agriculture on the 9th December, 1937, and that it was primarily intended to bring home to the Canadian farmer the importance of putting his produce into shape acceptable to the United Kingdom market. The Report was inaccurate in some respects, unhappily expressed in others and had in consequence been subject to a certain amount of misinterpretation. In these circumstances, it was not thought expedient to reissue it. Its constructive suggestions are being taken under consideration by the Government [and further circulation in some form will be given to its recommendations to producers for improving the processing and preparation for market of Canadian agricultural products.] ?

2. Transfer of the appropriation for advertising and publicity from External Affairs to Trade and Commerce Estimates.

This vote is being restored to the Estimates of the Department of Trade and Commerce from which it was transferred in 1933 - 1934 with a view to

D34308

facilitating the coordination of Canadian Government advertising and publicity activities in the United Kingdom under the direction of the High Commissioner for Canada, who is an officer of the Department of External Affairs. The House will probably remember that there was a real need for unified direction of Government activities in these fields in the United Kingdom. Mr. Ferguson fully realized it and his efforts in this direction have been successfully completed by the present High Commissioner who has done an extremely competent and business-like job of organizing and developing Governmental advertising assistance to the marketing of Canadian produce in the United Kingdom. The coordination of existing agencies and the elimination of overlapping in effort and expenditure was undoubtedly facilitated by the fact that this vote was administered by the Department of External Affairs but that job is now satisfactorily completed. The advisory publicity committee, established under the chairmanship of the High Commissioner, will continue to carry out the work it has been doing in connection with the

D34309

vote for Government advertising and publicity in the United Kingdom.

Long-run considerations, however, indicate that Government assistance to the advertising of Canadian products should be an integral part of its general programme for the promotion of overseas trade and, as such, linked as closely as possible with the work of the Commercial Intelligence Service and the Exhibition Commission. The time is now appropriate to place this vote under the supervision of the Minister of Trade and Commerce, who is already directly responsible for allied services to the Canadian exporter. The transfer of this particular vote from External Affairs to Trade and Commerce is, therefore, a direct consequence of the general policy of the Government in this matter which may be stated as follows:-

> All financial provision for Governmental assistance to the promotion of Canadian trade abroad (including any appropriations for advertising and trade publicity) shall be made in the Estimates of the Department of Trade and Commerce and shall be subject to the supervision of the Minister of Trade and Commerce.

3. Prevention of duplication of expenditure and effort in Government activities in relation to advertising and publicity overseas.

The Government have taken the first major step toward the realization of this objective in formulating the policy in respect of financial provision for advertising services overseas, which has just been quoted. By eliminating overlapping in Departmental estimates and concentrating expenditure on advertising and publicity abroad in the estimates of the Department of Trade and Commerce, we are confident that real economies can be achieved and better value got for monies appropriated for these purposes.

The second step designed to facilitate co-operation between the several Departments of Government which can contribute to the more effective development and utilization of the advertising and trade promotion services administered by the Department of Trade and Commerce is the establishment of a permanent advisory committee on trade publicity overseas. It will consist of

D34311

representatives of the Department of Trade and Commerce, External Affairs, Agriculture and Fisheries. Its duty will be to assist in securing effective collaboration between the several Departments concerned with special aspects of Government advertising and publicity abroad.

To prevent any misunderstanding of the arrangements outlined, I might repeat that the Department of Trade and Commerce is the responsible body charged with promoting the development of Canadian export trade. It is in charge of Government assistance to the marketing of Canadian goods abroad. In performing that task effectively, it will have to have the active cooperation of such Departments as Agriculture, Fisheries and Mines and Resources, each of which is directly in touch with domestic producers on farms, in the fisheries, forests and mines.

The role of the Department of Agriculture in this programme of a vigorous marketing policy is particularly important. With its recently reorganized marketing services, it is now in a

D 34312

better position than before to promote the sale of agricultural products in the domestic market. It has charge, in cooperation with the Provinces, of all activities, relating to the preparation of these products for the home as well as the external market, such as grading, packaging, classifying and generally encouraging the production and shipment of agricultural products in form acceptable to our customers at home and abroad. The only permanently satisfactory basis for a healthy export trade to the United Kingdom or any other market is a production policy designed to improve and maintain the quality and regular volume of goods available for export. In the case of farm products, this is particularly true. The Government through the Department of Agriculture, can render valuable aid to producers in keeping them informed of the requirements of particular markets, assisting them in the maintenance of grading and quality classifications and advising in respect of the packaging and labelling of their produce.

D 34313

We believe that, as a result of the proposed concentration of the financial responsibility for all overseas marketing activities under the Minister of Trade and Commerce and of the establishment of more effective machinery for interdepartmental co-operation than has existed heretofore, it will be possible to render continuously more effective aid to the expansion of Canada's export trade without any proportionate increase in the outlay on the responsible Government services.

R. B. Robertson

January 29th, 1938

D34314

Marketing

Mr. King's description of division of responsibility between Department of Agriculture and Department of Trade and Commerce re

"Agriculture has to do, in Canada, with the work of production, grading, standards, inspection, etc., and abroad, with inspection services. Apart from this latter aspect, its work is completed on this side of the Atlantic. Sales, marketing, publicity, etc., in foreign countries, is the responsibility of Trade and Commerce."

Mr. King

Trade files note following a conversation with you.

Canada in Spanish Conflict "K" Speeches Debate on address
Canada in Japanese Sino-Conflict
Canada in League of Nations
Canada in Governments Conference

(11)

D 34315

Dandurand
Prime Attack

External Affairs

Criticism of Canadian Government's Policies:

Mr. Coldwell (National Chairman of C.C.F. speaking at Toronto) -

"The record of the present administration regarding international affairs is deplorable... The alleged vote against the granting of a Council seat to the legitimate Government of Spain was disturbing, but Senator Dandurand's refusal yesterday to give immediate support to the calling together of the signatories of the Nine-Power Pact to consider Japanese aggression again places Canada in an unenviable light before the civilized world."

(Montreal Gazette, Oct. 6/37.)

Number of protests and representations along similar lines, especially re alleged vote on Spanish re-eligibility for League Council, received from various individuals and bodies, e. g., C.C.F. Federal Convention;
Alberta Legislative Assembly;
Women's International League for Peace and Freedom, etc.;

1 - Canada and the Spanish Conflict:
(See Memo. "Canada and the Spanish Conflict")

(a) Re Vote on re-eligibility of Spain to Council seat:

Discussion of question arose over special cable, (Sept. 21/37) to certain Canadian papers, based on article in Manchester Guardian, claiming that Canada voted against Spain in League vote of Sept. 20th;

D 34316

Question at once taken up in press, and protests and representations made on the assumption that the report was accurate, and in disregard of secret character of vote;

Report as to Canada's vote entirely irresponsible guess-work -

Neither Canadian correspondent, nor correspondent of Manchester Guardian could possibly know how Canada's representative voted -

Voting for membership on League Council is secret -

Under Article 2, Rules of Assembly provide:

"The Assembly shall pronounce separately, by secret ballot, upon each request for re-eligibility";

Cannot emphasize too much how completely report was without foundation;

Unaware of any Government, of British Commonwealth or of other countries, disclosing how it voted -

No intimation whatever given re Canada's vote;

Report gave rise to wide-spread misunderstanding;

As a result of report, and consequent discussion, Government placed in difficult position from which it could not extricate itself without breaking rule of "secrecy", which Canada, in common with other League Members, was bound to respect;

D 3431

Government would welcome nothing more than liberty to disclose vote;

(Last October Prime Minister intimated if Parliament asked, he would seek League permission to make public Canada's vote -

Advised, however, that, rules having been adopted by Assembly, doubtful if any authority but Assembly could grant permission - Assembly not due to meet till Autumn;

Moreover, to reveal how Canada voted would, in future, encourage irresponsible elements to bait government in similar situations;)

Episode serves to illustrate how essential is a sense of responsibility on the part of the press in the discussion of grave public issues -

(b) Canada and non-intervention:

While not a member of the Committee on non-intervention, Canada has sought to co-operate with it in effort to preserve neutrality of outside countries and to prevent war from spreading;

Embargo on export of arms -

Order-in-Council, July 30/37, under section 290 of Customs Act, prohibited export from Canada

D34316

to Spanish territory, directly or indirectly, of arms, war material, aircraft and munitions;

Enlistment and recruiting in Canada banned -

By Order-in-Council of July 30/37, "Foreign Enlistment Act, 1937" applied to Spanish Conflict;

These measures did not represent action by Canada alone -

Prior to Canada's action, similar steps had been taken by 27 European countries and United States;

Measures not discriminatory, but applied equally to both factions in Spain;

Embargoes carried out to fullest possible extent by Canadian Government -

(If certain countries gave evidence of lack of good faith in carrying out measures, no reason why Canada should do likewise;)

In pursuing this policy, Government sought:

to maintain strict neutrality towards Spanish issue;

to prevent nationals of Canada becoming involved;

to co-operate with other countries in refusing to supply either side with materials with which to prolong strife;

D34319

2. - Canada and Sino-Japanese Conflict:
(See Memo. "Far Eastern Conflict")

(a) Re Senator Dandurand's lack of instructions:

Criticism of Mr. Coldwell and others wholly unjustified -

Also indicates lack of appreciation of situation and of difficulties involved;

Relevant facts of case:

On Sept. 21, Far Eastern Advisory Committee of League (set up in 1933) re-convened;

Resolution condemning Japanese action adopted by Committee Sept. 27 and unanimously by assembly on following day;

On Oct. 1, sub-committee appointed to consider question (Canada not a member);

On Oct. 5, after 4 hours intensive work, sub-committee brought in reports further condemning Japan, recommending countries to consider how they could individually extend aid to China, and recommended examination of question by signatories of Nine Power Treaty;

These reports were adopted ~~early~~ in afternoon of Oct. 5, and at once rushed to Committee itself for consideration;

D.34320

Late same afternoon, they were adopted by Committee with Canada, Poland and Switzerland abstaining;

Early same evening reports rushed to Assembly where it was proposed to proceed immediately with consideration and voting;

Delegates of Norway and South Africa protested on ground of lack of time to consult their governments;

Supported by Senator Dandurand, proposal was accepted to adjourn question till following afternoon; when measure was adopted, (no formal vote), afternoon of October 6, Canada supported measure (Siam and Poland abstaining);

Reasons for Senator Dandurand's abstention:

Precipitate action gave no opportunity for adequate consideration of matter by Senator Dandurand - (See Appendix attached)

Still less opportunity given to consult Canadian Government - Senator Dandurand at once cabled to Ottawa;

Dispatch received and decoded in Department of External Affairs early morning, October 6, and at once rushed to Secretary of State for External Affairs:

Reply dispatched from External Affairs one hour and fifteen minutes after it had been received and decoded;

D34321

Swiss member of Committee also refrained from voting on ground he could not consult his government in so short a time;

(See Appendix attached)

Important decisions of policy re external affairs, as in other fields of administration, render imperative consideration by Cabinet -

Unthinkable that any responsible government in Canada would be prepared to have questions which might involve grave steps, or even war, decided without reference to entire Cabinet -

Contrary to all principles of democratic, parliamentary government as we know it;

Unthinkable also that representatives at an international conference would wish to make such serious and far-reaching decisions without instruction from Secretary of State for External affairs;

D 34322

(b) Re Absence of embargo on supplies to Japan;

Numerous protests received from C.C.F., Communists, and otherbodies demanding embargo on supplies of materials which might be used by Japan for war purposes; Some have urged application of sanctions against Japan;

Argument has been that embargo has been placed upon supplies to Spain, therefore like action should be taken re Japan;

Such arguments completely ignore fundamental differences, so far as Canada is concerned, in two situations;

(i) Canada did not take initiative in embargo of goods to Spain -

This was done by powers vitally affected;

If embargo or sanctions are to be applied re Japan, initiative should be by great powers, who have necessary resources and equipment, and who would bear brunt of consequences, whether of financial or military and naval character;

Moreover, if action were initiated by Canada, it

might involve British Commonwealth in retaliatory measures or even war;

(ii) Canada did not act alone in Spanish case:

27 European Countries and U.S.A. had already taken similar measures;

Should Canada act alone, it would not only imperil her own position, but be wholly ineffective -

Most materials could be secured from other sources;

In any case, they could be secured in world markets once they got beyond Canadian borders;

(iii) Spanish Embargo strictly limited:-

to a selected list of "arms, ammunition and implements of war";

(conforming to list recommended by Sub-Committee of Disarmament Conference and lists employed by other countries re Spanish Conflict;)

No embargo has been levied on supplies to Spain of materials and metals such as has been

demanded re Japan;

(So far as known neither U.S. nor any European power has placed any such wide embargo on supplies to Japan;)

Canada a negligible producer of arms:

her exports of "arms, ammunition and implements of war" to Far East practically non-existent;

In effect, therefore no substantial difference in Canada's attitude toward Spanish and Far-Eastern Conflict;

(iv) Aside from question of practical effectiveness, if Canada were to act alone, such step would be regarded by Japan as hostile act -

In Spanish case no discrimination - measure applied equally to both sides in conflict;

Canada on friendly terms with Japan - has a commercial agreement with her;

A discriminatory act, such as embargo, in these circumstances, would be, would doubtless bring retaliatory measures against Canada, which might involve most serious consequences;

If action were instituted by great powers with vital interests affected, situation would be entirely different -

In such a contingency, government would then have to decide whether or not to act in co-operation with other countries

D34325

3. General Conclusions re External Affairs:

Canada happily at peace with all other countries;

No people in world more profoundly or sincerely attached to peace than the people of Canada -

Present Government has sought in every practicable way at its disposal to reflect that desire in Canada's relations with other countries;

Believe peace should be sought, not by coercion but by continuing and strengthening the desire, and the practical machinery, for conciliation and settlement on basis of law, rather than force;

View League of Nations as channel through which public opinion of world can express itself - the conscience of the nations - rather than a superstate -

Emphasis upon importance of universality of League;
(Speech of Sir. Geo. Perley, Geneva, 1932 re Disarmament attached)

Present Government has joined with others in seeking, through conciliation and good offices, to prevent Spanish Conflict from spreading, and to bring Spanish and Sino-Japanese Conflicts to an end -

(co-operation in policy of non-intervention re Spain, participation in efforts at Geneva

D 34326

and Brussels to find basis of settlement in Sino-Japanese strife;)

Convinced that friendly and mutually beneficial trade relations constitute most practical step at present time towards world peace -

have negotiated trade agreements with other countries.

D34327

Exhibit

Mr. Woodsworth re Embargo of Supplies to Japan

Extract from Edmonton Journal, November 8, 1937.

(Mr. Woodsworth:)

"He also will ask in the house why there has been no order-in-Council prohibiting export of raw materials - principally nickel - to Japan since that nation began invasion of China said Mr. Woodsworth."

Under federal statute, the government is empowered to prohibit export of raw materials to any designated country, and invoked that power against Spain to the direct advantage of General Franco's cause, the C.C.F. leader charged."

D 34328

Office of
The Prime Minister

PRESS CLIPPINGS

Name of Publication Ottawa M. Citizen

Date Oct. 6 /37.

Exhibit

Subject

Canada's Vote On Spain at Geneva

Replying to questions directed at him at a press interview last night on the subject of Canada's vote on Spain's membership in the League of Nations council, Prime Minister Mackenzie King said "nothing could be more reprehensible than that racial or religious influences would sway the decision of the Dominion."

Voting on Spain's seat on the council was by secret ballot, the Prime Minister advised his questioner, and he was not saying what directions had been given the Canadian delegate. If the question was passed as a resolution in the House of Commons he would ask for leave to disclose the information. Otherwise he would maintain the secrecy of the ballot.

In any event, the Prime Minister added, even if Canada had voted against Spain continuing on the League council, it would have no significance with respect to the present circumstances of that country. Spain had served the regular term and at every election it was inevitable that some country would be voted down.

With respect to Senator Dandurand, Canada's delegate on the League advisory committee on Sino-Japanese affairs abstaining from voting on the formation of a sub-committee a few days ago, the Prime Minister said that was due entirely to the pressure of time. The move was so sudden that there was not time for advice to reach Geneva from the government here.

D 34328
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REPEAT
REPETITION

D 34329

SENATOR DANDURAND

Re Lack of Instructions with respect to

Report of League Committee on Far Eastern Conflict

SENATOR DANDURAND:

"This is the first time I have seen the two reports under discussion. I notice that they contain conclusions of great importance. I have no instructions from my Government, to which I would at least like to communicate the conclusions with a view to obtaining their approval as soon as possible. Therefore, in the circumstances, I am bound to suspend my adhesion to these reports until such time as I have received these instructions. I hope they will be available before the matter is discussed by the Assembly, when I hope that I shall be able to support the reports."

.....

DELEGATE OF SWITZERLAND: (Mr. George)

"Since you put the question so clearly, I am bound to reply that it has been impossible for me to study the texts in the time at our disposal and it has also been impossible for me to consult my Government or the head of my Delegation - who is absent from Geneva - and therefore, without expressing any opinion on the substance of the report, I am bound to abstain from voting".

(Report of Proceedings)

D 34330

EXTRACT

From Speech by Rt. Hon. Sir George Perley

Leader of the Canadian Delegation to the World Disarmament

Conference, Geneva,

Feb. 13, 1932.

....."In respect to the organization of peace, the importance of which we appreciate, we recognize the value of the many agreements that have been made during the last twelve years, and we are convinced that these agreements should already have resulted in a marked reduction of armaments rather than in the disturbing increases which, in many cases, the published figures show. We think further that this organization of peace can best be achieved at this time by emphasizing the prevention of conflict, rather than the punishment of aggression; by building up machinery for conciliation, rather than providing for sanctions; by using the League of Nations as a channel through which international public opinion can express itself, rather than by developing it into a super-State. In adopting this view, which we genuinely consider to be a constructive one, we are convinced that we are serving, not merely our own interests, but the true interests of all nations as well"....

re Spain - Seat on Council of League
Letter of Senator Haydon

D34331

BRUSSELS, November 10, 1937.

The Rt. Hon. The Prime Minister,
Secretary of State for External Affairs,
Ottawa, Ont.

My dear Prime Minister,

I have taken cognizance of the debate which has taken place in the Canadian press over the attitude of the Canadian Delegation in relation to the request of Spain to be again allowed to present its candidature for a seat in the Council of the League. The query repeatedly made to you bore on the vote which Canada gave on that question. You answered quite properly that the vote had been taken by secret ballot and that the public was not made aware of the way in which the various nations had recorded their will.

I may say that to this date I am unaware as to the individual action of the Members of the League. I do not know how Great Britain voted, nor the other Members of the Commonwealth, although I met them daily.

Since you stated publicly that you would give that information to Parliament, if it were asked and if you were allowed to by the rules governing the Assembly of the League of Nations, I have no hesitation whatever in informing you that the Canadian Delegation voted in favour of the re-eligibility of Spain, for the following reasons:

1. - Because Spain, having expressed its intention of withdrawing from the League of Nations in March 1926, if the Assembly did not allow her a permanent seat in the Council, was given the assurance of a semi-permanent seat, through a re-eligibility vote, and the Canadian Delegation was among the States which promised their vote to that end;

2. - Because the Canadian Delegation did not feel that the calamity of war in Spain could justify the Members of the League to inflict upon this unhappy country the further humiliation of the loss of its seat in the Council;

3. - Because the Canadian Delegation had solely Spain in mind, without asking themselves what government would represent ~~him~~ her, to-day or to-morrow, in the Assembly and in the Council;

4. - Because the Canadian Delegation could not take sides for one faction or the other, as Canada had faithfully followed the policy of non-intervention in the affairs of Spain, and it would have acted counter to that principle had it rejected the candidature of that country because of its dislike of the government then in power.

The sole duty of the Canadian Delegation was to think of Spain as en entity, without interfering in its domestic quarrels.

Yours very faithfully,

R. Dandurand

Re Legation Information

ODS/ET
28 Jan., 1938

D 3433

MEMORANDUM FOR THE PRIME MINISTER:

Re: Honourable Randolph Bruce.

It is altogether likely that the criticism of Mr.Bruce which was made in the House last year(attached) will be renewed in view of the alleged interview published in the Toronto Star(attached).

Mr.Bruce gave to the press a denial of the accuracy of the interview(attached). At the same time it must frankly be admitted that the summary of the interview as given by Mr. Bruce himself, if published, would not greatly improve the situation. The question arises whether it is desirable to anticipate criticism or at least any detailed criticism, by stating at an early opportunity that the Minister,on visiting Canada last summer, asked that in view of his health his term should not extend beyond the present summer, and that arrangements would be made accordingly. I understand Mr.Bruce has been telling people in Japan that he intends to return to Canada this summer for good.

As an alternative to this course, the only thing to do would appear to be -

(1) to quote Mr.Bruce's denial

(2) to emphasize the assistance available for the Minister on the staff of the Legation,namely,(i) Mr.McGreer,Second Secretary,who has served in the Department, in the Canadian Advisory Office in Geneva, the Canadian Legation in Paris and the Canadian Legation at Washington;

(ii) Mr.Kirkwood,Second Secretary,who has served in the Department of External Affairs, and in the Canadian Legation at Tokyo since 1929; (iii) Mr.Croft, Senior Trade Commissioner in Japan who is also Commercial Secretary to the Legation.

Statement by
Rt.Hon.R.B.Bennett in House of Commons
February 9,1937.

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"I find it very disagreeable to say what I have to say,but I do not think it is fair to Canada to be represented as we are at Tokyo. It puts us in an extremely humiliating position. I say this in the best of good feeling,but I must say it. I do not think it is right to send to represent this country a person whose sight is gone and who finds it difficult to get about. In saying this I know I repeat the views of thousands of people who have business there and who feel that something should be done about it....."

"I know his condition perhaps as well as any man in this house,but I share the view expressed by those who are in position to speak with authority that it is not fair to the Dominion of Canada that he should be our representative in Japan."

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TORONTO STAR REPORT OF INTERVIEW WITH THE HON. RANDOLPH BRUCE OF 12th AUGUST, 1937.

"Japan's invasion of China is seen as 'simply an attempt to put her neighbor country into decent shape, as she has already done for Manchuria' by Hon. Robert Randolph Bruce, Canada's minister to Japan, interviewed in the Royal York last night. 'Conditions in China are very bad. They lack a constitutional Government and their rulers are just self-appointed war lords. Japan's improvement of Manchuria is causing many Chinese from other parts to flock there for protection under some form of constituted government.' he told the Star.

"Mr. Bruce, who assumed his position a year ago, insisted that 'Japan is absolutely not under a military dictatorship' and denied rumors that her ultimate aim was to oust Great Britain and United States from China and the rest of the Far East. 'Japan's feelings are exceedingly friendly toward both United States and the British Empire,' he said, 'particularly Canada. They were most gratified by Canada's reception of their prince and princess. The papers were full of it, and it did much to enhance our already pleasant relations.'

"Pointing out that the trade balance with Japan was so greatly in Canada's favor, Japan buying $4 worth of goods here for every $1 worth Canada imports from her, the envoy predicted that 'with continued opening of markets between the countries,' Canada's business with Japan would increase still more. 'Japan is growing rapidly, and must expand, not territorially but in trade, and it seems to me it's up to us not to curb her markets but to help her expand and expand with her,' he said."

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
56		World Economic Co-operation Campaign, Ottawa. Speeches outside Parliament	19 Sept. 1937	D 34161 - D 34222	
57		Address: Speech on Debate. Speeches in Parliament	Jan. 1938	D 34223 - D 34335	
57		Agriculture: Department of. Speeches in Parliament	Jan. 1938	D 34336 - D 34339	
57		Agricultural Farm Implements. Speeches in Parliament	Mar. 1938	D 34340 - D 34343	
57		Alberta Legislation. Speeches in Parliament	1938	D 34344 - D 34350	
57		Austrian Plebiscite. Speeches in Parliament	Apr. 1938	D 34351 - D 34352	
57		Bank of Canada. Speeches outside Parliament	1938	D 34353 - D 34356	
57		Bennett: Rt. Hon. R.B. Speeches in Parliament	1938	D 34357	
57		Borden, Sir Robert. Speeches in Parliament	Jan. 1938	D 34358 - D 34420	
57		Budget: Speeches in Parliament	June 1938	D 34421 - D 34438	

with work, remuneration, and the comfort of a home. Thousands have been placed in these positions. Moreover, under the home improvement plan, another recommendation of the commission acted upon by the government, 34,000 loans have been made by the Minister of Finance (Mr. Dunning), all of which have helped to provide employment to large numbers of those engaged in the building and other trades.

These are some of the things which have been done under recommendations of the employment commission. The final report of the commission reached the government only a day or two ago. That report is being translated and is also being set up in type at the printing bureau. The government has assumed that hon. members will wish to have the report in printed form as soon as it is tabled. We assume that the house will desire to order a number of copies. But we are anticipating that order by asking the bureau to go ahead with the printing, so that as soon as the report can be tabled in both French and English, it may be immediately available in printed form to all hon. members.

The same is true with respect to the report of the textile commission, which is now in the hands of the translators. It was not received until shortly before parliament opened. As soon as it is translated and printed it, too, will be laid on the table. My right hon. friend has complained about the length of time it has taken for that report to be completed and signed. It is true that it has taken longer than the government hoped it might. My right hon. friend has spoken about Mr. Justice Turgeon being employed upon another report, which has to do with the grain trade. It so happens that Mr. Justice Turgeon has an exceptional knowledge of matters pertaining to the grain trade, and when it was thought advisable to have an investigation made into the subject of the wheat board and its operations, it was, I think, a matter of general opinion that no better person could be secured in Canada than Mr. Justice Turgeon to undertake that particular work. The matter being as important as it was, the government felt that, notwithstanding the fact that he had undertaken the onerous task of conducting an inquiry into conditions in the textile industry, it would ask him to undertake the other task as well. He has had a very heavy time of it, but I think that when the house receives the reports which will be presented to it there will be every reason to believe that it was worth waiting a little longer to get the results we shall obtain in that way.

[Mr. Mackenzie King.]

I pass on to the next subject, which is one that seems to afford my right hon. friend considerable amusement, namely the relations between the Department of Trade and Commerce and the Department of Agriculture. No doubt he has in mind some of the experiences he himself underwent when he was head of a previous administration and had to do with government officials in different departments. The matter is a very simple one. I think the press in some cases has looked upon it as one that, with the aid of their own imaginations, could be exploited with interest to the public. They have sought to make out that there was a sort of government crisis arising out of different points of view being held by officials of various departments. May I tell my right hon. friend and other hon. members exactly what the facts are?

As my right hon. friend has said, there has always been a question as to just where the jurisdiction of the Department of Agriculture in the matter of marketing products ended, and where the jurisdiction of the Department of Trade and Commerce with respect to marketing, began. There is a point at which the two come more or less into pretty close contact; and when they do, the officials of the departments concerned are apt to come into close contact as well. If there happens to be the slightest comment which can be construed as a suggestion that some department has not quite measured up to the mark, immediately it is taken as a reflection upon the officials of a particular department.

My colleague, the Minister of Agriculture (Mr. Gardiner), appointed Mr. A. M. Shaw, along with other experts, to prepare a report on certain aspects of the United Kingdom market and Canadian agricultural products. That report was printed and distributed. It so happened that it contained some inaccuracies. It also contained some statements that were a bit ambiguous and capable of being misconstrued. That being the case, strong exception was naturally taken to certain phases of the report. However, when these matters were brought to the attention of the government, the Minister of Agriculture himself immediately suggested that there should be a committee, which would be composed of representatives of the Departments of Trade and Commerce and of External Affairs, as well as of his own department, to go over the report to see wherein statements might require revision for the sake of accuracy. That has been done and the report has been changed to that extent. The report had been printed and distributed to the extent of some five thousand copies, six

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more persons. The index number for January 1, 1930, stood at 111·2; in 1938 it was 113·4. I want to repeat that fact: More persons were employed on January 1, 1938, than at the corresponding time in any previous year.

What about unemployment? Unemployment was lower in December 1937, than in the same month of any year since the beginning of the depression. The Dominion Bureau of Statistics estimate of unemployment in Canada for the month of December in different years is as follows:

1930	413,000
1932	675,000
1936	502,000
1937	381,000

A very substantial decrease. The relief figures at last also show a marked decrease. There is always a time lag between reemployment and the corresponding reduction in relief. This was evident a year ago, despite the substantial increase in employment at that time. The figures for this year are as follows: The total number afforded direct relief, including dependents and those receiving part time relief, for the month of December, 1932, was 1,243,000; December, 1936, 1,119,000; December, 1937—no longer in the million—down to 970,000. This reduction in the relief figures has taken place notwithstanding the drastic increase in relief in Saskatchewan due to drought conditions. The total of the direct relief for the province of Saskatchewan alone—which helps to show where the numbers are—ran up from: in December, 1935, 176,000; and December, 1936, 230,000, to 400,000 in December, 1937. The total estimated population of Saskatchewan in 1937, it should be borne in mind, is 939,000.

Now what do these figures of the increase in employment and increase in trade indicate? They indicate that a consequent improvement has taken place all along the line of our economic life. Carloadings, for instance, have materially increased. In fact, they have been the highest this last year since 1930. The gross operating revenue of the railways has been the highest since 1931. In the year just closed, industrial production and the volume of business in Canada have attained unprecedented levels. I will not go into details, they can be given at some other time if necessary. If you are to gauge economic improvement and progress, what are the indices by which you will do so? One is the increase in revenues, another is the increase in trade, another is the increase of employment, and another is the decrease of unemployment. In every one of these, the record is exceptionally good. While undoubtedly much remains to be done, this much shows at least that our policies have been in the right direction. We have heard my right hon. friend to-night describe an individual case of hardship and distress. There are too many of these cases, but, thank heaven, there are not anything like the number to-day that there were when he was in office Things are very different indeed. We are witnessing gradually an improvement of conditions, not as quick an improvement as we should like, but as rapid, apparently, as the circumstances of the times have made possible. It may be that some hon. members can make suggestions which will serve as a cure-all for the ills of to-day. We have heard a good many of them in the past. Heretofore when most of them have been tried, they have not been too successful.

My right hon. friend spoke of the employment commission and asked why, the commission having made its report, we were not acting upon its recommendations. Well, there have been several recommendations of the commission which have already been acted upon. I shall not anticipate what the Minister of Labour (Mr. Rogers) may have to say, but I might point out to the house that, when we came into office, there was no registration of the unemployed in this country. To-day the unemployed have been registered from the Atlantic to the Pacific. In this particular, we know where we are at in dealing with this problem. This registration was one of the initial recommendations and subsequent accomplishments of the commission. When we came into office there were from one side of this country to the other relief camps in which single unemployed men were massed together in great numbers. These camps were becoming more and more hotbeds of unrest and dangerous discontent and were proving anything but helpful to those who were the members of them. Happily, these relief camps have completely disappeared. The men who were in them have, in considerable numbers, found employment elsewhere or have been receiving training to fit themselves for an honourable occupation in some business or industry in which they might wish to engage. Another recommendation of the commission, put into operation by the government, had to do with youth training projects. Up to the present, 26,000 unemployed young people have received, or are receiving training in various types of useful and profitable work. Then there has been the scheme for placing large numbers of single unemployed men on the farms, helping to supply the farmer with labour which he needed, helping to supply these men

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thousand in all having been ordered. When the matters to which I have referred were brought to the attention of the government, the minister himself suggested to me that it would be inadvisable for him to continue the distribution further. He said he would retain what he had and that the part of the report which contains constructive suggestions, with respect to production might later be made available in another form in connection with any statement of policy which might be based upon recommendations contained in the report. That is where the matter stands at the present time.

Mr. BENNETT: Was there an order in council?

Mr. MACKENZIE KING: With respect to the report?

Mr. BENNETT: No, with respect to the consolidation of the department.

Mr. MACKENZIE KING: With respect to the consolidation of the department, that has been a matter of internal organization in the department, the minister managing his own department and arranging its affairs within the terms of the law.

So that there may be no mistake about the line of demarcation between the functions of the two departments, may I say what my understanding of it is—and I think it is correct. The marketing of agricultural produce in so far as it relates to Canada is a matter that belongs entirely to the Department of Agriculture. There can be no doubt about that. There are in Canada provincial departments of agriculture as well as the federal department, and it is necessary for the minister so far as the federal Department of Agriculture is concerned, to have supervision over the entire work of marketing throughout all parts of Canada. As Minister of Agriculture, he is equally interested in seeing that all agricultural commodities for sale in foreign countries are so processed, packed, classified, packaged, transported and inspected, that there can be no doubt regarding their quantity and quality when they reach the market. In other words, he has to see to the quality and acceptability of the commodities that are exported.

Mr. BENNETT: "Acceptability" might be open to a wrong construction.

Mr. MACKENZIE KING: "Acceptability" in this sense, that the effort of the Minister of Agriculture is to ascertain the particular form and the quality and the kind of commodities most desired in the markets of the world. The jurisdiction of the Minister of Trade and Commerce begins with the matters of trade and of sale. The Minister of Trade and Commerce has to do with the business of sales, the business of trade in foreign countries. There need not necessarily be a conflict between the two. The line of margin where possible differences may arise, or at least have arisen in the past—they need not in the future if proper safeguards are observed—is with respect to the borderline I have described, where the Minister of Agriculture sees to it that products reach the old country and are there in a form for marketing that will be acceptable, and the part which the Minister of Trade and Commerce and his officials play in seeking to advertise these goods and to gain for them the widest possible sale.

All along there have been a number of inspectors in the old country, under the Minister of Agriculture, to inspect live stock and commodities as they reach that country. They have been there since 1912. It is proposed that there shall be—in fact the government has agreed to it—a commissioner to supervise the work of these various inspectors, and who is to be free to travel in foreign countries for the purpose of gathering information which he can send to his own department to be of assistance to the minister in having agricultural products prepared as necessary and in the manner most desirable. That is the extent to which his organization is expected to operate beyond the bounds of Canada; the rest of the work is all under the control of the Minister of Trade and Commerce.

That brings me to another matter which has been the subject of discussion, to which my right hon. friend referred when he was speaking to-night, namely that in some way the supervision of advertising had been taken from the High Commissioner for Canada, Mr. Massey, in consequence of the estimates having been transferred from the Department of External Affairs to the Department of Trade and Commerce.

Mr. BENNETT: I did not mention advertising.

Mr. MACKENZIE KING: What was it my right hon. friend had in mind?

Mr. BENNETT: I had in mind the question of the relation between the two departments in connection with the high commissioner's office. The statute says he shall act as agent for Canada in connection with all business.

Mr. MACKENZIE KING: What my right hon. friend says is correct; the high commissioner's position is that of agent for Canada with respect to all departments. However,

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my right hon. friend will recall that prior to 1933, I think it was, the Minister of Trade and Commerce brought into the house estimates with respect to the work of publicity overseas, and he himself changed that arrangement and had them brought in by the Minister of External Affairs, which office he held, because, as I understand it, he felt, from representations which the Hon. Mr. Ferguson had made—Mr. Ferguson was high commissioner at the time—that there was need for closer coordination of effort with respect to publicity in the old country, and that there should be more immediate control by the high commissioner. He believed that he himself was in a better position than anyone else to bring about the desired result. When we came into office Mr. Massey continued the work which Mr. Ferguson had carried on in that regard; and Mr. Massey has done that work as efficiently and effectively as could be expected of any high commissioner.

What is the change that has been made? In reality none, so far as Mr. Massey is concerned. Mr. Massey's position remains exactly as it is with respect to the supervision of the work of publicity. He will be assisted in the future, as in the past, by an advisory committee composed of representatives of the departments that are doing advertising there. The only difference is that instead of my presenting, as Secretary of State for External Affairs, the estimate for overseas publicity, advertising and the like, in the estimates of the Department of External Affairs, these estimates will be presented hereafter by my colleague the Minister of Trade and Commerce.

Mr. BENNETT: Instead of the high commissioner's office?

Mr. MACKENZIE KING: Yes, instead of their being presented in connection with the vote for the high commissioner's office they will be presented with the estimates of the Minister of Trade and Commerce. That change was made at my own instance after the experience I went through in the house last year in presenting the estimates to the house. After having endeavoured to tell this house about the overseas advertising publicity campaigns, and the like, I said to Doctor Skelton, the Under-Secretary of State for External Affairs, that I did not see why I should have to do this, that it properly belonged to the Minister of Trade and Commerce, and that I hoped that, when the estimates were prepared this year, that vote would be submitted in the name of the Minister of Trade and Commerce.

Mr. BENNETT: Then there is no change at all?

Mr. MACKENZIE KING: There is no change at all, and the effort to have it appear that in some way there has been some difference which accounts for the change is as erroneous as it could possibly be. I think that what was felt most keenly in connection with the Shaw's report was that references, which were not intended in any way to relate to the advertising campaign which Mr. Massey had put on for the Canadian government in England, were construed as relating to that campaign. They did not refer to that campaign at all. I think it has been generally conceded that that work was done most effectively and efficiently. It is very much to Canada's interest that it should be distinctly understood in the old land that there is nothing but the highest approval on the part of the government, and I believe on the part of the opposition and all hon. members of the house, of the campaign put on by Mr. Massey in the old country in the last year or two. In fact one of the strongest endorsations of that campaign came from the other side of the house last year.

In order that there could be no difference of view, and that the matter might be presented more clearly to the house when parliament met, I submitted a recommendation on the 25th of this month, and an order in council was passed with respect to advertising and the promotion of trade overseas, defining the relation between the work of the Department of Trade and Commerce and the high commissioner's office regarding advertising in the United Kingdom. The recommendation adopted is as follows:

1. All financial provision for governmental assistance to the promotion of Canadian trade abroad (including any appropriations for advertising and trade publicity) shall be made in the estimates of the Department of Trade and Commerce and shall be subject to the supervision of the Minister of Trade and Commerce.

2. An advisory committee on trade publicity overseas shall be set up of representatives of the Department of Trade and Commerce, External Affairs, Agriculture, Fisheries, whose duty it will be to assist in securing effective collaboration between the several departments concerned with special aspects of government advertising and publicity policy abroad.

3. The advisory committee on publicity in the United Kingdom established under the chairmanship of the High Commissioner shall continue to carry out the work it has been doing in connection with the vote for government advertising and publicity in the United Kingdom.

With the permission of the house I should like to table the order in council.

I hope this will clear up the situation. I deplore very much the criticisms that have

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56		World Economic Co-operation Campaign, Ottawa. Speeches outside Parliament	19 Sept. 1937	D 34161 - D 34222	
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57		Agriculture: Department of. Speeches in Parliament	Jan. 1938	D 34336 - D 34339	
57		Agricultural Farm Implements. Speeches in Parliament	Mar. 1938	D 34340 - D 34343	
57		Alberta Legislation. Speeches in Parliament	1938	D 34344 - D 34350	
57		Austrian Plebiscite. Speeches in Parliament	Apr. 1938	D 34351 - D 34352	
57		Bank of Canada. Speeches outside Parliament	1938	D 34353 - D 34356	
57		Bennett: Rt. Hon. R.B. Speeches in Parliament	1938	D 34357	
57		Borden, Sir Robert. Speeches in Parliament	Jan. 1938	D 34358 - D 34420	
57		Budget: Speeches in Parliament	June 1938	D 34421 - D 34438	

"K" Speeches

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FARM IMPLEMENTS COMMITTEE

CONSIDERATION DURING THE PRESENT SESSION OF SECOND REPORT PRESENTED APRIL 8, 1937

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

That the second report of the special committee of the house, appointed on the 1st of February, 1937, to continue and complete an inquiry, begun by the standing committee on agriculture and colonization pursuant to a resolution of the house on the 2nd March, 1936, into the causes underlying the high prices of farm implements, with particular reference to the advance in prices in the year 1936, presented to this house on the 8th of April, 1937, be considered by the house during the present session of parliament.

He said: Hon. members will recall that in the 1936 session, by resolution of the house passed on March 2, the standing committee on agriculture and colonization was asked to inquire into the causes underlying the high prices of farm implements, with particular reference to the advance in prices in the year 1936. At the 1937 session a special committee of the house was appointed on February 1, to continue the investigation begun the year before. The second report of the special committee was presented to the house on April 8, 1937. In view of the lack of opportunity for adequate consideration, concurrence in the report was not proceeded with. The house will recall that we were anxious to prorogue in time to permit hon. members to be present at the coronation ceremonies in the old country, and an undertaking was given by the government that if the request for concurrence was not pressed at that time arrangements would be made to permit of concurrence being asked for at the present session.

Consideration of a report tabled during a previous session is a new departure for the House of Commons of Canada, but there is however precedent for it in the procedure followed at Westminster. The citation in reference thereto will be found in Beauchesne, paragraph 659, as follows:

By a motion made for that purpose in the British house, the report of a committee presented during a previous session has been taken into consideration.

The record will be found in the English journals, volume 86. I have in my hand a copy of what appears in the record of the journals. The propriety of the course I am proposing is also indicated in Bourinot, third edition, at pages 554-5, in the following words:

It (i.e., a report) remains in the possession and on the journals of the house as a basis or ground for such further proceedings as may be proper or necessary.

[Mr. Coldwell.]

Adoption of the present motion will enable the house to consider the report at an opportune time during the present session.

Mr. DENTON MASSEY (Greenwood): Mr. Speaker, in looking over the recommendations of the committee to which the Prime Minister (Mr. Mackenzie King) has referred one finds a recommendation concerning cream separators.

Mr. MACKENZIE KING: The time to discuss the report would be when concurrence is asked.

Mr. MASSEY: I was not going to discuss the report. I was going to direct attention to the fact that during the course of that investigation no evidence was taken from Canadian manufacturers of cream separators, yet one of the recommendations contained in the report is in connection with cream separators. My thought was that it might be desirable to have the committee meet again in order to take evidence on a matter with regard to which they did not take evidence previously.

Mr. MACKENZIE KING: I may say to my hon. friend that the report of the committee was made to the house. It was complete at the time concurrence was being asked last session. The undertaking at that time was that an opportunity would be granted at the present session to seek concurrence in the report, and I think the government is obligated to carry out that assurance.

Mr. MASSEY: It seems to me that before concurrence is asked the committee should complete its work. The committee may have figured that it had concluded its work, but since hon. members have had time to look through the report they may find that one of the recommendations is based upon wholly inadequate information.

Right Hon. R. B. BENNETT (Leader of the Opposition): The Prime Minister (Mr. Mackenzie King) is quite correct with respect to the suggestion that the report should stand over until this session. I think I suggested it to the hon. member for Melfort (Mr. McLean) when he began his discussion. The motion is not only highly proper but is one which this house is obligated to pass—not the government but the house as such; because we did agree to postpone consideration of the matter until this session.

The point that has been just brought to the attention of the house by the hon. member for Greenwood (Mr. Massey) is intended to intimate that there was no Canadian evidence

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2. Department of Marine:

Hudson bay and Strait to March 31, 1937.. .. .. $4,178,506 58

(Includes Radio, Hydrographic, N. B. McLean, Meteorology, Aids to Navigation).

3. Department of Railways and Canals:

	Net.
1934-35..	$171,095 47
1935-36..	79,424 44
1936-37 (to December 31, 1936)..	49,085 34

National Harbours Board:

1937..	$140,889 61

(These expenses are included in the total given in answer to Question No. 1, above.)

Department of Marine—Radio, Hydrographic, N. B. McLean, Meteorology, Aids to Navigation:

1934-35..	$109,668 11
1935-36..	110,522 18
1936-37..	126,844 63

(These maintenance expenditures are included in the total of Aids to Navigation given in answer to Question 2).

FARMERS' CREDITORS ARRANGEMENT ACT—PEEL COUNTY, ONTARIO

Mr. GRAYDON:

1. How many applications were made by farmers in the county of Peel under the provisions of the Farmers' Creditors Arrangement Act in each of the years 1934, 1935, 1936, 1937, and 1938?

2. How many of such applications were settled in each of the said years without reference to the board of review?

3. How many cases of Peel applicants were heard in each of the said years by the board of review?

4. How many of such cases are now awaiting disposition by the board of review?

5. Under the provisions of the said act, what was the total reduction in: (a) claims of secured creditors; (b) claims of unsecured creditors, with respect to applications made by farmers in the county of Peel in each of the above mentioned years?

Mr. DUNNING:

1. 1934, 1; 1935, 63; 1936, 40; 1937, 13; 1938, 13.

2. 1934, nil; 1935, 28; 1936, 21; 1937, 13; 1938, 7.

3. 1934, nil; 1935, 16; 1936, 17; 1937, 17; 1938, 1.

4. 4.

5.

	(a) Secured	(b) Unsecured
1934..	nil	nil
1935..	$ 9,968	$ 6,261
1936..	21,997	8,206
1937..	32,290	10,241
1938..	6,894	322

(Six cases not yet disposed of by official receiver.)

OLD AGE PENSIONS—QUEBEC

Mr. MALLETTE:

Since the Old Age Pensions Act came into force in the province of Quebec, what sums have been paid to the said province by the dominion government, each month?

Mr. DUNNING: Payments to the provinces of the dominion's contributions under the Old Age Pensions Act are made quarterly. The following amounts have been paid to the province of Quebec:

Old Age Pensions

As of March 31, 1937..	*$2,345,107 05
June 30..	2,597,524 70
September 30..	2,029,284 20
December 31..	1,874,485 58
	$8,846,401 53

Pensions for the Blind

As of December 31, 1937..	$ 8,321 12
	$8,854,722 65

*This amount covers the period August 1, 1936, to March 31, 1937.

QUESTION PASSED AS ORDER FOR RETURN

SOLDIER SETTLEMENT—FARMERS' CREDITORS ARRANGEMENT ACT

Mr. COLDWELL:

1. By provinces: (a) what was the original number of soldier settlers; (b) what is the present number of soldier settlers; (c) what number of settlers have abandoned their lands, given quit claims, etc.; (d) what number of civilian settlers purchased such lands; (e) what number of British families were settled by the board; (f) what is the number of loans fully repaid; (g) what number of properties is now in the hands of the board; (h) what is the total book debt of such properties in the hands of the board; (i) what is the total investment represented by the board's operations?

2. What was the total amount in dollars of concessions granted by various remedial legislation?

3. What are the actual ascertained losses on resale of security taken by the board?

4. How many settlers in each province benefited through dollar for dollar bonus plan, in each of the years of 1933, 1934, 1935, 1936, 1937?

5. (a) What is the number of applications by debtors of the board under the Farmers' Creditors Arrangement Act; (b) what is the total indebtedness dealt with; (c) what is the total write-down for each class of settlers; (d) what is the average reduction in debt in each class?

6. (a) What is the total number of properties on hand, with number leased in 1937, and number of properties unoccupied in 1937; (b) what is the number of properties that have reverted to municipalities and provinces under section 21 (a) of the act?

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taken with respect to cream separators. I suppose, like most of us, the hon. gentleman has received a communication asking if it would be possible to have that done. I think the government would be the first to realize that it is desirable that there should be no possible thought of unfairness with respect to a matter of this kind. I have no opinion to express with respect to the merits of it at all. I only know—and I fancy many other hon. members of the house are in the same situation— that I was advised as to what was the position, and wondered whether or not it would be possible for these Canadian producers to have an opportunity to present their evidence. The report could then be brought back to the house with the additional evidence, because in the report there is a recommendation that deals with cream separators.

It seems to me quite clear, however, that this motion must pass in the first instance. Then when the motion for concurrence is made it would be proper for that order to be discharged for the moment and for the report to be remitted for one sitting of the committee, or whatever may be thought desirable, to enable the evidence of Canadian producers to be given as to the cost of production of cream separators.

Mr. MACKENZIE KING: With the concluding words of the right hon. leader of the opposition (Mr. Bennett) I am in full accord. The motion should be adopted now. When we are discussing concurrence in the report the house can decide what it may wish to do by way of having the report further considered.

Motion agreed to.

ELECTIONS AND FRANCHISE

QUESTION OF CONSIDERATION THIS SESSION OF FINAL REPORT OF SPECIAL COMMITTEE, PRESENTED APRIL 6, 1937

On orders of the day:

Mr. A. W. NEILL (Comox-Alberni): I should like to ask the Prime Minister (Mr. Mackenzie King) if he would be prepared to move a resolution in connection with the report of the franchise committee, similar to the motion that has just been adopted in regard to the report concerning farm implements. The attendant circumstances appear to me to be exactly the same, including, if I am not mistaken, a promise made across the floor of the house that we would be given an opportunity to debate the report this session.

Right Hon. W. L. MACKENZIE KING (Prime Minister): May I say to my hon. friend that the government intend to bring down a bill dealing with the question of the franchise, and on that bill there will be ample opportunity for the discussion my hon. friend has in mind. I can assure my hon. friend there is no desire in any way to restrict the discussion on franchise matters at this session.

Mr. NEILL: That is not exactly the same thing. If the report was discussed in the house it might be anticipated that it would result in some modification of the proposed bill, but if the bill is brought down the legislation is there and the government will see it through. The undertaking, as I recall it, was that the report would be discussed in the house, and not a bill founded upon it.

Mr. MACKENZIE KING: The bill to be introduced will be based upon the recommendations made by the committee last session, and the bill will be sent to a committee where its provisions can be considered. The committee will be at liberty to discuss all that is to be found in the previous report.

Mr. NEILL: Then the difference will be between a discussion in this house and a discussion in a small committee, which is not exactly the same thing.

Mr. MACKENZIE KING: There will be both; there will be a discussion in the committee and also in this house.

DIVERSION OF WATER

INQUIRY AS TO ANSWER TO QUESTION RESPECTING DIVERSION FROM HUDSON BAY WATERSHED

On the orders of the day:

Mr. J. R. MacNICOL (Davenport): I should like to ask the Prime Minister (Mr. Mackenzie King) if I am to have an answer to the question I asked on February 3 in reference to the diversion of Albany river water. I note that the question is no longer on the order paper. Neither have I had any answer, but in the white book submitted the other day I did find a letter dated January 27, according to which the government apparently has consented to the violation of the Albany river water, and I should like to know if that is the government policy.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I can assure my hon. friend that I did not intentionally overlook answering any question of his. He has just used the expression that the government consented to the "violation" of river

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waters. Does he mean the diversion of some waters? The violation of waters is a new phrase. I must confess that I do not know what particular point has been overlooked in my hon: friend's previous question. I thought everything had been answered as satisfactorily as it could be answered. If my hon. friend would put another question on the order paper which will meet the exact point he has in mind I shall endeavour to see that it is promptly answered.

CANADIAN WHEAT BOARD

AVAILABILITY OF WEEKLY CERTIFIED REPORTS MADE UNDER THE STATUTE

On the orders of the day:

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, I should like to offer a suggestion to the Minister of Trade and Commerce (Mr. Euler), in view of the fact that the reports called for by the Canadian Wheat Board Act, which are made to him every week, for the purposes of a return would be very voluminous and very difficult to prepare. It would serve a useful purpose and probably meet the requirements of us all if the minister would bring the originals, without filing them as sessional papers, but making them available for inspection in the office of the clerk of sessional papers. This would obviate the necessity of much copying, and would enable us to get the information sought in time to be of use in connection with measures which will necessarily have to be considered during the session.

Hon. W. D. EULER (Minister of Trade and Commerce): Mr. Speaker, I shall be glad to give consideration to the suggestion made by the leader of the opposition (Mr. Bennett). I should like to know whether he means that the reports for the past year should be submitted.

Mr. BENNETT: The statute provides that the board shall send to the minister every week certain reports certified by the auditors. Obviously we have a right to see those documents, and it would seem to me to be much easier if the originals were merely placed in the custody of the clerk of sessional papers, so that they could be inspected by all members of the house. I meant not only this year, but 1936 as well.

Mr. EULER: Reports are received by the minister each week, but I am not so sure it is the intention of the act that they shall be made available to all members of the house. However I am perfectly willing to consider the suggestion.

INTERNATIONAL LABOUR OFFICE

QUESTION AS TO RATIFICATION OF CONVENTIONS AND RECOMMENDATIONS RESPECTING MARINE MATTERS

On the orders of the day:

Mr. ANGUS MacINNIS (Vancouver East): Mr. Speaker, before the orders of the day are proceeded with I should like to ask a question of the Minister of Transport (Mr. Howe). In October, 1936, a special conference of the International Labour Office dealt with marine matters, and at that time certain conventions and recommendations were made. Has the government ratified any of the recommendations or conventions, or is it the intention of the government in the near future to do so?

Hon. C. D. HOWE (Minister of Transport): Mr. Speaker, I may say that the conventions and recommendations to which the hon. member has referred are being studied by officers of my department, and I assume some decision will be arrived at shortly.

SASKATCHEWAN SCHOOLS

INQUIRY AS TO ALLOCATION OF RELIEF FUNDS AS EMERGENCY GRANTS

On the orders of the day:

Mr. A. M. EDWARDS (Waterloo South): Mr. Speaker, I should like to ask a question of the Minister of Finance (Mr. Dunning) based on a telegram and several communications I have received. Probably if I read the telegram it will be self-explanatory. It is addressed to me, and is in these words:

> Canadian Teachers Federation is appealing to the federal members on behalf of Saskatchewan schools. Teachers are unpaid for months; equipment and supplies are inadequate; hundreds of children are being deprived of educational opportunities. Galt local secondary school teachers' federation requests your co-operation in securing emergency grants.

I appreciate the distribution of the relief funds in the manner in which it is done, namely through the provincial authorities, but I should like to ask the minister if there is not some plan by which some of this money could be diverted for this particular cause, or some suggestion made which would have the desired effect.

Hon. CHARLES A. DUNNING (Minister of Finance): Mr. Speaker, I think all hon. members have received circular letters respecting the plight of school teachers in Saskatchewan. In answer to the hon. member I can say only that assistance which has been given to provincial governments under the extraordinary conditions which have prevailed

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57		Agriculture: Department of. Speeches in Parliament	Jan. 1938	D 34336 - D 34339	
57		Agricultural Farm Implements. Speeches in Parliament	Mar. 1938	D 34340 - D 34343	
57		Alberta Legislation. Speeches in Parliament	1938	D 34344 - D 34350	
57		Austrian Plebiscite. Speeches in Parliament	Apr. 1938	D 34351 - D 34352	
57		Bank of Canada. Speeches outside Parliament	1938	D 34353 - D 34356	
57		Bennett: Rt. Hon. R.B. Speeches in Parliament	1938	D 34357	
57		Borden, Sir Robert. Speeches in Parliament	Jan. 1938	D 34358 - D 34420	
57		Budget: Speeches in Parliament	June 1938	D 34421 - D 34438	

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ALBERTA LEGISLATION 1937

(See Memo: "Alberta Legislation, 1937, Disallowance and Reservation of")

Do not propose to enter upon extensive discussion of question at this time;

Certain aspects sub judice:

Improper to discuss those questions referred to courts -

(a) Subsistence of power of disallowance;

(b) " " " " reservation;

(c) Constitutionality of legislation before Court;

Aspects open to discussion:

Desire to make brief reference to -

(a) grounds upon which government made decisions,

(b) attitude of present government re power of disallowance,

(Assuming power still subsists):

Statutes Disallowed on August 17,1937:

1. The Credit of Alberta Regulation Act -
provided for licensing by Provincial Board of Banks and bankers in Alberta,
deprived persons whose licenses were revoked, of access to courts;

2. The Bank Employees Civil Rights Act -
deprived bank employees who failed to comply with Act (1 above) of their civil rights in province;

3. The Judicature Amendment Act -
prohibited actions to question constitutional validity of any provincial legislation without permission of Lieutenant-Governor-in-Council;

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Reasons for Disallowance

(as set forth by Minister of Justice - See "Documents" re, "Exhibit 3")

1. An unmistakable invasion of legislative field assigned to Dominion Parliament;

2. Acts conflict with Dominion laws - virtually supplant Dominion institutions; a deliberate attempt to interfere with Dominion laws;

3. If allowed to become operative, would produce confusion and grave injury to national public interest -

through vagueness of terminology and arbitary powers vested in body responsible only to provincial government but which proposed to regulate institutions created by Dominion and Dominion-wide in scope;

4. Situation aggravated by denial of recourse to Courts - (not questioned solely on grounds of constitutional invalidity by denial of recourse to courts);

Government suggested reference to Supreme Court:

Before disallowing, subject to postponement of enforcement, government invited reference to Supreme Court -

Mr. Aberhart's refusal left government no alternative but to disallow Acts - in order to protect Dominion interests and to meet its responsibilities to people of Canada as a whole;

Bills Reserved by Lieutenant-Governor of Alberta - (Oct.5,1937)

1. Taxation of Banks Act,
2. Credit of Alberta Act,
3. Accurate News and Information Act,

Reservation does not necessarily involve disallowance -

Bills now before Courts, together with question of subsistence of power of disallowance and of reservation;

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When opinion is handed down by Supreme Court, government will have to consider what, if any, action is to be taken in the light of Court's decision;

Bills were reserved by Lieutenant-Governor on his own discretion -

Believed he possessed constitutional power of reservation;

General Attitude of Government re Disallowance:

A discretionary right of Dominion Government -

Right of disallowance (if it still subsists) imposes no legal obligation;

Government answerable to Parliament for its use as for any other action;

Should be resorted to only in cases of necessity -

for protection of interests of people of Dominion as a whole,

for protection of federal structure of Canada;

Fact provincial Acts believed ultra vires not sufficient in itself to justify disallowance;

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Re Discrimination Re Alberta Legislation

Preferable to have issue settled, where possible, by process of law;

Liberal policy, as in past, of extending widest tolerance to provinces consistent with responsibilities of government to people of entire nation;

No Discrimination in Case of Alberta -

Question has been raised why government has not disallowed Quebec "Padlock Law" and Ontario "Power Commission Act,1937" -

Re "Padlock Law"-

Government did not feel justified at time Act was passed, in disallowing measure;

Certain bodies have given notice they will shortly petition government to disallow Act;

Government will consider petition when it is presented -

no wish to prejudice case by discussion at this time -

(Government has until July to disallow Act);

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Re Discrimination
re Alberta
Disallowance

Re "Power Commission Act -

Act has been declared ultra vires by
Courts and litigation dropped
as result of new contracts -
Government fully justified in letting
Courts decide matter;

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57		Bennett: Rt. Hon. R.B. Speeches in Parliament	1938	D 34357	
57		Borden, Sir Robert. Speeches in Parliament	Jan. 1938	D 34358 - D 34420	
57		Budget: Speeches in Parliament	June 1938	D 34421 - D 34438	

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they are of such a character as, translated, must convince any of us that had the Speaker been able to hear what was being said he would have indicated that those observations should not have been made in this chamber, because they cannot but have, I believe, a very serious effect upon the position of the House of Commons itself. I refrain deliberately at this time from making any reference to the language employed and the charges that have been made against those who are not in this place, about matters that have nothing to do, under our federal constitution, with this house. I think that when the hon. member for Beauce has perused them, as translated in the official record, and the Prime Minister has done the same, they will regard my observations as temperate and moderate and made for one purpose only, namely to do at least what we can to maintain in this generation respect for our institutions, which I think is a very heavy obligation that rests upon each and all of us at this time.

OFFICIAL REPORT

On the orders of the day:

Mr. DENTON MASSEY (Greenwood): Before the orders of the day are called I desire to refer to page 2277 of unrevised Hansard, where I am reported as having said:

All I knew is that the premier of Ontario is reported to refer to the minister's speech.

What I said was:

All I know is that the premier of Ontario is reported to have referred to the minister's speech as a headline and a headache.

AUSTRIAN PLEBISCITE

QUESTION WITH REFERENCE TO POLLING OF VOTE OF GERMAN NATIONALS IN CANADA

On the orders of the day:

Right Hon. R. B. BENNETT (Leader of the Opposition): I noticed in the press this morning a short item dealing with the question of an endeavour being made to poll the vote of German nationals in Canada with respect to the annexation of Austria. Possibly it may be of value, as some conclusions have been arrived at, if the Prime Minister (Mr. Mackenzie King) would indicate whether or not (1) any effort has been made on the part of the German government to have us provide facilities for a poll being taken; (2) what reply the administration made to such request, and (3) whether any steps have or can be taken to ascertain whether or not those who claim the right to vote have been naturalized in some instances as British subjects. The latter question is perhaps of the most pressing importance from the standpoint of the country as a whole. I did not get an opportunity to indicate to the Prime Minister that I intended to ask this question on the orders of the day, and if he thinks that it is inadvisable to make an answer without further consideration he can treat it as notice; but inasmuch as the press report indicated that some conclusions had been arrived at, I assumed that possibly the question of notice was unimportant.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I am not aware of any representations having been made by the German government to our government, but I will look into the matter and let my right hon. friend have a reply to-morrow.

SEED GRAIN

RELATION OF FEED AND FUEL ALLOWANCE TO GRANT OF SEED TO FARMERS IN WESTERN PROVINCES

On the orders of the day:

Mr. T. C. DOUGLAS (Weyburn): On page 1940 of unrevised Hansard, Monday, March 28, 1938, I asked the Minister of Agriculture (Mr. Gardiner) the following question:

One more question. The minister said this afternoon that feed and fuel would not be deducted from the amount of seed a man could get under the schedule. Does that apply also to repairs?

To which the minister replied:

Feed and fodder and oil and gasoline and repairs have no necessary connection with the seed a man gets.

I am now in receipt of a telegram from a municipal council stating that the amount of repairs given to each farmer is being deducted from his seed schedule. Would the minister care to make any statement with regard to the matter?

Hon. J. G. GARDINER (Minister of Agriculture): As this is a matter entirely in the administration of the province there is nothing I can add to what I stated at the time. Feed, fodder, oil, gasoline and repairs have no necessary connection with the seed a man gets. I imagine that the case of every municipality and every individual will be considered on its merits and some decision reached by the province, but there is nothing I can add to that statement.

D 34352

BUSINESS OF THE HOUSE

BILLS RESPECTING POLITICAL EXPENDITURES AND ELECTIONS AND FRANCHISE

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Last evening, in announcing the business for to-day, I failed to make reference to two bills which appeared in the name of the Minister of Pensions and National Health (Mr. Power), one relating to political expenditures, the other to franchise and elections. There are obvious reasons which make it desirable to have the bills referred if possible before the Easter recess to the committee on matters pertaining to elections which was appointed the other day. If hon. members have any objections to proceeding this afternoon with these bills of course the government would not ask to have them taken up at the moment; but as there is an understanding that they will be referred to the committee, perhaps there would be no objection to proceeding with the second reading on this understanding this afternoon.

Right Hon. R. B. BENNETT (Leader of the Opposition): Obviously I cannot speak for all of those who sit on this side, but the bills stand for second reading, and as far as we were concerned we practically made up our minds that as the bills in any event were to go to the committee, no good purpose would be served by making any extended observations on second reading. I will content myself with saying that, having read the measures, I trust the Prime Minister will forgive me if I remark that one of them, at least, seems to have been fearfully and wonderfully made.

Mr. MACKENZIE KING: We had the best counsel possible.

Mr. BENNETT: I would doubt that—not on the score of capacity to practise the profession, but from the standpoint of not being able to apply academic knowledge to realities. The two things do not go side by side.

Mr. POWER: It is the first time I have been accused of purely academic knowledge.

Mr. BENNETT: I assure you, Mr. Speaker, I had no intention of accusing the hon. member of possessing academic knowledge. Perhaps I might have said that he had great knowledge of realities, many of which I would prefer that he did not have.

[Mr. Gardiner.]

POLITICAL EXPENDITURES

PUBLICATION OF RECEIPTS AND EXPENDITURES AND LIMITATION OF AMOUNT EXPENDED IN ELECTION OF MEMBERS

Hon. C. G. POWER (Minister of Pensions and National Health) moved the second reading of Bill No. 90, respecting political expenditures.

Right Hon. R. B. BENNETT (Leader of the Opposition): I should like to make it abundantly clear that in consenting to the second reading of this bill, which I think under the circumstances it is proper to do, I make the fullest reservation on behalf of those who are associated with me, as not adopting the principles that are contained in many sections of the bill; because it may be difficult to indicate what the principle is that governs the measure as a whole. There are many sections to which I think objection in principle must be taken, and I desire to reserve the right to the fullest measure of discussion with respect to the bill itself and to every section of it in order that there may be no misapprehension in the future.

Mr. POWER: That is thoroughly understood.

Motion agreed to, bill read the second time and referred to the special committee appointed to consider electoral matters.

ELECTIONS AND FRANCHISE

MEASURE RESPECTING FRANCHISE OF ELECTORS, ELECTION OF MEMBERS OF HOUSE OF COMMONS, AND PRINTING AND PUBLICATION OF ELECTION DOCUMENTS

Hon. C. G. POWER (Minister of Pensions and National Health) moved the second reading of Bill No. 91, respecting the franchise of electors and election of members of the House of Commons.

Right Hon. R. B. BENNETT (Leader of the Opposition): I desire to make a similar reservation with respect to this measure. Naturally, if the minister in charge of the bill were to present the case on second reading it might precipitate a lengthy debate. If, with the reservation I have mentioned with reference to the other measure, the bill is given second reading, I cannot see that any harm will be done, because we would reserve the fullest right of criticism with respect to the principles embodied in some of the sections, believing as we do that a closed list has much to commend it as against provisions that exist in some parts.

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
56		World Economic Co-operation Campaign, Ottawa. Speeches outside Parliament	19 Sept. 1937	D 34161 - D 34222	
57		Address: Speech on Debate. Speeches in Parliament	Jan. 1938	D 34223 - D 34335	
57		Agriculture: Department of. Speeches in Parliament	Jan. 1938	D 34336 - D 34339	
57		Agricultural Farm Implements. Speeches in Parliament	Mar. 1938	D 34340 - D 34343	
57		Alberta Legislation. Speeches in Parliament	1938	D 34344 - D 34350	
57		Austrian Plebiscite. Speeches in Parliament	Apr. 1938	D 34351 - D 34352	
57		Bank of Canada. Speeches outside Parliament	1938	D 34353 - D 34356	
57		Bennett: Rt. Hon. R.B. Speeches in Parliament	1938	D 34357	
57		Borden, Sir Robert. Speeches in Parliament	Jan. 1938	D 34358 - D 34420	
57		Budget: Speeches in Parliament	June 1938	D 34421 - D 34438	

"K" Speeches
Bank of Canada

Notes prepared by Mr. King but not used.

1.

D34353

Since war, Question of Monetary reform much discussed -

Growing realization for need of Central Bank in Canada.

Depression brought matter further to the fore.

Matter first put forward as a Concrete proposal -

at S. Huron, by-election, Sept. 1932;

in House of Commons -

Debate on Address, Oct., 1932;

As a part of Liberal Platform

H. of C., Feb. 27, 1933.

Conservative Government thereafter appointed a Commission to study the question.

D 34354

In 1934 - Government brought in
Bill for establishment of
National Central Bank -
"Bank of Canada Act" - 1934.
Second reading - question of
principle - not constitution.
Liberal Party only Party solid
for a publicly owned bank vs.
a privately owned bank.

(See - Memo re stages)

D 34355

Stages of Development of Bank of Canada

1932 - Advocacy by Liberal Party;

1934 - Privately owned and controlled
Central National Bank
established under Conservative
Party -
Bank of Canada Amendment Act.

1936 - Publicly controlled and
predominantly owned National
Bank established by present
Government - entirely
different from Consent.
(currency issue given
gold & securities —

1938. Publicly controlled & fully
publicly owned

Bill introduced by present
Administration to

D34356

1938 - Publicly controlled and
fully publicly owned.

Why change - to end
misrepresentation as to
character of pledge given
in election of 1935 -
to avoid misrepresentation
as to character of Bank.

Purpose will be carried out
gradually

Policy - will be so conducted -
as best fulfill the purposes
of Bank.

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57		Bennett: Rt. Hon. R.B. Speeches in Parliament	1938	D 34357	
57		Borden, Sir Robert. Speeches in Parliament	Jan. 1938	D 34358 - D 34420	
57		Budget: Speeches in Parliament	June 1938	D 34421 - D 34438	

D 34357

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RIGHT HON. R. B. BENNETT

REPORTED RETIREMENT FROM PARTY LEADERSHIP —OBSERVATIONS OF THE PRIME MINISTER

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, before we begin the afternoon's proceedings may I be permitted to say to my right hon. friend the leader of the opposition (Mr. Bennett) how sorry I have been to learn that because of an impaired condition of his heart he has found it necessary to inform his party that he will not be able beyond a few months to continue to hold the position of its leader which position he has held during the past ten years. I know this expression of regret will be equally felt by all hon. members, and I hope that the right hon. gentleman will permit me to express this feeling toward him on behalf of the house.

I have often marvelled that my right hon. friend found it possible to assume the great amount of work he has undertaken, knowing something of the tremendous strain which, as leader of a political party, part of the time leader of the government and part of the time leader of the opposition, he has had to endure. Knowing how completely my right hon. friend's life has been devoted to public affairs, how conscientiously he has performed his duties as leader of his party and in the house, I can imagine how distressing it must be to him to feel that, because of the condition of his health, he is obliged to relinquish some part of those duties. In the decision which has become imperative he has my sincere sympathy.

I would express the hope that with release from extra strain, and some of the exacting burdens he has borne my right hon. friend's health may be speedily restored; that the greater freedom thereby assured, may serve to increase and prolong the enjoyment of his days as well as afford opportunities of useful public service in other ways which otherwise might be denied.

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57		Budget: Speeches in Parliament	June 1938	D 34421 - D 34438	

As finally revised
(separate tribute)

D 34358

SIR ROBERT BORDEN

Death of Sir Robert Borden
and Period of Premiership.

Retirement from Active Politics.

How time employed during Retirement.

Period of Calm and freedom which
preceded even-tide of life
extended over 17 years with
glow on horizon at close.

Health regained - lived to 83 - spared
infirmities.

Lived to see place, above Party, in
esteem of fellow countrymen,
and name honoured.

Life and work a part of history -
little to add to tribute.
Proceedings of Parliament record
sense of loss.

Name among those who served Parliament,
Party and Country.
Among world statesmen in Councils
of Empire, Versailles, Geneva.

Sympathy with Lady Borden.
Half century shared struggles and
achievements.

D34359

Six removed by hand of Death
3 - Government
2 - Opposition
1 - Social Credit

Expression of sense of loss
Tribute to memories.

Members who have passed away:

	Name	Constituency	Date of Passing
1.	Daniel A. Cameron	Cape Breton North Victoria	Sept. 5/37.
2.	Hon.Dr.S.F.Tolmie	Victoria	Oct. 13/37.
3.	J.Achille Verville	Lotbiniere	Nov. 20/37.
4.	Rt.Hon. Sir George Perley	Argenteuil	Jan. 4/38.
5.	William M. Ryan	St.John-Albert	Jan. 4/38.
6.	Dr. W. S. Hall	Edmonton East	Jan. 26/38.

Of this number, Messrs. Cameron, Verville and Ryan were supporters of the Government.

All were members of the legal profession.

Verville - M.P. since 1935.
Cameron and Ryan - present Session.

Verville and Ryan - 50 years of age.
Cameron - 67.

D34360

Six removed by hand of Death
3 - Government
2 - Opposition
1 - Social Credit

Expression of sense of loss
Tribute to memories.

Members who have passed away:

	Name	Constituency	Date of Passing
1.	Daniel A. Cameron	Cape Breton North Victoria	Sept. 5/37.
2.	Hon. Dr. S. F. Tolmie	Victoria	Oct. 13/37.
3.	J. Achille Verville	Lotbiniere	Nov. 20/37.
4.	Rt. Hon. Sir George Perley	Argenteuil	Jan. 4/38.
5.	William M. Ryan	St. John-Albert	Jan. 4/38.
6.	Dr. W. S. Hall	Edmonton East	Jan. 26/38.

Of this number, Messrs. Cameron, Verville and Ryan were supporters of the Government.

All were members of the legal profession.

Verville - M.P. since 1935.
Cameron and Ryan - present Session.

Verville and Ryan - 50 years of age.
Cameron - 69.

Verville

D34361

2.

MR. JOSEPH A. VERVILLE

Verville

Born Ste. Gertrude, 1887.
Educated Nicolet College.

Graduated as Notary:
Laval University.

Mayor of St. Flavien.

Represented a farming
constituency.

Manner reserved - firm convictions
Faithful.

Ryan D34362

MR. WILLIAM M. RYAN

Born in St. John, N.B.
Educated at St. Joseph's University,
and King's College Law School.

Before practising as barrister
engaged in journalism in
St. John and Regina.

K.C. in 1934.

Unsuccessfully contested St. John-
Albert 1926 and 1930.

In 1935 : elected by substantial
majority.

Journalistic and legal training.

Participated frequently in debate.
Member of several of
Standing Committees.
evidence of outstanding ability.

Death brought to close
promising political career.

Cameron D34363

4

MR. DANIEL A. CAMERON

At time of entering Parliament
long and active career -
in law and politics.

Born at Sydney River, N.S., in 1870.
Graduate of Dalhousie University.
Outstanding member of legal profession

Public life.

Began with interest in municipal affairs.
Member of Cape Breton Council.

Provincial politics -

Member for Cape Breton County - 1916.
Entered Legislative Council - 1922.
Became Liberal leader in Upper House
Also Minister without portfolio.
(Govt. of late Hon. Geo. H. Murray)

After Legislative Council abolished,
returned to Provincial Legislature
Victoria County.
Appointed Provincial Secretary
(Govt. of Hon. Ernest H. Armstrong)
Resigned in 1925.
Returned to Provincial House in
1928.

M.P. for Cape Breton-North Victoria
in 1935.

D 34364

Long experience in provincial politics and at Bar.

Quiet in manner.
Restrained in utterances.
Effective debater - moderate - calm.
Most active as member of Committees.
Death distinct loss to public life.

Characteristics 3 Liberal members

D 34365

Characteristics of 3 Liberal Members.

Mr. Cameron, Mr. Verville, and Mr. Ryan:

All outstanding Liberals.
Firm and strong in convictions.
Loyal in support of Party
and of present Administration

Friends not confined to members of Party to which they belonged.

Loss particularly felt by colleagues and myself.

Losses on other side of House.

Not from this side of House only that once familiar forms and faces have vanished.

Loss is severe - in which all Canada shares.

Social Credit party's first loss.

Expression of sympathy to both parties.

Tolmie & Perley

D34366

7.

Honourable Dr. Simon F. Tolmie
5 times - Victoria.

Rt. Hon. Sir George Perley.
7 times - Argenteuil.

For a long time, two of the best known personalities in public life.

(1) Years in Parliament.
Dr. Tolmie: 10 years.
Sir George Perley: 25 years.

(2) Minister of Crown.
Each had served as Minister of the Crown.
Occupied elsewhere positions of exceptional honour, trust, and authority.

(3) Other similarities.
(1) Each inherited interest in public life.
(2) Each possessed special aptitudes for public service.

Dr. Tolmie's father
Physician.
One of pioneers of Pacific Coast.
Member of Legislative Assembly
Colony of Vancouver Island.

Sir George Perley's father
One of pioneer settlers of Upper Canada.
Sat as member for Ottawa in this Parliament

Dulles - Foster (word)

D3436?

Mothers of both
Women who contributed much to communities in which they lived.
Services - gratefully remembered.

Natures
Kindly and generous.

Real capacity for making friends.
No personal enemy among political opponents.
Countless friends.
Non-assertive.

Despite prominence of position
anything but self-assertive.
Neither cared for publicity.
Ever ready to efface themselves in effort to be of service to others.
Exceptional service--Party organization.
Assume extra burden assigned.

To Lunie

D 34368

HON. DR. SIMON F. TOLMIE

Interests of Life
Identified with agriculture.

Born farm, 1867.
Love of soil.

Farmer - breeder of pure bred livestock.
Veterinary surgeon.

As Chief Inspector of Health of
Animals Branch of B.C.
Representative - Dominion Livestock Comm

Political career.

Entered political life in 1917.
Returned to 3 successive Parliaments.
Elected 5 times to represent Victoria.

In 1919, Minister of Agriculture
Govt. Sir Robert Borden.

Same post - Meighen's Administrations
1920 and 1926.

While still member H. of C. became
leader of Conservative Party in
B.C.

Resigned 1928 from H. of C. to
contest provincial seat.

Became Premier of British Columbia -
1928-1933

Journal (cont'd)

10.

D34369

Returned H. of C.
By-election of 1936.

Will be remembered as:

Duties thrust upon rather than
sought by.
Man of robust personality.
Modest and faithful public servant.
Unimpeachable integrity,
possessed of strong, homely
common sense, and ready wit.
A good administrator,
among those who helped to build
the Canadian West,
made enduring contribution to
Canadian agriculture.

Perley D34370

RIGHT HONOURABLE SIR G. PERLEY

Death recent - sudden.
Not wish sorrowful note.

Last hours and days.

In manner of passing, in his life, much for which friends may be grateful.

Had been granted many years of unimpaired vigour.

Had been spared any impairment of faculties, and any bodily suffering.

On New Year's Day - life of Capital.
Sunday - accustomed place of worship.
Monday - usual part in life of city.
Passed away quietly in his sleep

"~~as~~ Like one who ~~draws~~ winds the drapery of his couch about him, and lies down to pleasant dreams".

Had lived in peace with the world, in peace ended his days.

Parley (Contd)

D34371

Length of life.

Was in 81st year.

Sir George grew up picturesque surroundings Ottawa Valley days early lumbering industry.

Long career - witnessed much change.
Was 10 years of age at Confederation.
Lived in Ottawa before it was chosen to be Canada's Capital.
Could remember time when settlement consisted of but 2 small struggling communities:
(1) in Lower Town,
(2) at Chaudiere.

Parliamentary Career.

Entered Parliament when all but 50 years of age.

Occupied, for over three decades, aforemost place in public life.

Hesitate attempt enumeration significant features or nature of public services

As life given to public service, should mention positions of great trust, honour and responsibility at home and abroad.

D 34372

Entered H. of C. as member for Argenteuil in 1904.

Unsuccessfully contested constituency on 2 previous occasions.
Became Chief Whip in 1910.
In 1911, became member of Cabinet without portfolio.
Close association between Sir George and Sir Robert.
Preferred not to accept portfolio.
Assist Prime Minister to extent of power, and exceptional opportunities.

1912-13 - Acting Prime Minister
During absences from Canada of both Sir Robert and Rt. Hon. Friend.

Loyal and helpful colleague to Sir Robert.
Helpfulness and co-operation extended to Mr. Meighen and to Rt. Hon. friend.
Expression of sympathy with Rt. Hon. friend.

In early part of 1914, assumed temporary charge of vacant office of High Commissioner forCanada.

Perley (contd)

 D34373

With outbreak of War, remained in charge of office, and added to duties of it those of Minister of Overseas Military Forces (till October 1917).

Appointed High Commissioner for Canada - until March 1922.

During period of War, and years immediately succeeding, was member of Imperial War Cabinet, Delegate to Imperial Conference, 1917, Conference at Versailles, 1919, Assembly of League of Nations, 1921.

Political career.

Sufficient to say - true to best traditions of public life.

Part played by Sir George in Proceedings of House.

Practical knowledge,
Sound judgment of men and affairs,
meant much to his Party,
both in Office and Opposition.
meant much as well to all parties in Parliament.
In nature of things, difficulties and differences bound to arise.
If permitted to develop, bound to destroy what is best in parliamentary system of Government,
i.e. settlement by reasoned discussion, and avoidance of unnecessary bitterness, or attempts at coercion

(Verley contd)

15. D 34374

In situations of kind, Sir George always sough to exercise moderating and restraining influence, one which had effect for good in relations of all.

Hall D 34375

16.

DR. WILLIAM S. HALL

One more honourable member taken from us

Day before yesterday - word received
of sudden passing, in Edmonton,
of Dr. William S. Hall - (Edmonton E.)

78th year time of death.

Dentist by profession.
Education - in part - Univ. of Toronto.

Entered Parliament, first time, 1935.

Interest in Social Credit movement
Candidate for Legislature of Alta.
Later, candidate for H. of C.

Participation in affairs limited.

No opportunity to become familiar with
public life.

D 34376

A word as to all six.

Have necessarily enlarged upon services of those longest in public life.

Each sought to serve community, generation, country.

All good Canadians.
Names and lives and public services remembered through years to come.

Sympathy

Mr. Speaker to convey to immediate families sincere expression of sympathy of House.

D 34377

for his wise counsel, tolerant nature, and devotion to his family, to his church and to his country.

THE LATE SIR ROBERT LAIRD BORDEN

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I need not remind the house of the loss which the country sustained in the death, in June last year, of the Right Hon. Sir Robert Borden. From October, 1911, to July, 1920, Sir Robert Borden was Prime Minister of Canada, a period of nearly nine years, all but three months, years which included those of the Great war with their exceptional anxieties and responsibilities. When Sir Robert resigned the office of Prime Minister he intimated that he intended to relinquish his part in active politics, and as a consequence, when parliament dissolved in 1921, he ceased to be a member of this house. Sir Robert Borden had been a member for twenty-five years, and was 67 years of age at the time of his retirement.

Though Sir Robert ceased in 1921 to be a member of this house he did not cease to be interested in politics nor to take an active part in public affairs. Indeed, the period of retirement which followed his activities in parliament afforded him an opportunity to place at the service of those who sought his counsel the great experience which he had gained in public life. His retirement gave him also an opportunity to devote his time and talent to those great causes which he had so much at heart.

In those years, I believe, Sir Robert found the real reward of the sacrifices which his earlier public services had entailed, for they gave to him not only the opportunities I have just mentioned, but they also afforded, what a man inevitably sacrifices in the course of great public duty, namely, opportunity for the quiet enjoyment of personal friendships and a chance to pursue cultural interests which he may have at heart. Those years of retirement were years of freedom and calm. They were shared with Lady Borden at their home, Glensmere, in this city, where together they enjoyed the beauty of its surroundings, its lovely view of the Rideau river, the society of their personal friends and the activities of the capital with which Sir Robert's life had been so intimately associated. Sir Robert there, too, regained in large part the health and strength which had been considerably impaired during the time he was in office.

The years of the eventide of Sir Robert's life were not ere its close without their glow upon the horizon. It must have been deeply gratifying to him to have lived to see the time when, despite the differences of view there were and will always be with respect to some of the acts and policies of his administrations, that he had nevertheless gained a place in the esteem of his fellow countrymen which was altogether above party, that he had won a position of honour not only in his own country but throughout the empire, and that his name was held in great respect in other countries as well.

I shall not say more. Sir Robert's life and work are already a part of the history of this country. There is moreover very little, if anything, which could be added to the many and deeply sincere tributes which have been paid his memory in this and other lands. I have felt, however, that hon. members of this house would like to have recorded in the proceedings of this parliament some expression of the sense of the loss which we as representatives of the people of Canada in the House of Commons feel our country has sustained in the passing of a great man who for twenty-five years was a member of this house, for nineteen years, the leader of the Conservative party in this country, and for nearly nine years the Prime Minister of Canada. Sir Robert's name will find an enduring place among those of our land who have sought to serve parliament, their party and their country and who have done so with outstanding devotion and high distinction. It will find a place also among the names of world statesmen who had to do with empire councils at a time of war, and whose memories will be associated with Versailles and Geneva, and with the beginning of the League of Nations.

It will, I am sure, be the wish of this house, that you, Mr. Speaker, convey to Lady Borden, who for almost half a century shared so fully and sympathetically the struggles and the achievements of Sir Robert's career, the expression of the sincere sympathy which is felt for her by all hon. members.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, when the Right Hon. Prime Minister (Mr. Mackenzie King) suggested that the course he has taken should be followed this day, I felt that those of us who sit here are under a debt of obligation to him for having so publicly stated the claim of the late Sir Robert Borden on the regard and esteem of the Canadian people. Perhaps I knew Sir Robert Borden longer than any member of this house. He had one characteristic that marked him from his younger days, that is he was a man of infinite patience. I have never known a more patient man. I think there is one, perhaps more than one, hon. member of this chamber who was

D 34378

the silver lining. I fancy it was such a man as he that Browning had in mind when he wrote those inspiring words:

One who never turned his back but marched
breast forward,
Never doubted clouds would break,
Never dreamed, though right were worsted,
wrong would triumph,
Held we fall to rise, are baffled to fight
better,
Sleep to wake.

With the leader of the opposition I agree that it is quite impossible for one who is new to this house to have as complete sympathy as one desires to have, because we can really sympathize only with those through whose experiences we have gone. We have never known what it is to pass through what the leader of the opposition has passed through in the loss of these good men.

To few, indeed, is it permitted to attain the age of eighty years. Of Sir George Perley it can truly be said that he was "full of years." Listening to the words of the Prime Minister and of the leader of the opposition, recounting the many acts which Sir George had performed, the many offices he had filled, and the honour he had gained, I felt we could also say that he died as full of honour as of years. They tell me he was buried in Ottawa; in this city his honour was striven for and gained. It is fitting, therefore, that in this city his remains should rest. The thought of him brought to my mind those fine words of Robert Louis Stevenson, when he was contemplating his own decease:

Under the wide and starry sky,
Dig the grave and let me lie.
Glad did I live, and gladly die,
And I laid me down with a will.

This be the verse you grave for me:
Here he lies where he longed to be;
Home is the sailor, home from sea,
And the hunter home from the hill.

The Hon. Doctor Tolmie was a man whom I had heard a great deal of as I had heard of Sir George Perley before I came here. I believe he was known favourably far and wide throughout Canada. I read about him, in the Parliamentary Guide, a passage which it seems to me it might not be unfair to him to read into Hansard:

A farmer and breeder of pure bred live stock. President Dominion Holstein Breeders; B.C. Vety. Assn.; B.C. Holstein Breeders; Chief Inspector Health of Animals Branch, B.C.; Representative Dominion Live Stock Commissioner for British Columbia. Mem. Pacific and Union Clubs, Victoria, University Club, Ottawa. A Unionist. First elected to H. of C. at g.e., 1917. Sworn of the Privy Council and apptd. Minister of Agriculture, Aug. 2, 1919. Re-elected after assuming office, Oct. 27, 1919. Upon the formation of the Meighen administration, July 13, 1920, following the resignation of Sir Robert Borden, was re-apptd. Minister of Agriculture. Retired from office with the Meighen Government, Dec. 1921. Re-elec. to H. of C. g.e., 1921; Apptd. Dominion Organizer for the Conservative party in Aug., 1923; re-elec. to H. of C. g.e., Oct. 1925. Apptd. Min. of Agriculture, July 13, 1926.

No one needs to grieve overmuch because this man has been taken away. For us, I think there is cause for genuine regret. In a time when the farmer is more in need of sympathy than ever before in our history, in a time when possibly the west needs more sympathy and understanding than ever before in the history of Canada it seems untimely that this man, who understood the farmer and sympathized with him, who understood and sympathized with the west, should be called away. But in this matter, as in all others, we have to bow to the will of Him who doeth all things well.

It was comforting indeed to us to hear the kind expressions regarding Doctor Hall. One of the first things that came to my mind when I thought of Doctor Hall, looking back over his life, was a fine passage that appears in Drinkwater's play, Abraham Lincoln. Speaking of Abraham Lincoln, one of the chroniclers said:

Shall a man understand,
He shall know bitterness because his kind,
Being perplexed of mind,
Hold issues even that are nothing mated.
And he shall give
Counsel out of his wisdom that none shall hear;
And steadfast in vain persuasion must he live,
And unabated
Shall his temptation be.

Of course, the loss of Doctor Hall was a painful shock to us. It has been written, "Where there is no vision the people perish." Singularly fortunate, I believe, are those people in the minds of whose older men vision comes. This man was one of a large class of elderly people in Canada, whose careful studies of realities have convinced them, first, that a change must come, and, second, that that change must take the shape of monetary reform. Once convinced, Doctor Hall courageously decided. The risk to his business and professional well-being he disregarded, and plunged industriously and firmly into the fight for a safer and more prosperous Alberta and Canada. In the struggle he spared neither time nor energy nor wealth. He became one of the first and foremost social credit leaders throughout Edmonton and the north. The more clearly men come to see the meaning of our times, the more they will realize that in a great and righteous cause the good doctor strove well and died striving. We have known and will remember our colleague, Doctor Hall,

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associated with him in government and who knows how patient he was with respect to matters that affected his country. He was a great lawyer, a great constitutional lawyer, and I venture to believe that, with the possible exception of Sir John Thompson, who ranked with him, no man who has ever discharged the duties of first minister of this country could prepare so excellent a state paper. I think that can be said with truth.

It was charged at times that Sir Robert Borden was indecisive. The truth is that he was cautious almost to the point of indecision, but once his mind was set, once he had arrived at a conclusion—sometimes taking a very long time to do it, weighing the pros and cons with great thought and care—nothing diverted him from his purpose. Once he had made up his mind that he was following the correct and proper course he was almost relentless in the pursuit of his purpose. He was jealous of this country and its honour and reputation. We have not produced a stronger Canadian. At times of stress and strain, when difficulties were multiplying, he never for a moment lessened his support—nay more, his advocacy—of the claims of this country to a measure of consideration that sometimes was denied and ofttimes questioned. Our position with respect to the peace treaty I frankly think we owe entirely to Sir Robert Borden. Those of us who know something of the attitude which he took, the manner in which he supported his views, and the vigour and strength of his advocacy, will realize what a debt the Canadian people owe to him with respect to the position of Canada at the negotiation of the treaty of Versailles.

Although I was a supporter of his government, I differed from him with respect to the railway problem of this country. But that did not in any sense interfere with our personal or political friendship. The last political speech that he made, as far as I recall, was made on behalf of the party with which I am associated, on the same platform as myself. During the long hard years in which we held office I think a week did not go by when I was in Canada that he did not either ring me up or send me a note about some matter which struck him as worthy of comment. When he was in the United States he frequently sent me clippings for consideration.

I agree with everything the Prime Minister has said; Sir Robert's last years, the years of calm, of reflection, of honoured position in the community where he was almost an oracle, were the happiest of his life. I saw him in his Gethsemane; for like most men he had to undergo not only violent criticism but worse during the years between 1908 and 1911. But he bore it with patience that was amazing and with fortitude that was exceptional. That during all those dark days he faced his troubles so valiantly was in large measure due to the fact that he found in Lady Borden a helpmeet in the truest and best sense in which that term is used in Holy Writ. She was a tower of strength in those dark days, even as she was a well of inspiration in the happier days that followed.

I am deeply grateful, not only on my own behalf but also on behalf of those who are associated with me here this day, Mr. Speaker, that the Prime Minister has seen fit to express not on behalf of a party but on behalf of the people of Canada their sense of obligation, of appreciation and of thankfulness that God in his wisdom and mercy gave us such a leader at such a time, who was enabled by strength of purpose to give effect to firm determination with respect to the position of this country and its relation to the other communities of the world, apart altogether from the agonizing effort through which he went during the long years of the war.

It may well be that later in the history of some parliament some other recognition may be accorded to the memory of so great a man, but one thing is certain, that on the bead-roll of fame his name among Canadians will occupy a very high place, revered, respected and honoured, not only by his own day and generation and by succeeding generations of Canadians but by men and women who in his life of effort see evidence of a great goodwill on the part of a man who endeavoured—sometimes, he used to think, with great uncertainty—to bring about the creation of a league of nations by which great aggregations of people would be able to settle their differences by recourse to tribunals, even as man emerging from the state of savagery has been able to set up tribunals with which to settle his differences with his neighbours.

For that cause he laboured. He believed in it until the end, and if it failed it was through no fault of his. It has not yet failed, for as long as the idea prevails that nations may settle their disputes as individual citizens of nations settle theirs, his memory as an exponent of that great cause will endure amongst the peoples of the world.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, we desire to associate ourselves with the views already expressed. I believe this man was worthy of all that has been said.

On motion of Mr. Mackenzie King the house adjourned at 4.55 p.m.

D 34380

OFFICIAL REPORT OF DEBATES

The Unrevised Edition is issued on the morning following each day's sitting, the speeches being reported in the language in which they were delivered. Speeches in French are translated into English and appear in that form as an appendix to the daily issues of the Monday and Wednesday following. Speeches in English are translated and appear in the French edition on the day following delivery.

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EARL C. YOUNG,
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Associate Editor, Room 325.

COMPTE RENDU OFFICIEL DES DÉBATS

L'édition non revisée, publiée dans le texte original, paraît le lendemain matin de chaque séance. La version anglaise des discours prononcés en français est publiée en annexe à l'édition du texte original des lundi et mercredi suivants.

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Il est publié, pour l'édition anglaise, deux index séparés, l'un pour l'édition non revisée, peu après la clôture de la session; l'autre, concernant l'édition définitive reliée, paraît un peu plus tard. L'index au jour le jour se fait en cours de session et peut être consulté au bureau des Débats.

MARCEL GABARD, M.B.E.,
rédacteur des débats français,
chambre 512.

D 34381

Draft Resolution re Sir Robert Borden

Moved by .....

Seconded by .....

That this House desires to express its profound sense of the loss sustained by the people of Canada in the passing of the late Sir Robert Borden, who, as a Member of Parliament for almost a quarter of a century, and as Prime Minister of Canada during the critical years of the Great War, served his country with outstanding devotion and distinction; his services to the Dominion and to the Empire earned for him the gratitude and appreciation of his fellow countrymen and of British peoples throughout the world; the name of Sir Robert Borden will remain closely associated with Canada's efforts in the War, and with the events which led to the recognition of her nationhood in a commonwealth of equal and autonomous nations;

And, that this House also desires to extend to Lady Borden and to other members of the family, an expression of deepest sympathy in their bereavement.

D. 34382

Suggested Notes re the late Sir Robert Borden:

Desire to say a word of appreciation of Sir Robert, not only as a former M.P. and Prime Minister, but also as a close personal friend;

Fortunately, in our political life, differences of policy and of party affiliation do not preclude warm personal friendships -

happy to say that, while Sir R. and I sometimes found ourselves taking a different point of view, our personal friendship, so far from being impaired thereby, grew with the passing of the years;

Early Associations with Sir R.:

As deputy-Minister of Labour, as Member of Parliament and, later, Minister of Labour, when Sir R. was Leader of Opposition -

As Leader of Opposition (1919-20) when Sir R. was Prime Minister;

Shall always remember consideration which, as an elder man, more experienced in political life, he

D.34383

showed me in my efforts to discharge newly assumed responsibilities;

Political Career:

Unlike most persons who have achieved preminence in public life in Canada, Sir R. did not enter the political field till he was in his forties (42);

Entered H. of C. for Halifax in 1896 - year in which first Laurier Administration took office;

Became Prime Minister in 1911, when Laurier, after 15 years of office, laid down the responsibilities of government;

For 10 years, during which he led his party in opposition, before the reward of office finally came, Sir R. required all the patience which he possessed in so large a measure;

For the next 9 years he was P.M. -

the trend towards war,

years of conflict on unprecedented scale,

demobilisation and the beginning of reconstruction and civil re-establishment;

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No need to stress the critical nature of those years -
Critical for Canada, the Empire and the world;
At length, on July 10, 1920, at the age of 66, he laid aside the mantle of office, exhausted, and with health impaired -
Not too much to say that he, like many a soldier in the field, was a "casualty of the war";
Certain of his policies gave rise to long and bitter controversy -
however much one disagreed with some of the measures enacted during his administration one could not doubt the sincerity of Sir Robert's views, or fail to admire the quiet determination with which he pursued his ends;
Throughout the years he was in office, his personality and his leadership were a dominant force in the national life;

Beautification of Ottawa:

Born in the beautiful Grand Pré (N.S.) country, he had an abiding love of the beauty of nature -
Never tired of the lovely view of the Rideau River from his Ottawa home ("Glenmore");

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Greatly enjoyed excursions into the Gatineau country (fishing);

A lover of nature, he also derived much pleasure from the planned beauty of fine buildings, streets, parks -

like his great predecessor (Laurier) he was intensely interested in the beautification of Ottawa -

both sought to ensure that Canada should have a Capital worthy in beauty and amenities of the Dominion;

Nationhood of Canada:

Has taken his place in history of our country as "Canada's Wartime Prime Minister";

His name also associated with constitutional events, during war, and at time of Peace Conference, which sought fuller recognition of the nationhood of the Dominion, alike in the Commonwealth and among the nations of the world;

On the basis of this country's tremendous sacrifices in the war, he successfully asserted Canada's claim to sign the peace treaties, and to become a separate member of the League of Nations -

D 34386

By these achievements he facilitated the complete recognition of Canada's nationhood which later found expression in Imperial Conferences of 1923 and 1926, in exchange of Ministers with other countries; negotiation and signature of treaties with foreign powers, and in Statute of Westminster in 1931;

Personal characteristics:

broad intellectual capacities, strong convictions, a wide range of knowledge, quiet dignity and personal charm - these qualities made him a forceful leader and won for him a host of friends throughout Canada and elsewhere;

while not a great orator like Laurier, his clear, reasoned discussion of a topic, seldom failed to gain him a sympathetic audience;

a man of letters - while his own writings were largely concerned with constitutional and international subjects, his interests covered a wide field of literature -

deep interest in development of Canadian Archives;

Sir R.'s political activities were never permitted to overshadow his broad humanitarian outlook

D. 34387

and his interest in all that pertained to human well-being;

His retirement from office (July 10, 1920) brought little diminution of his interest in public affairs and in the great social, constitutional and international issues of our day;

Having been so intimately concerned with the prosecution of the Great War, and having learned in so direct a way the horrors of modern warfare, few had a deeper concern in furthering peace and understanding between nations;

Took a leading part in organization and work of League of Nations Society in Canada;

At the time of formation of League of Nations, he recognized the impertance of United States membership;

Sympathy for Lady B. and others:

In the press and pulpit, on the public platform and in the many messages which poured in at the time of his passing, the sympathy and the sorrow of people in this country and elsewhere,

D 34388

and the profound admiration and respect
in which he was held, found full expression;

At Imperial Conference in London, highest tribute paid
to Sir Robert - message of condolence to
Lady B.;

General satisfaction that the government's offer of a
public funeral found acceptance;

Feel sure I am voicing feelings of all members, as of
people of Canada as a whole, in expressing
sympathy felt for Lady Borden, who for almost
half a century, shared so fully and sympatheti-
cally the struggles and the achievements which
marked Sir Robert's career;

Sympathy also for his sister - Miss Julia - who still
makes her home on the hold homestead at
Grand Pré;

also for brothers - Henry C. (Halifax);
J. William (Florida);

and for nephew - Henry Borden - who was at
Sir Robert's bedside at the time of his
passing;

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Sir Robert's place in national life:

Following his retirement, he quickly came to occupy a position largely removed from party differences;

Pleased that one of his last public acts was his acceptance of Government's invitation to participate in unveiling of monument at Vimy (July 26, 1936);

Alike in office and in retirement, he set a high example of public service;

Like his great predecessors in office, Macdonald and Laurier, he strove to achieve real and lasting unity of Canadian people - to overcome differences of race, religion, of economic and social interests, and of sectional as opposed to national point of view;

Need of broad Canadian point of view today, as at other times, in seeking to solve the social, constitutional and economic problems confronting us.

November 23, 1937
P/MAC

D 34390

SIR ROBERT BORDEN

Statement issued to the Press by Rt. Hon. W. L. Mackenzie King, June 10th, 1937.

The passing of Sir Robert Borden will be deeply felt throughout Canada and the British Commonwealth, as, indeed, it will be in many countries outside the Empire. To Lady Borden, who shared Sir Robert's life through well-nigh half a century, there will be extended nation-wide sympathy.

The death of Sir Robert removes from the scene one of the few remaining figures of the public life of Canada of the period before the War. To me, personally, Sir Robert's death means much more than the loss of one whom I knew for nearly forty years, and with whom, at different periods of his career, I was privileged to sit in the House of Commons. When, as a young man, I first entered Parliament, and, a year later, in 1909, became a Minister of the Crown, in Sir Wilfrid Laurier's administration, Sir Robert was the Leader of the Opposition in the House of Commons. When, in 1919, I became the Leader of my Party and of the Opposition, Sir Robert was Prime Minister. I shall always gratefully remember the consideration he showed towards me, at each of these times, in my efforts to discharge my newly assumed responsibilities. The association thus formed grew into a personal friendship which deepened with the years, and the memory of which I shall always greatly cherish.

For a quarter of a century Sir Robert was a member of the House of Commons, and for two decades the Leader of the Conservative Party in the Dominion. Throughout the period of nearly nine years during which he held the office of Prime Minister, his personality and leadership were dominant features of the political life of Canada. Retirement from office brought but slight diminution of his interest in public affairs. In the organisation and work of the League of Nations Society in Canada, he played a leading part. To the close of his life, he continued to identify himself with efforts to remove the causes of misunderstanding among nations, and to further world peace. His name, his pen and his influence were constantly enlisted on behalf of great cultural, national and international causes.

D 34391

Sir Robert lived and fought his political battles in a period marked, at times, by bitter controversy. Opinion was, and will continue to be, strongly divided with respect to certain of his policies and some of the measures enacted during his administration. He came, however, in the years following his relinquishment of the leadership of his party, to hold a position above party. His dignity and courage, his patriotic outlook and integrity, won for him an enduring place in the esteem and regard of his fellowmen, irrespective of their political affiliation. His disinterested service, in years of war and of peace, in office and in retirement, strengthened the best traditions of public life.

In his career, Sir Robert happily combined, with the tasks of statesmanship, the pursuit of letters. His own writings related more particularly to constitutional and international subjects; his interests covered a wide field of literature. He was always ready to accord some word of endorsation or encouragement to young persons of promise in any of the arts. He, himself, took a deep interest in the development of the Canadian Archives and in the beautification of the capital of Canada.

The name of Sir Robert Borden will always have its association with the part which the Dominion played in the Great War, and with those constitutional developments which took place during its course, and at its close, and which served to secure a fuller appreciation of the nationhood of Canada.

It was in large measure owing to Sir Robert's efforts, that Canada was granted separate representation at the Peace Conference, and separate Membership in the League of Nations. His achievements at that time facilitated the further recognition of the equality of status of the members of the British Commonwealth, which found expression at the Imperial Conference of 1926, and subsequently in the Statute of Westminster.

D34392

Text of Minute of Imperial Conference on the death of Sir Robert Borden.

The Members of the Imperial Conference desire to put on record their sincere regret on hearing of the death of Sir Robert Borden. They recall, especially, Sir Robert's valuable work at the Imperial War Cabinets and Conferences in 1917 and 1918, and his great contribution to the constitutional development of the British Commonwealth. They wish to express their deep sympathy to Lady Borden.

June 10th, 1937.

D 34393

Note re adoption by Senate of identisal course to that followed by House.

MEMORANDUM FOR THE PRIME MINISTER:

Re: Reference to Sir Robert Borden, Session 1938.

I attach a memorandum showing the manner in which the House has made reference to the decease of Prime Ministers since Confederation.

The case of Sir Charles Tupper would appear to afford the nearest parallel to that of Sir Robert Borden, in that neither was a Member of Parliament, and Parliament was not sitting, at the time of death. On the Motion of Sir Robert Borden, a special Committee was appointed to draft a Resolution of Condolence. Dr. Beauchesne says that no special significance is to be attached to the appointing of a Committee. It formerly was the practice, both in the British and the Canadian Houses, to appoint Committees to draft Resolutions of this kind. The practice has since disappeared completely in both Houses and there has grown up, instead, the custom of the Prime Minister showing drafts, in advance, to the Leader of the Opposition.

Sir Wilfrid Laurier died just before the Session of 1919. Although there were two Resolutions - one ordering a public funeral and the other adjourning the House, there was no formal Resolution of Condolence. Tributes were paid in the usual way as on the death of an ordinary Member.x

There would appear to be two methods of providing appropriate reference to Sir Robert Borden:

1. A Resolution of Condolence, in speaking on which the Leaders could pay their Tributes.

2. An obituary reference without the use of a Resolution, in the manner customary at the Opening of each Session.

Last Session the obituary reference to deceased Members was held on Friday. Immediately thereafter the Address to the King was adopted. Would it be desirable to follow this year a similar order. On Thursday have the usual routine proceedings; on Friday the obituary references to Members who have died since Prorogation, and thereafter the Tributes to Sir Robert Borden, wither with or without a formal Resolution. It would seem appropriate, before referring to the death of Sir Robert, to pay respect to those Members whose association with the House was more immediate.

x. In the case of the death of Lord Asquith, Lord Balfour, Bonar Law, and Ramsay MacDonald, no resolution was adopted in the British House. Leaders of parties paid tributes. (Memo. re attached.) E. A. P.

D,34394

Sir John A. Macdonald	elected to represent Kingston in Legislative Assembly of Canada at age of 29 - born 1815 - elected 1844. (Called to Bar of Upper Canada in 1836)
Sir Wilfrid Laurier	elected to represent Drummond and Arthabaska in Legislative Assembly of Quebec at age of 30 - born 1841 - elected 1871 - (Called to Bar of Lower Canada in 1864)
George Brown	elected to Legislative Assembly of Canada as a Reform Member at 33 years of age; born 1818 - elected 1851. (County of Kent Reform Member)
Alexander Mackenzie	elected to Legislative Assembly of Canada for County of Lambton at age of 39 - born 1822 - elected 1861.
Rt. Hon. R. B. Bennett	Member of Legislative Assembly of North West Territories at age of 28 born 1870 - member of Assembly 1898.
Rt. Hon. Arthur Meighen	Elected to House of Commons at age of 34. born - 1874 - elected 1908
Sir Charles Tupper	Represented Cumberland in Legislative Assembly of Nova Scotia from 1855 to 1867 being 34 years of age when he entered political life.

D. 34395

Extract from "Crown and Commonwealth" an Address on the Coronation, the Imperial Conference and visit to Continent of Europe, by the Right Honourable W. L. Mackenzie King, Prime Minister of Canada
Ottawa, July 19,1937.

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When Sir Wilfrid Laurier held the office of Prime Minister of Canada, he used frequently to say that Canada was not an easy country to govern: - that there were many differences which, allowed to develop, would beget antagonisms which it would be next to impossible to heal, differences of race, of religion, of economic and social interests; that the real task of government was to harmonize, not to accentuate, differences; that national unity was the goal towards which all should strive. Sir John A. Macdonald and Sir Robert Borden were not less zealous and active in their efforts to prevent differences developing into cleavages, and in maintaining the unity of Confederation. In this service to the State, they found the highest expression of a true patriotism.

The lives of these three great men bridge the seventy years within which Canada, as a country, has come to the full stature of nationhood which she enjoys today. The men of their day, in the provinces and at Ottawa, were equal to the great tasks by which all alike were confronted. They met them one by one, sooner or later, in a spirit of moderation and toleration; where necessary, forgiving and forgetting the past, and looking always to the future. We shall meet our problems in a like way; and we, also, shall succeed.

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D 34396

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Ottawa, July 19,1937.

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D34398

Notes re the late Daniel Alexander Cameron

(Liberal Member for Cape Breton - North Victoria,
died September 4, 1937)

Since prorogation of Parliament, two Members have passed away - one from each side of the House;

The first to be taken from our midst - D. A. Cameron - a newcomer to the House (elected in general election, 1935), but a veteran in the public service;

Born and educated in Nova Scotia:

born at Sydney River, N.S., in 1870; Dec. 10

1936
76
66

educated in the schools of his province;

a graduate of Dalhousie;

a classmate of Rt. Hon. R. B. Bennett, with whom he graduated in 1893 (newspaper report);

Mr. Cameron's legal attainments of a high order:

outstanding in many cases at the Nova Scotia Bar;

Crown prosecutor for Cape Breton County;

a stipendiary magistrate in the City of Sydney from 1905-1917;

solicitor for the Municipality of Cape Breton for 20 years;

A long and active career in provincial affairs:

in 1900, elected a member of the Cape Breton Council, in which body he retained membership until 1911;

treasurer of Cape Breton County for 14 years;

first entered provincial politics in 1916, winning in Cape Breton County;

D 34399

entered Legislative Council in 1922, at which time he became the Liberal leader in the Upper House, also holding position of Minister without portfolio in the Murray government;

received acclamation at by-election in Victoria County and appointed Provincial Secretary in Armstrong government;

resigned early in 1925;

returned to Provincial House in 1928;

Active in Federal Parliament:

Mr. Cameron's election as Member for Cape Breton - North Victoria by a substantial majority (2,390) indicated esteem in which he was held by the electors;

his long experience in provincial politics made him well equipped for participation in House of Commons work;

a great capacity for perseverance and thoroughness;

quiet in manner, restrained in his utterances, he was nevertheless an effective debater with wide interests;

a recognized authority on the coal and steel trade of Nova Scotia;

during 1936 session he spoke on many subjects, including trade, shipping, civil aviation, tariffs, mail services, transportation, fishing, weights and measures, and a variety of labour questions;

in 1937, he contributed to the debate on provincial parks and on the old age pensions;

D34400

he was, in addition, a most active Member of Committees;

was a member of the following:

Railways, Canals and Telegraph Lines;

Public Accounts;

Marine and Fisheries;

Library Committee;

Special Committee on Dominion Elections;

A Liberal of the old school;

staunch in his convictions;

restrained in his presentation of them;

kindly disposition;

fair to his opponents;

enjoyed the respect and affection of friends in all parts of the House;

The sympathy of this House will go out to his widow # and the people of his constituency, on whose behalf he so long laboured.

- Mrs. Cameron only surviving relative.

D34401

Notes re the late William Samuel Hall

(Social Credit Member for Edmonton,
died January 26, 1938)

Death of Dr. Hall has brought to six number taken from ranks of House since prorogation of Parliament;

Born and educated in Ontario:

Dr. Hall was born at Mount Forest Ontario in 1871;

Educated at Hawkesbury, Ontario, Royal College of Dental Surgeons, and Toronto University;

A practising dentist in Edmonton;

Had also spent number of years in New Zealand and in Vancouver, but returned to Edmonton, to which city he had first moved in the early 1900's (1903 or 4);

A newcomer to Parliament:

Unsuccessful candidate in provincial elections of 1935;

Was elected to House of Commons in 1935;

Dr. Hall made no speeches in House, and perhaps preferred to spend first years in study of procedure and other details of the activities of Parliament;

Time of his passing added to shock:

Death of Dr. Hall occurred within few hours of the Opening of Parliament;

A sad reminder of the depletion of the ranks of the House when it is recalled that, since the beginning of the New Year, no less than three Members have been taken from our midst (Sir George Perley, W. Ryan, W. Hall);

Dr. Hall well advanced in years when he became active in public affairs;

Death came practically at beginning of Parliamentary career;

First loss in the ranks of his party;

Sympathy of House will go to his colleagues and to his widow and daughter.

D 34403

Notes re the late Right Honourable Sir George H. Perley, G.C.M.G., M.P.

(Conservative Member for Argenteuil, P.Q., born Sep. 18, 1857)
died January 4, 1938)

His passing a great loss to this House, to the public life of our country and to Canada as a whole;

I do not think Sir George would wish us to strike a sorrowful note; in his life and in his death, much to make those, who were his friends, rejoice -

had been granted many years of unimpaired vigour -

spared prolonged suffering, and went in the fulness of his strength;

As he had lived, - at peace with the world, so in peace he ended his days;

On New Year's Day he had taken his part in the life of the Capital;

Sunday saw him at his accustomed place of worship;

I understand that on Monday, the day before his death, he had been taking his usual part in the life of the city, and that night he passed quietly in his sleep - "as one who draws the drapery of his couch about him, and lies down to pleasant dreams".

D 34404

Personal attributes:

Simplicity of life; of tastes and habits -
a man of means, lived unostentatiously, doing his duty and quietly performing good works where he saw them to be done;

Courtesy and kindliness;

Democratic instincts and feelings; generosity; never lost his friendly contacts with those in the humblest walks of life; maintained to close his deep concern for wellbeing of less fortunate of his fellows;

The gift of winning, all along the journey of life, the esteem and the friendship of men and women of all shades of political opinion;

Character and disposition reflected in the calm and kindliness of his countenance;

The substantial traits of character were also his - dignity; integrity; loyalty;

Strong sense of duty - never avoided any task; no undertaking too onerous or too humble if it lay in path of duty;

Unassuming; without vanity or selfish ambition -

D 34405

willing to act in any capacity where his services might be of use;

always prepared to efface himself for others;

always willing to work in the background - his main concern that the task be done;

A long and distinguished career:

His father represented Ottawa in the House of Commons and was an outstanding citizen of the community;

Sir George himself grew up in the picturesque surroundings of the Ottawa valley - in the days of the early lumbering industry;

How long a career his was, and how much of change he witnessed and of experience he brought to his public life, we realize when we recall that he was ten years of age at Confederation and lived in Ottawa before it was chosen to be Canada's Capital; that he could remember, as he told us in a broadcast but a few months ago, the time when the settlement consisted of but two small struggling communities, one in Lower Town and one at the Chaudiere - separated by some two miles of poor road; while in between, there were practically no buildings, except the Barracks, standing on the site of these very Parliament Buildings;

D 34406

Entering Parliament when all but fifty years of age, he occupied, for over three decades, in years of war and peace alike, a foremost place in our public life;

Disinterested service, at home and abroad, characteristic of entire career in high offices of state, and in positions of great trust, honour and responsibility;

(Contested unsuccessfully Argenteuil, general election 1900 and by-election, 1902;
He first entered House of Commons for Argenteuil, 1904;
Chief Whip in 1910;
Chief aide to Sir Robert Borden;
An effective organizer for his party in 1911;
Minister without portfolio in Borden cabinet;
Acting Prime Minister as early as 1912-13;
During visit to England in early part of 1914, he assumed temporary charge of the then vacant office of High Commissioner for Canada;
With the outbreak of the War, Sir George remained in charge of this office, and added to the duties of it these of the First Minister of Overseas Military Forces;
When he relinquished the latter post in October 1917, Sir George accepted the appointment as High Commissioner for Canada, and remained in that office until March 1922;
Member of Imperial War Cabinet;
Delegate at Imperial Conference, 1917;
Conference at Versailles, 1919;
Assembly of League of Nations, 1921;
Acting Prime Minister during absences of both Sir Robert Borden and Mr. Bennett;)

D 34407

Life identified with worthy causes:

Sir George's whole life dedicated to worthy causes - of a private as well as a public nature;

His charity was not a matter of philosophy only - it found constant and practical expression in many philanthropic enterprises, which will long remain memorials of his generosity;

(As early as 1897, he served as chairman of the Prescott and Russell Fire Relief Fund;
Again in 1900, served as chairman of the Ottawa-Hull Fire Relief Fund;
In 1918, he presented to the City of Ottawa the hospital which bears his name.)

His concern in national matters did not diminish his interest in the community in which he spent virtually all his life;

he took his full share of responsibility as a citizen of Ottawa and in everything which affected its welfare;

Significance of political career:

Maintained and enhanced the best traditions of public life; never more needed than in these times of changing values and loyalties;

(a) Amenities of public life -

staunch partisan; yet always fair, tolerant, respectful of opinions of others; believed in

D 34403

sincerity of his opponents; political strife did not prevent him from observing amenities of public life, or from forming those friendships with men of other convictions which remove the asperity from debate and strengthen the political institutions of our land;

(b) Moderation -

Career characterized by essential reasonableness of view; temperate in opinion as in language; not a man of great extremes; realized the need for accommodation of conflicting views in interest of national unity; moderation, and change by evolutionary methods essential to working of democratic institutions;

(c) Ideal of public service -

Career throughout one of large and unbroken public service; a life given so completely to furthering the public wellbeing cannot fail to be an inspiration to others; need today of men following Sir George's example and giving their time and energy in service to the state; good government cannot be attained without men of large experience, broad vision, whose lives are devoted disinterestedly to public affairs; -

D 34409

whose public acts are determined not by a fitful or selfish response to questions as they arise from day to day, but by long and understanding knowledge of national problems;

(d) Value of experience -

Tendency today to minimize value of experience in conduct of affairs; life of Sir George demonstrates fallacy of this view; years sat lightly upon him and passing of time, rather than impairing his usefulness, added to it; his vitality, youthfulness, interest in new problems and aspects of our day, maturity of his judgment, steadiness in the years of the war, and in the harried years of peace which have followed - all were a source of envy to those much younger;

Loss to his party:

Practical knowledge, sound judgment of men and affairs - meant much to his party, both in office and opposition;

At all times trusted confidant of his colleagues;

An intimate associate of three Prime Ministers - experience and personal loyalty such that duties of an acting prime minister might be left in his

D 34410

hands at any moment;

as one who has known something of responsibilities of office, can appreciate what his services meant to successive leaders of his party;

his understanding of the burdens and problems which beset the leader of a party or a government, and his capacity to share them, must always have been a source of security as well as assistance;

Sir George had reached and passed his 80th year, without impairment of his powers;

in a sudden blow, his party is thus deprived of one foremost in its councils; effective in debate; and possessed of great discernment and experience;

To the leader of the Opposition, who will more especially miss his former desk-mate and colleague, and to the members of Sir George's party generally, extend sincere and deep sympathy of government and supporters;

D. 34411

A personal friend for over forty years:

Proud to have had Sir George as a close personal friend;
He had been a friend of my mother and father;
His home one of the first to extend a welcome, when,
almost forty years ago, I came to Ottawa;
Our friendship had strengthened and ripened with the
years;
In House of Commons, I never failed to receive, at his
hands, an understanding consideration and courtesy;
recall with pleasure occasions when Sir George
had been acting Prime Minister;
Outside the House, we had many pleasant associations;
We had met at His Excellency's Levee on New Year's Day,
and renewed the greetings then exchanged at
Laurier House during the afternoon;
His passing a deep personal loss to me;

All will wish, Mr. Speaker, to extend the deep and genuine sympathy of this House to Lady Perley, who, throughout a quarter of a century, was so closely associated with Sir George's public activities, and herself played such a large part in the many works of charity for which their names will long be remembered.

D 34412

Notes re the late William Michael Ryan, ~~Bar~~., M.A., B.C.L., K.C.

(Liberal Member for St. John-Albert, N.B.,
died January 4th, 1938.)

Death occurred on the same day as that of Sir George Perley:

Within a few hours after word had been received of the passing of Sir George Perley, news came of the death, on the same day, of Mr. Ryan;

Having been ill for some time, his death was not entirely unexpected, but coming at such a time, added greatly to the shock;

A sad circumstance that the same day saw the passing of two men from opposite sides of the House, one at the close of a long political life, and the other at the very threshold of what gave promise of being a successful career;

Heavy toll since Parliament prorogued; 5 Members taken from our ranks during recess; on few previous occasions has House suffered so grievously;

Born and educated in New Brunswick:

Mr. Ryan was born in St. John, November the 22nd, 1887;

Educated at University of St. Joseph's College, and King College Law School;

Before practising profession as barrister, had worked as a newspaper man in St. John and Regina;

D 34413

A King's Counsel, 1934;

A candidate in the 1926 and 1930 elections;

determination, and the qualities traditionally associated with his race made him persevere in his efforts;

In 1935 election successful by substantial majority.

His work as Member of House of Commons:

Journalistic and legal training stood him in good stead when he entered House of Commons;

An effective advocate of the principales and policies of his party;

An energetic worker with wide interests, Mr. Ryan took leading and active part in the work of the House;

In both 1936 and 1937 sessions he played a useful part as a member of a large number of the standing committees -

("Marine and Fisheries, Debates, Library, Railways and Shipping; Member of the Special Committee on Radio, 1936, and took an active part in the deliberations of that body;)

A measure of his interest in public questions indicated by his participation in debates on many subjects of nation-wide concern including -

(agriculture, trade, finance, pensions and national health, pensions for the blind, freight rates, harbour boards, Canada-United Kingdom Trade Agreement, Canadian National Railways, Foreign Enlistment Act, labour problems, New Brunswick affairs, trade and commerce, Trans-Canada air lines, unemployment;)

D 34414

Mr. Ryan showed outstanding fidelity to the interests of his constituents.

Death at the beginning of a promising political career:

Mr. Ryan had just passed his fiftieth year;

In brief term as Member, had already given evidence of outstanding ability;

Forthright in the expression of his views, yet genial in manner, with a capacity for making friends;

Some measure of his character and ability indicated by fact that, although a newcomer to the House, he was selected by his fellow-members from New Brunswick to be the Government Whip for the New Brunswick members; In this capacity he rendered the Chief Government Whip, and his fellow-members generally, a deeply valued measure of co-operation and assistance;

Much to be regretted that his passing should have come so early in his new-found field of endeavour.

D 34415

he had made many friends on both sides of House, and will be much missed;

I personally found in him a loyal and devoted friend and supporter;

A particularly tragic circumstance that he should have been struck down with the illness which later proved fatal, just prior to the Christmas season;

Sympathy of all Members of the House will extend to his widow and four children.

January 8, 1938
WJT/PM

D34416

Notes re late Simon Fraser Tolmie, P.C., LL.D., M.P., V.S.

(Conservative Member for Victoria, B.C.,
died October 13, 1937)

His career had much in common with that of Mr. Cameron:

both were native sons of the provinces which they represented in Parliament;

both had taken active part in provincial affairs;

both remained close to the people on whose behalf they had worked, which fact contributed to the affection in which they were held and to their understanding of the problems of their fellow-men;

Dr. Tolmie's life identified with colonial days:

his father, William Fraser Tolmie, a pioneer of the Pacific Coast, arriving at Fort Vancouver, Washington, as an M.D. in the Hudson Bay service, 1832; afterwards a member of the Legislative Assembly of the colony of Vancouver Island before it merged with the mainland to form present Province of British Columbia;

his mother, a daughter of a Hudson's Bay Company chief factor, was also of those people who contributed much to the building up of Canada, and with her husband, played a part in Canadian colonial history;

Dr. Tolmie, himself, was born only a few months after the colonies were united, and was four years old when British Columbia entered Confederation;

D 3441?

Long associated with agricultural life of Canada:

born on a farm - Dr. Tolmie retained his love of the soil and his pride in his associations with the farming community;

a veterinary surgeon - he was able to keep his contacts with agricultural life;

was outstanding in his chosen profession;

following service as Inspector of Animals for government of British Columbia, Dr. Tolmie became Inspector of Animals for Dominion government as well;

reputation then made, brought him the post of Chief Inspector of Animals for the federal Department of Agriculture;

in later life, a farmer and breeder of pure bred livestock;

President of Dominion Holstein Breeders; B.C. Veterinary Association; B.C. Holstein Breeders;

A prominent figure in provincial and Dominion politics:

first entered political life in 1917, when he was elected federal Member for Victoria;

was returned to three successive parliaments - 1921, 1925 and 1926; (in all, was elected five times to represent his constituency at Ottawa);

in 1919, appointed Minister of Agriculture in government of Sir Robert Borden;

D 34418

held same post in Meighen Ministries of 1920 and 1926;

also served his party as National Organizer in 1923;

resigned from House of Commons, 1928, to become leader of British Columbia Conservative party;

premier of the province in 1928;

his defeat in 1933 meant a temporary abandonment of his political career;

re-elected to the House of Commons June 8, 1936, in by-election (Victoria);

Personal qualities largely responsible for his successes:

Dr. Tolmie had a great capacity for making friends;

he was of a jovial nature, and had a ready wit - altogether a most human person;

his boundless energy expended in public service;

had no personal enemies, but rather a legion of friends, of whom I was proud to be one;

when he came back to House of Commons after by-election of 1936, those who sat with him in previous parliaments welcomed him as an old friend, regardless of political differences;

his passing a loss to his party, to public life, and to those in all parts of Canada who will mourn the death of a friend;

This House will wish to extend its sympathy to his sons and daughters;

NOTE: Mrs. Tolmie died in 1933; Dr. Tolmie survived by 2 sons and 2 daughters.

D.34419

1937
1887
50

Notes re the late Joseph A. Verville

(Liberal Member for Lotbiniere)
(died November 20, 1937)

Mr. Verville's passing a distinct shock:

Still comparatively a young man - only fifty years of age - sixteen years junior to Mr. Cameron and twenty years junior to Dr. Tolmie;

This circumstance, coupled with that of his sudden passing as a result of a heart seizure, added to the shock felt when news of death received;

Born and educated in Quebec:

Born at Ste-Gertrude, Quebec, in 1887; Jan 23

Educated at Nicolet College;

Graduated as a notary from Laval University;

One-time mayor of St. Flavien;

Political career entirely in federal field:

Unlike Mr. Cameron and Dr. Tolmie, who made names for themselves in the provincial legislatures, as well as in the Dominion Parliament, Mr. Verville's activities were confined to federal affairs;

First elected as a Member for Lotbiniere in the general election of 1925;

Re-elected at each subsequent general election;

D 34420

Quiet and effective worker:

Although not a farmer himself, Mr. Verville represented a farming constituency and was genuinely interested in farm problems;

Quiet in manner, Mr. Verville did not hesitate to express his convictions, even when they ran counter to the general opinion of members of his party; he was an indefatigable worker on behalf of his constituents, and believed it was his duty, at all times, to express the sentiments of his riding (spoke against increased defence estimates, although voting with government);

In addition to taking an active part in debates of the House dealing with agricultural matters, Mr. Verville was also a member of the standing committees on public accounts and private bills;

Passing will be regretted on all sides of House:

In the twelve years since his first election, Mr. Verville made many friends in this House;

A real loss to the Liberal party and particularly to the constituency which he represented;

He was a valued friend and a most loyal supporter;

All present will desire to express deep sympathy to his sons and daughters, who survive him (4 sons, 3 daughters).

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
56		World Economic Co-operation Campaign, Ottawa. Speeches outside Parliament	19 Sept. 1937	D 34161 - D 34222	
57		Address: Speech on Debate. Speeches in Parliament	Jan. 1938	D 34223 - D 34335	
57		Agriculture: Department of. Speeches in Parliament	Jan. 1938	D 34336 - D 34339	
57		Agricultural Farm Implements. Speeches in Parliament	Mar. 1938	D 34340 - D 34343	
57		Alberta Legislation. Speeches in Parliament	1938	D 34344 - D 34350	
57		Austrian Plebiscite. Speeches in Parliament	Apr. 1938	D 34351 - D 34352	
57		Bank of Canada. Speeches outside Parliament	1938	D 34353 - D 34356	
57		Bennett: Rt. Hon. R.B. Speeches in Parliament	1938	D 34357	
57		Borden, Sir Robert. Speeches in Parliament	Jan. 1938	D 34358 - D 34420	
57		Budget: Speeches in Parliament	June 1938	D 34421 - D 34438	

"I" Speeches - "Budget"

D 34421

what would be the inevitable consequences of its being adopted in practice, if we do not to-night give our support to that subamendment. It will be a matter of curious interest to us all to observe the attitude of some of those who assisted in the preparation of that platform. Many of them were not members of parliament at that time, but there are many who attended the great convention of the Liberal party held in this city in 1919 at which that platform was prepared and at which those promises were given to the electorate. We did express the view that if those promises were given effect to; if they were promulgated in the form of policies; if they were enacted as statutes, the result would be disastrous to Canada. It is a matter not of regret but of satisfaction to know that those who now sit upon the treasury benches have seen fit, as evidenced by their conduct, to admit that the position which we took was sound and that their promises were made, shall I say, in error.

There remains, therefore, nothing for us to do but to dissociate ourselves from the amendment to the amendment; not to express regret, but to express our pride and satisfaction that the government, by reason of their appreciation of conditions having recognized that to have given effect to these pledges would have been disastrous to the nation, have seen fit to do the exact opposite. They have thereby given my hon. friends to my left an opportunity to ask those who promulgated those promises publicly to express their disapproval of the promises they made and of the platform they promulgated by voting against the resolution which expresses regret that they have not kept those promises.

Mr. Speaker, I repeat that I rose merely for the purpose of expressing, not regret that the promises made were not kept, but satisfaction that they were not. Despite all the promises that were made and the speeches with which this country was deluged; despite the literature that was spread from one end of this country to the other; despite the votes that were secured and the great and powerful campaign carried on by my hon. friend who was the leader of the then Progressive party, he now finds himself associated with the government in forgetting those promises. I congratulate them warmly upon this state of affairs. I congratulate the country upon the fact that we have a government with, shall I say the courage to disregard its promises, with such a high and fine sense of its responsibilities to the people as to forget these pledges were ever made and to wish that they had not been made.

[Mr. Bennett.]

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, like the right hon. leader of the opposition (Mr. Bennett) I had not intended to say anything at the present time in this debate. However, since the right hon. gentleman has pointed out to the members of the Cooperative Commonwealth Federation group how anxious he is to dissociate himself from them, perhaps I should point out to them that about all they have succeeded in doing by this amendment is to associate themselves with him. When they come to support their own amendment I hope they will realize that they are endorsing the Conservative party in its amendment. This is how the amendment of the Cooperative Commonwealth Federation begins.

That the amendment be further amended by adding the following thereto:

In other words, they have left intact the amendment moved by the spokesman for the Conservative party, and in supporting their own amendment they will be linking themselves through its amendment with that party.

The house divided on the amendment to the amendment (Mr. Coldwell) which was negatived on the following division:

YEAS

Messrs:

Blackmore	Leader
Coldwell	MacInnis
Douglas (Weyburn)	MacNeil
Elliott (Kindersley)	Macphail
Fair	Marshall
Hansell	Mitchell
Heaps	Needham
Jaques	Pelletier
Johnston (Bow River)	Poole
Kennedy	Quelch
Kuhl	Woodsworth—23.
Landeryou	

NAYS

Messrs:

Ahearn	Brunelle
Anderson	Cahan
Baker	Cardin
Barber	Casselman
Barry	Clark (Essex South)
Beaubien	Clarke (Rosedale)
Bennett	Clark (York-Sunbury)
Bertrand (Prescott)	Cleaver
Bertrand (Laurier)	Cochrane
Black (Chateauguay-Huntingdon)	Coté
Black (Yukon)	Crerar
Blair	Damude
Blanchette	Deachman
Bothwell	Denis
Boulanger	Deslauriers
Brooks	Donnelly
Brown	Douglas (Queens)

price of gold was raised from $20 to $35; the right to secure the conversion of paper money and bank deposits into gold on demand was wiped out, and we established a virtual government monopoly over the purchase and export of gold. The issue of a stabilization fund of $250,000,000 to maintain the international value of our dollar was authorized by an act yet to be proclaimed, presumably because our favourable balance of trade has been so satisfactory that it was not necessary, which is a fact.

In 1934 parliament, recognizing the need for currency and credit expansion in Canada, which the new policy contemplated, enacted the Bank of Canada Act containing provision for the reduction of gold reserves for currency purposes to 25 per cent, and it also provided for the complete suspension of gold reserves by order in council in case of national emergency.

Parliament also amended the Bank Act to permit chartered banks to create and issue bank deposits on a five per cent reserve of Bank of Canada bills. By these laws this parliament reduced currency and bank deposit legal reserves and extended the limits of inflation so that our banking system could provide the government with the use of the nation's credit in almost unlimited volume. Parliament in addition did everything necessary to permit our banks to extend to our dominion, provincial and civic governments the plentiful supply of money that a managed currency system is designed to supply, which, under public control of currency and credit, is now available to the governments of Great Britain, Germany, Italy, Japan, Russia and many other nations.

The cardinal features of these laws, which every member of parliament should know if he is performing his full duty, are very simple. They are to be found, first, in section 26 of the Bank of Canada Act, 1934, which permits the Bank of Canada to issue full legal tender money on a 25 per cent gold basis, which means that it can expand gold into four to one of legal tender currency. This section gives the Bank of Canada the exclusive right to issue all Canadian full legal tender cash in the form of currency bills and, as I said a moment ago, on a basis of expansion of four to one.

Under section 27 of the same act, and under subsection 4 of section 59 of the Bank Act, 1934, the chartered banks are authorized to issue bank credit in the form of alleged bank deposits on a five per cent reserve of Bank of Canada bills. Therefore, for every five dollars of Bank of Canada bills which the Bank of Canada may issue, our chartered banks are authorized by parliament to create bank credit in the form of bank deposits up to the value of $100, which they can create with a bookkeeping entry and use to purchase government bonds and securities. While these enactments hardly justify the statement made by the Minister of Finance (Mr. Dunning) in this house on March 8—

Mr. SPEAKER: I am sorry to have to interrupt the hon. member, but he has exhausted his time.

Mr. McGEER: I have taken up very little of the time of the house during the last two years.

Some hon. MEMBERS: Go on.

Some hon. MEMBERS: Time.

Mr. SPEAKER: There does not seem to be unanimous consent, so I shall have to ask the hon. gentleman to resume his seat.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, I do not rise to address this chamber on the budget. I had intended to make a few remarks, but on account of the regrettable absence of the Minister of Finance (Mr. Dunning), which I trust will be but for a very few days, I shall defer what I have to say until his return. My remarks would have to do with questions connected with the balance sheet as presented the other day, and I shall not trouble the house in that regard at this time. However, I desire to make a few observations with respect to the amendment to the amendment which has been submitted by my hon. friends to my left.

I well recall the circumstances under which the present Minister of Mines and Resources (Mr. Crerar) so brilliantly and powerfully sought the support of the electors in western Canada on promises that were not unlike those contained in the 1919 platform of the Liberal party. Those of us who recall the election of 1921 and the attitude of the Progressive party of that time with respect to matters mentioned in the subamendment, as well as the attitude of the present government in the presentation of its platform, will well remember the picture that was painted as to what was to happen if they came into power. They succeeded in 1921. The subamendment directs attention to the fact that they disregarded the pledges contained in their platform of 1919, of two years previously.

I am bound to say that I cannot find it possible to express regret that they did disregard their pledges. I rise merely for the purpose of directing attention to the fact that it is hardly fair to blame those of us who opposed that platform and who pointed out

D34423

Duffus	MacKinnon (Edmonton West)
Dupuis	McKinnon (Kenora-Rainy River)
Emmerson	McLarty
Esling	McLean (Melfort)
Euler	McLean (Simcoe East)
Evans	MacLennan
Fafard	MacNicol
Farquhar	McPhee
Ferguson	MacRae
Ferron	Mallette
Fiset (Sir Eugène)	Marsh
Fleming	Martin
Fontaine	Maybank
Fournier (Hull)	Motherwell
Francœur	Mullins
Furniss	Mulock
Gariépy	Mutch
Gauthier	Neill
Girouard	O'Neill
Gladstone	Parent (Terrebonne)
Glen	Patterson
Golding	Perley
Gosselin	Plaxton
Goulet	Pottier
Grant	Pouliot
Gray	Power
Graydon	Purdy
Green	Raymond
Hamilton	Reid
Hanson	Rhéaume
Hartigan	Rickard
Héon	Rinfret
Hill	Robichaud
Howard	Rogers
Howe	Ross (St. Paul's)
Hurtubise	Ross (Moose Jaw)
Hyndman	Rowe (Dufferin-Simcoe)
Ilsley	St-Père
Isnor	Sanderson
Jean	Senn
Johnston (Lake Centre)	Slaght
King, Mackenzie	Spence
Kinley	Stevens
Kirk	Stewart
Lacroix (Beauce)	Stirling
Lalonde	Streight
Lapointe (Matapedia-Matane)	Sylvestre
Lapointe (Quebec East)	Taylor (Nanaimo)
Leclerc	Taylor (Norfolk)
Leduc	Telford
Lennard	Thauvette
Little	Thompson
Lockhart	Thorson
McAvity	Tomlinson
McCallum	Tremblay
McCann	Tucker
McCuaig	Turgeon
McCulloch	Turner
Macdonald (Brantford City)	Tustin
McDonald (Pontiac)	Veniot
McDonald (Souris)	Vien
McGregor	Walsh
McIntosh	Ward
McIvor	Warren
McKenzie (Lambton-Kent)	Weir
MacKenzie (Neepawa)	Wermenlinger
Mackenzie (Vancouver Centre)	White
	Winkler—169.

Miss AGNES MACPHAIL (Grey-Bruce): Mr. Speaker, the question is on the amendment. I had not intended to speak, but the right hon. the leader of the opposition (Mr. Bennett) pointed out that his party felt they could not vote for the subamendment on account of the fact that they had always been against the principles expressed; fortified by the further fact that the party which brought those principles into being were against it; and further, that he was followed by the Prime Minister (Mr. Mackenzie King), who pointed out to the groups in this corner that we ought not to associate ourselves with the Conservatives since they were not pleased to associate themselves with us, I feel moved to speak. I believe that the group in this corner are following the policy which we have used for many years, that of voting with any group which states our ideas, so in a moment it will not trouble us at all to vote with the Conservative party.

May I point out to the Prime Minister —what he may not have noticed—that the Conservatives have just voted with the Liberals; or, shall we put it the other way, that the Liberals have just voted with the Conservatives?

Mr. LAPOINTE (Quebec East): This is our budget.

Miss MACPHAIL: Any thoughtful person in Canada has known for a long time, certainly since that marvellous speech the Prime Minister made on the night of the election of 1935, that we have one great Conservative party in Canada. It is true that it has two parts, one called Liberal and the other called Conservative. But it is quite obviously a Conservative party, with a small "c." Many people in Canada, and possibly many in the Conservative ranks, are somewhat worried over the lack of success of the Conservative party throughout Canada. May I point out to the Conservatives in this house that the reason why they are not more successful is that Canada does not need two Conservative parties. Having one that is so overpoweringly successful, we do not need another. As a word of advice and encouragement to the Conservative convention about to convene, I would say that the only way I see that they can attain power is by becoming liberal, because Canada certainly stands in need of liberalism. The group in this corner has stood by the ideas in which they believed in voting for the Liberal platform of 1919, a platform the principles of which have been reaffirmed by Liberals many times since 1919.

Mr. MacINNIS: At election times.

D 34424

Miss MACPHAIL: Yes, and at convention times. They have said over and over again that they believed in the principles for which we have just voted. So it has now come to the place where the only Liberals who sit in the house are those who sit in the southeast corner and the hon. member for Portage la Prairie (Mr. Leader) whose courage I admire. What Canada needs very much and in time will have again is a strong people's party, and when that time comes the sentiments expressed in the amendment on which we are now going to vote are likely to be fulfilled. It must have been hard on some of the Liberals to vote against their own program. I was astonished at the hon. member for Huron North (Mr. Deachman) after his eloquent speech the other day, which would have convinced me had I needed it, but I agreed with him to begin with; it surprised me to see him following the leadership of the Conservatives in the House of Commons.

Right Hon. W. L. MACKENZIE KING (Prime Minister): All I wish to say to my hon. friend who has just spoken (Miss Macphail) is that I did not for one moment say to the hon. members of the group to which she belongs how they ought to vote. I did point out what they had succeeded in doing by their subamendment, namely that as a party they had placed themselves as an appendage to the Conservative party. I may have made a good many mistakes in my life, and I know I have a good many limitations, but one thing I have not done is to tell any lady how she should behave.

The house divided on the amendment (Mr. Lawson) which was negatived on the following division:

YEAS

Messrs:

Anderson
Baker
Barber
Bennett
Black (Yukon)
Blackmore
Brooks
Brown
Cahan
Casselman
Clarke (Rosedale)
Coldwell
Douglas (Weyburn)
Elliott (Kindersley)
Esling
Fair
Graydon
Green
Hansell
Heaps
Héon
Jaques
Johnston (Bow River)
Kennedy
Kuhl
Landeryou
Lockhart
McGregor
MacInnis
MacNeil
MacNicol
Macphail
Marsh
Marshall
Mitchell
Needham
Pelletier
Perley
Poole
Quelch
Ross (St. Paul's)
Rowe (Dufferin-Simcoe)
Senn
Spence
Stevens
Stewart
Stirling
Thompson
Tustin
Walsh
Wermenlinger
White
Woodsworth—53.

[Mr. MacInnis.]

NAYS

Messrs:

Ahearn
Barry
Beaubien
Bertrand (Prescott)
Bertrand (Laurier)
Black (Chateauguay-(Huntingdon)
Blair
Blanchette
Bothwell
Boulanger
Brunelle
Cardin
Clark (Essex South)
Clark (York-Sunbury)
Cleaver
Cochrane
Coté
Crerar
Damude
Deachman
Denis
Deslauriers
Donnelly
Douglas (Queens)
Duffus
Dupuis
Emmerson
Euler
Evans
Fafard
Farquhar
Ferguson
Ferron
Fiset (Sir Eugène)
Fleming
Fontaine
Fournier (Hull)
Francœur
Furniss
Gariépy
Gauthier
Girouard
Gladstone
Glen
Golding
Gosselin
Goulet
Grant
Hamilton
Hanson
Hartigan
Hill
Howard
Howe
Hurtubise
Hushion
Ilsley
Isnor
Jean
Johnston (Lake Centre)
King, Mackenzie
Kinley
Kirk
Lacroix (Beauce)
Lalonde
Lapointe (Matapedia-Matane)
Lapointe (Quebec East)
Leclerc
Leduc
Little
McAvity
McCallum
McCann
McCuaig
McCulloch
Macdonald (Brantford City)
McDonald (Pontiac)
McDonald (Souris)
McIntosh
McIvor
McKenzie (Lambton-Kent)
MacKenzie (Neepawa)
Mackenzie (Vancouver Centre)
MacKinnon (Edmonton West)
McKinnon (Kenora-Rainy River)
McLarty
McLean (Melfort)
McLean (Simcoe East)
MacLennan
McPhee
MacRae
Mallette
Martin
Maybank
Motherwell
Mullins
Mulock
Mutch
Neill
O'Neill
Parent (Terrebonne)
Patterson
Plaxton
Pottier
Pouliot
Power
Purdy
Raymond
Reid
Rhéaume
Rickard
Rinfret
Robichaud
Rogers
Ross (Moose Jaw)
St-Père
Sanderson
Slaght
Streight
Sylvestre
Taylor (Nanaimo)
Taylor (Norfolk)
Telford
Thauvette
Thorson
Tomlinson
Tremblay
Tucker
Turgeon
Turner
Veniot
Vien
Ward
Warren
Weir
Winkler—136.

"K" Speeches
1938 Budget
Notes for Mr. King's Speech on.

D 34425

Ex 1

[redacted] Amendment an echo of Sir Henry Drayton - ~~Ex. 1~~

cf. Amendment of Drayton, 1925 - (attached) Ex. 2

both imply failure of government

to retrench;

to reduce public debt;

to reduce taxes;

In both cases, Amendments moved at a time when broad effects of Liberal policies just beginning to be felt;

Record of Liberal Regime, 1922-1930 disproved claims of Drayton Amendment:

Publid debt reduced -

Conservative (Meighen) budget of 1921 [redacted] deficit of $81,000,000

Under Liberal Government (1921-19~~30~~23) deficit reduced yearly -

balanced in 1924 (when ~~net~~ debt reduced by $36,000,000);

D34426

Net reduction of public debt in years 1922-1930, under Liberal government - $276,000,000;
Surpluses in 7 successive years;

Taxes reduced (1922-1930) -

Sales tax from 6% to 1%;

Income tax reduced and increase of exemptions for moderate incomes;

Cheque tax reduced;

Receipt tax abolished (1926);

Railway tickets, telegram, insurance premium taxes reduced;

Tariffs - substantial reductions on:

implements and machinery of production;

articles of domestic consumption;

(See Exhibit) No. 3.

Trade:

During Liberal years, 1922-1930, Canada's export trade attained new levels -

in 7 of 9 years Canada was fifth largest trading nation;

Canada led world in export in per capita exports of manufactured and semi-manufactured goods;

In 8 of 9 years favourable trade balance -

Total favourable balance 1922-1930 -

$1,500,000,000;

Net reduction of public debt in years 1922-1930, under Liberal government - $276,000,000;

Taxes reduced (1922-1930) -

Sales tax from 6% to 1%;

Income tax reduced and increase of exemptions for moderate incomes;

Cheque tax reduced;

Receipt tax abolished (1926);

Railway tickets, telegram, insurance premium taxes reduced;

Tariffs - substantial reductions on:

implements and machinery of production;

articles of domestic consumption;

(See Exhibit)

Trade:

During Liberal years, 1922-1930, Canada's export trade attained new levels -

in 7 of 9 years Canada was fifth largest trading nation;

Canada led world in export in per capita exports of manufactured and semi-manufactured goods;

In 8 of 9 years favourable trade balance -

Total favourable balance 1922-1930 -

$1,500,000,000;

REPEAT
REPETITION

p. 3

D 34427

Record of Bennett Government:

Public debt increased -

deficits in every year 1931-35;

total net increase in public debt for

5 year period - $668,000,000;

Taxes increased -

Sales tax from 1% to 6%;

Income taxes increased and exemptions reduced;

Tax on cheques and money orders increased

and exemptions reduced;

Tax on sleeping car and parlour car tickets

re-imposed;

Excise taxes levied on many articles

(soap, sugar, automobile tires, etc.)

Gold tax;

Special import taxes;

Tariff increased enormously -

Shackling of international trade accentuated forces

of economic depression;

Valuations for duty purposes;

Currency dump duties;

Canada's total trade in fiscal year 1932-33 slightly more

than 1/3 of level attained in 1928-29;

D 34428

P.4

Policies of Present Liberal Government :

Reduction of deficits
~~Retrenchment~~ must of necessity precede reduction in taxation and in public debt;

Progress already achieved:

deficits (Fiscal Years ending Mar.31) 1936 - $160,000,000;
1937 - 78,000,000;
1938 - 14,000,000;

Tariffs reduced substantially -
in budgets of 1936 and 1937;
Can.U.S. Trade Agreement;
Canada-U.K. " " ;

Emphasis has been on reduction in implements and machinery of production and consumers' goods;
Present negotiations with U.S. - hopeful of general lowering of tariffs;

Trade has increased enormously under present government - notwithstanding world conditions and unprecedented drought;

Next step is reduction in taxation and in public debt -
Beginning re reduction of taxation envisaged in present plan of exempting from sales tax all materials used in construction of houses;

D 34420

Ex 2.

BUDGET DEBATE, 1925

Amendment moved by Sir Henry Drayton;

Revised Hansard, March 26, 1925 - page 1568

"That all the words after the word 'that' be struck out and the following subtituted therefor:

'Conditions in Canada urgently demand reductions of taxation, especially of the sales tax and other levies which have been increased by the present government; and the House regrets that the financial statements now presented show no evidence of the economy necessary to make such reductions possible, but rather disclose an alarming increase in the public debt'".

D 34430

Ex. 3.

Liberal Record - 1921-1930

Finance

1. **Expenditure:**

   All expenditures during the time the Liberal Government was in office - on current or capital account - were met out of current revenue.

2. **Surpluses:**

   Budget balanced in fiscal year 1923-24. Surpluses in 7 succeeding years. Total surpluses of $273,000,000.

3. **Debt:**

   Total reduction (fiscal years 1921-22 to 1929-30) of $276,000,000.

4. **Taxation:**

   Income Tax:

   Rate reduced and exemptions increased for people of moderate income.

   Sales Tax:

   Reduced from 6% to 1%.

   Postage:

   2 cent rate in Canada restored.
   Penny postage to Empire restored.

   Cheque Tax:

   reduced to flat rate of 2 cents on cheques over $10.00.

   Nuisance Taxes:

   Abolished.

D 34431

Tariff:

Substantial reduction on:
Implements and machinery of production.
Articles of consumption.

Remission of Taxation:

Estimated that the reductions in taxation from 1926 to 1930 inclusive, meant a remission of $116,000,000, which otherwise would have been paid in 1930, had former rates been maintained.

D34432

MR. LAWSON'S LACK OF CONSTRUCTIVE PROPOSALS:

Lawson admits he has nothing constructive to offer;

Must await decisions of Conservative Convention.

Does that mean Conservatives now have no policy at all?

Does it mean Mr. Lawson is prepared to accept any policy laid down by Convention?

Surely people of Canada have a right to expect something constructive from principal financial critic in official Opposition.

Lawson hinted at tax reductions;

How?

By continued deficits and debt increases

or

By cutting down services?

What does he propose to reduce in expenditures:

Unemployment relief?

Works programme?

Salaries of Civil Service?

Defense programme?

D 34433

Mr. Lawson claims Government has no achievements to its Record in Solving Domestic Problems

Restoration of trade effected through government's policies

basis of national economy;

effect on business, employment,

railways, revenues &c.;

Total trade of Canada for calendar year 1937 highest since 1929;

For fiscal year ending March 31, 1938, aggregate external trade within $54,000,000 of two billion dollar mark;

Employment -

employment created through restoration of trade and stimulation of exports;

Farm Employment Plan;

Home Improvement Plan,

Youth Training Programme;

Bureau of Statistics Index of Employment, May 1, 1938, higher than at same date since 1930;

Bureau of Statistics Estimate of Unemployment in April, 1938, lower than same month in any year since 1931;

Total number afforded direct relief, May, 1938, lower than in same month in any year since 1932;

Drought -

Successful efforts to meet great national calamity of prolonged drought in Western Canada;

Prairie Farm Rehabilitation Programme (long-range scheme);

Relief on unprecedented scale -

total number on direct relief in Saskatchewan, April 1938, 400,000 or 40% of total;

number on relief throughout Dominion -

(estimated population of Sask: 940,000);

D 34435

Government's Programme as Revealed at Present Session

H

Housing

Especially low-rental housing - (a major departure)

Stimulate business
give employment
improve standard of living

Youth Training - extension of

Conservation of human resources and

human personality;

Training of youth for employment (skilled

or partly so)

Expansion to embrace older age groups

Public Works

Provide employment

develop resources

conservation (Grand River, etc)

roads
parks } tourist industry;

Aid to Municipalities for

Self-liquidating projects

to improve standard of living

public health (water, sanitation, etc)

provide employment

D34436

Encouragement of mining development

and provision for conducting

geological surveys;

improvement in roads;

Greater security to disabled veterans

D34437

OVER-ALL DEFICITS AND SURPLUSES UNDER DIFFERENT GOVERNMENTS OF CANADA

(to nearest million)

		Over-all Deficits $	Over-all Surpluses $
(1) 1912-1921 inclusive Borden and Meighen administrations	1912		(balance)
	1913		26,000,000
	1914	22,000,000	
	1915	113,000,000	
	1916	166,000,000	
	1917	264,000,000	
	1918	313,000,000	
	1919	383,000,000	
	1920	674,000,000	
	1921	92,000,000	
		2,027,000,000	26,000,000
Net Deficit 1912-1921:		2,002,000,000	
(2) 1922-1930 inclusive Mackenzie King administration	1922	31,000,000	
	1923	32,000,000	
	1924		36,000,000
	1925		(balance)
	1926		28,000,000
	1927		42,000,000
	1928		51,000,000
	1929		71,000,000
	1930		48,000,000
		113,000,000	276,000,000
Net Surplus 1922-1930:			163,000,000
(3) 1931-1935 inclusive Bennett administration	1931	84,000,000	
	1932	114,000,000	
	1933	221,000,000	
	1934	133,000,000	
	1935	116,000,000	
Net Deficit 1931-1935:		668,000,000	

D 34438

		Over-all Deficits	Over-all Surpluses
		$	$
(4) 1936-1938 inclusive	1936	160,000,000	
Mackenzie King	1937	78,000,000	
administration	1938	14,000,000	
Net Deficit 1936-1938:		252,000,000	

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
57		By-Elections: Speeches in Parliament	Jan. 1938	D 34439 - D 34445	
57		Caucus: Speeches in Parliament	Feb. 1938	D 34446 - D 34457	
57		Civil Service. Speeches in Parliament	Feb. 1938	D 34458 - D 34461	
57		Committees. Speeches in Parliament	Jan. 1938	D 34462	
57		Conditions. Speeches in Parliament	Jan. 1938	D 34463 - D 34472	
57		Congratulations. Speeches in Parliament	Jan. 1938	D 34473 - D 34477	
57		Coronation. Speeches in Parliament	1938	D 34478 - D 34480	
57		Defence: National. Speeches in Parliament	Feb. 1938	D 34481 - D 34490	
57		Deputy Speaker. Speeches in Parliament	Feb. 1938	D 34491 - D 34492	
57		Devonshire: Duke of. Speeches in Parliament	May 1938	D 34493 - D 34497	
57		Dominion-Provincial Relations, Royal Commission on. Speeches in Parliament	Jan. - May 1938	D 34498 - D 34520	
57		Elections & Franchise. Speeches in Parliament	March 1938	D 34521 - D 34522	

D34439

HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

FRIDAY, January 28, 1938.

The house met at three o'clock.

VACANCY

Mr. SPEAKER: I have the honour to inform the house that I have received a communication from two members, notifying me that the following vacancy has occurred in the representation, viz:

Of William Samuel Hall, Esquire, member for the electoral district of Edmonton East, by decease. I accordingly issued my warrant to the chief electoral officer to make out a new writ of election for the said electoral district.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, I should like to direct attention to the fact that climatic conditions in that part of the country are such that a winter election may be and in fact is an almost impossible task, and I hope that a date will be fixed that will make it possible, at least, for the will of the electors to be registered.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I might say to my right hon. friend that the government will take note of what he has just said. We have, in fact, considered the matter already.

IMPERIAL CONFERENCE, 1937

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I desire to lay on the table two copies in English and two in French, of the summary of proceedings of the imperial conference, 1937. Copies of the summary will be made available to the members of parliament through the distribution office of the House of Commons.

REPORTS AND PAPERS

Report of the Brussels Conference, 1937; fourteenth annual report of the proceedings under the Combines Investigation Act for the year ended March 31, 1937; copies of orders in council, dated May 6, 1937, and September 3, 1937, pertaining to rearrangements and transfer of duties in the public service.—Mr. Mackenzie King.

Report of the Superintendent of Penitentiaries for the year ended March 31, 1937; report of the Royal Canadian Mounted Police for the year ended March 31, 1937; amendments to rules of the supreme court.—Mr. Lapointe (Quebec East).

Report of the Postmaster General for the year ended March 31, 1937; Post Office Savings Bank statement and Post Office Savings Bank regulations.—Mr. Elliott (Middlesex).

Report of the Department of Trade and Commerce for the year ended March 1, 1937. —Mr. Euler.

Report of the Auditor General, volumes I and II, for the year ended March 31, 1937; statement of expenditures from the appropriation for unforeseen expenses; statement of receipts and expenditures of the National Battlefields Commission for the year ended March 31, 1937; auditor's report on the financial statement of the Canadian Farm Loan Board for the year ended March 31, 1937; annual report of the Canadian Farm Loan Board; report of the Federal District Commission and statement of receipts and expenditures for the year ended March 31, 1937; report of the Superintendent of Insurance, volume 1, for the year ended December 31, 1936; report of the Superintendent of Insurance on loan and trust companies, and small loan companies, for the year ended December 31, 1936; statement of Superintendent of Insurance concerning the operations of the Civil Service Insurance Act for the year ended March 31, 1937; statement of the Superintendent of Insurance concerning the operations of the Returned Soldiers' Insurance Act for the year ended March 31, 1937; returns of classification of loans and deposits, the chartered banks of Canada, as of October 31, 1937; statement of assets and liabilities of the Bank of Canada as at December 31, 1937; list of accounting assistance under the provisions of the Consolidated Revenue and Audit Act; list of shareholders of Quebec savings banks as at December 31, 1937; list of unclaimed bank balances, etc., in the Quebec savings banks as of December 31, 1937; annual report of the Farmers' Creditors Arrangement Act for the year ended March 31, 1937; statement of superannuation and retirement

D 34440

allowances to civil servants under the Civil Service Superannuation and Retirement Act during the year ended December 31, 1937; statement of allowances granted to civil servants under the Civil Service Superannuation and Retirement Act, 1924, during the fiscal year ended March 31, 1937; statement of allowances granted to dependents of civil servants under the Civil Service Superannuation Act during the fiscal year ended March 31, 1937; statement showing the amount of contributions and payments under the act during the fiscal year ended March 31, 1937.—Mr. Dunning.

Particulars of ministerial permits for persons to enter or remain in Canada during the calendar year 1937; copies of regulations respecting Indians, under the Indian Act; list of Indians enfranchised under the Indian Act during the fiscal year ended March 31, 1937; list of cancellations of land sales or leases under the Indian Act; orders in council under the Dominion Lands Act and the Migratory Birds Convention Act; permits issued during the calendar year 1937 to take intoxicating liquors into the Northwest territories; regulations made by His Excellency the Governor General in Council under the provisions of the Soldiers' Settlement Act; report of works carried out under the provisions of the Reclamation Act; list of cancellations of sales, leases, etc., under the Dominion Lands Act; statement of adjustments of seed grain or other indebtedness; statement of refunds under the Refunds (Natural Resources) Act.—Mr. Crerar.

Report of Commissioner of Patents for the year ended March 31, 1937; report of the Secretary of State for the year ended March 31, 1937; report of the Department of Public Printing and Stationery for the year ended March 31, 1937; report of the Public Archives for the year 1936; copy of ordinances of the Yukon Territory passed by the Yukon Council in the year 1937.—Mr. Rinfret.

Report of the Minister of Agriculture for the year ended March 31, 1937; orders and regulations passed under the authority of the Destructive Insect and Pest Act for the year ended March 31, 1937; report of the Dominion Marketing Board for the year ended March 31, 1937; report of proceedings under the Prairie Farms Rehabilitation Act for the year ended March 31, 1937.—Mr. Gardiner.

Report of the Department of Labour for the year ended March 31, 1937.—Mr. Rogers.

Hon. J. L. ILSLEY (Minister of National Revenue): I desire to lay on the table of the house the report of the Department of National Revenue for the fiscal year ended March 31, 1937; the shipping report of the Department of National Revenue for the fiscal year ended March 31, 1937; and a return showing all appointments, with salaries, under the 1928 amendment of the Department of National Revenue Act for the fiscal year ended March 31, 1937. In so far as the export petroleum and pulpwood regulations are concerned, none have been promulgated since the last return was made to parliament.

(For complete list of departmental and other reports and papers tabled, see Votes and Proceedings, No. 2, of January 28, 1938.)

AUDITOR GENERAL'S REPORT

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, it was the custom in this house for many years, when tabling the report of the Auditor General, to move that it be referred to the public accounts committee; but when large numbers of reports were tabled that was for some reason overlooked on one occasion, and it continued to be overlooked except on one or two occasions. If the minister will look at the matter I think he will find that the correct practice is as I have indicated. Possibly it might be better for him to look into it and make a motion, if he so desires, on Monday. I suggest it is the regular practice that should be followed with respect to the Auditor General's report.

Hon. CHARLES A. DUNNING (Minister of Finance): My recollection is that last year, on a subsequent occasion, after the setting up of the public accounts committee, I made the motion referred to by the leader of the opposition (Mr. Bennett). I shall be glad, however, to look into the matter.

Naval regulations, from January 28, 1937 and April 1, 1937, to December 1, 1937; Militia and Royal Canadian Air Force regulations, March 15, 1937 to January 1, 1938; report of Department of National Defence for the fiscal year ended March 31, 1937.—Mr. Mackenzie (Vancouver).

Rapport du ministère des Pensions et de la Santé nationale; règlements relatifs aux spécialités pharmaceutiques ou médicaments brevetés; marins malades: Recettes et dépenses; hygiène dans les travaux publics; rapport final de la Commission d'Assistance aux anciens combattants—M. Power.

First annual report of the Department of Transport for the fiscal year ended March 31, 1937; leases of wharves, piers and breakwaters for the calendar year 1937; summary of harbour dues for the calendar year 1936; sum-

"K" Speeches -1938
By-Elections

239 "Debate"

D 34441

BY-ELECTIONS

1. **17 By-elections since General Elections 1935:**

Liberals won: 14 16
Conservatives: 3 4
1

Only one change in party standing since G.E.1935 -
Liberals took Victoria from Conservatives
in second by-election in Victoria, B.C.
November 29, 1937.

Results indicate confidence in government:

Not unusual for government returned with large majority in G.E. to lose ground in subsequent by-elections -

Cause may lie in policiesof government or change of allegiance of those who had entertained unreasonable and undue expectations;

Having secured majority unprecedented in history of Dominion, present government might have expected certain falling-away of support;

Very opposite has taken place -

Government has taken a seat from Opposition;

By-elections in all provinces but two -

Manitoba and Alberta;

Results, in general, indicate policies of

government continue to meet with

nation-wide approval of electors;

2. <u>Results in Victoria significant</u>:

First time in 3 decades Victoria has returned

a Liberal member;

Conservative had won by more than 1000 votes

over nearest opponent (CCF) in G.E.1935;

In G.E. 1935 and in first by-election (June 1936)

C.C.F. secured second largest vote

with Liberal candidate coming third;

<u>Popular vote in last Victoria by-election (Nov.29/37)</u>:

Liberal:	9,483
Conservative:	7,654
C. C. F. :	6,580

<u>Liberal victory in face of strongest opposition</u> -

From Conservatives and C.C.F. alike;

Both Mr. Bennett and Mr. Woodsworth participated

in campaign;

Results indicate trend away from experimentation with third parties,
also, change from 30 years allegiance to Conservative principles;

Issues of Campaign:

Policies and record of government received closest examination and discussion throughout campaign;
Leader of Opposition also sought to inject issue of possible negotiation of U.K-U.S. Trade Agreement and extension of Canada-U.S. Agreement -
Endeavoured to create opposition to any modification in Ottawa Agreements -
Claimed to know Canadian interests were to be sacrificed to U.S. when he could have no practical justification for such statements - (see exhibit attached)

Outcome of contest a clear repudiation of economic nationalism and of economic imperialism -
Traditionally Conservative riding refused to be stampeded by appeals to narrow economic

interests,

Indicates belief in expansion of international commerce as path to prosperity and peace;

3. Recent contests in Lotbiniere and St. Henri:

Not merely case of Liberals retaining two traditionally Liberal ridings;

In both, Opposition candidates sought to win contest by unscrupulous appeals to prejudice and to narrow sectionalism;

In Lotbiniere, Independent-Nationalist candidate, (Mr. Bouchard), endeavoured to mislead electors through misrepresentation of questions relating to defence and provincial autonomy;

Liberal candidate secured majority unprecedented in history of riding;

In St. Henri, Independent Candidate (Mr. Houde) likewise sought to distort defence question by allegations entirely lacking in substance - "secret memoranda";

D 34445

In both by-elections, electors refused to be misled by obvious distortion of issues;

Approval of defence programme of government and of latter's record as a whole;

Results indicate determination to regard issues not from sectional, but from broad, national point of view;

Reveals failure to isolate province of Quebec with respect to vital questions of interest to Canada as a whole.

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57		Dominion-Provincial Relations, Royal Commission on. Speeches in Parliament	Jan. - May 1938	D 34498 - D 34520	
57		Elections & Franchise. Speeches in Parliament	March 1938	D 34521 - D 34522	

Caucus - Feby 2. 1938.

D34446

Welcome to members;

M.P.'s who have passed away - Cameron, Verville, Ryan;

Senators " " " Lemieux;
(Resolution re)

Welcome to New Members: Warren, MacLean, McCallum, Mayhew, Francoeur, Bonnier;

" " New Senators:

By-elections:

Mr. Mayhew's victory in Victoria -
seat won from Conservatives;

Victories in Lotbiniere and St. Henry -
Unscrupulous attempts to falsify
issues of defence and autonomy;
common sense of electorate;

Caucus:
Caucus is to Liberal M.P.'s and
Senators what Council is to
government -

D 34447

frank discussion in private,
in endeavour to arrive
at common policy;

Must again emphasize secrecy, if
Council to fulfill its
purpose.

Disruptive tendencies -

Alberta,

Ontario, - Extent of power - Supremacy of Parl.?

New Brunswick
(Claims re soverignty);

Central provinces vs the West -
("Ganging up")

Extreme autonomy vs co-operation
and unity;

Unity of party -

More necessary to-day than ever;

Disorganization and weakness of
opposition -

Liberal party alone capable of forming
strong federal government, and
coping with disruptive forces -

D 34448

Continuance of structure of Confederation dependent to-day upon federal Liberal party - Break-up of Liberal party at this time would imperil Confederation; Liberal unity also needed to ensure enactment of necessary measures;

<u>Government's policies designed to achieve Unity</u> -

Defence - programme based on minimum requirements of situation - avoids both extremes;

Tariffs - conflicting views of different parts of country - reductions <u>already</u> achieved, new trade negotiations.

D 34449

Government's policies meeting needs of country -

figures quoted in House of Commons (Monday) reveal substantial progress towards recovery;

Non-partisan observers and press, like by-elections, indicate general approval;

Third session of Parliament -

Midway between general elections;

Tendency for difficulties in matters of legislation to increase with each session after General Elections;

Regret inability to see more of Members and Senators:

demands upon Prime Minister's time and energies -

External affairs - routine work meeting Ministers;

Council;

Sessional work;

D 34450

Hope longer session this year may mean more frequent contacts;

Look forward to meeting Members and Senators, and wives in informal way at to-night's dinner.

F/PM
1-2-38

D34451

Caucus - Feby 2. 1938.

Welcome to members;

M.P.'s who have passed away - Cameron, Verville, Ryan;

Senators " " " (Resolution re) " Lemieux;

Welcome to New Members: Warren, MacLean, McCallum, Mayhew, Francoeur, Bonnier;

Lambert Marshall

" " New Senators:

By-elections:

Mr. Mayhew's victory in Victoria - seat won from Conservatives;

Victories in Lotbiniere and St. Henry - Unscrupulous attempts to falsify issues of defence and autonomy; common sense of electorate;

Keep Party united

Caucus:

Caucus is to Liberal M.P.'s and Senators what Council is to government -

frank discussion in private,
in endeavour to arrive
at common policy;

Must again emphasize secrecy, if
Council to fulfill its
purpose.

Disruptive tendencies - opposition directing efforts against Lib. Party

Alberta,

Ontario, - Extent of Powers - Supremacy of Parl.

New Brunswick
(Claims re soverignty);

Central provinces vs the West -
("Ganging up")

Extreme autonomy vs co-operation
and unity;

Unity of party -

More necessary to-day than ever;

Disorganization and weakness of
opposition -

Liberal party alone capable of forming
strong federal government, and
coping with disruptive forces -

D 34453

Continuance of structure of Confederation dependent to-day upon federal Liberal party - Break-up of Liberal party at this time would imperil Confederation; Liberal unity also needed to ensure enactment of necessary measures;

Government's policies designed to achieve Unity -

Defence - programme based on minimum requirements of situation - avoids both extremes;

Tariffs - conflicting views of different parts of country - reductions already achieved, new trade negotiations.

D34454

Government's policies meeting needs of country -

figures quoted in House of Commons (Monday) reveal substantial progress towards recovery;

Non-partisn observers and press, like by-elections, indicate general approval;

Third session of Parliament -

Midway between general elections;

Tendency for difficulties in matters of legislation to increase with each session after General Elections;

Regret inability to see more of Members and Senators:

demands upon Prime Minister's time and energies -

External affairs - routine work, meeting Ministers;

Council;

Sessional work;

D34455

Hope longer session this year may mean more frequent contacts;

Look forward to meeting Members and Senators, and wives in informal way at to-night's dinner.

F/PM
1-2-38

Unity of Party — (each man owes his position to Party)

— Relations with Hepburn

— Sixteenth affairs

a 4 ff

D34456

February 1, 1938

Memorandum for the Prime Minister

Re - Caucus, February 2nd, 11.00 a.m.

-- Herewith are brief notes for Caucus.

I understand it has been the practice for the Leader of the party to make a motion at the opening Caucus each session to the effect that the Chairman (Mr. Fafard), convey the sympathy of Caucus to the families of Senators and Members who have passed away since the last session. The Whip's office state that there is no written text, but that the motion is moved informally.

-- Also attached are extracts from Mr. Hepburn's Toronto speech, of June 3rd, 1937, which you mentioned you might wish to read to Caucus, as indicating Mr. Hepburn had in contemplation alliance with Duplessis long before the power issue came to the fore.

E. A. P.

P/PM

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February 1, 1938

D 34457

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H. A. P.

F/PM

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HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

TUESDAY, February 22, 1938.

The house met at three o'clock.

REPORTS AND PAPERS

Report of the Department of Mines and Resources for the year ended March 31, 1937 (French).—Mr. Crerar.

Thirty-third report of the Board of Railway Commissioners for Canada, for the year ended December 31, 1937.—Mr. Howe.

Order in council P.C. 366 pursuant to the provisions of the Unemployment and Agricultural Assistance Act, 1937.—Mr. Rogers.

COMPANIES' CREDITORS ARRANGEMENT ACT

REPEAL OF CHAPTER 36 OF THE STATUTES OF 1932-33, 23-24 GEORGE V

Mr. ERNEST BERTRAND (Laurier) moved for leave to introduce Bill No. 26 to repeal the Companies' Creditors Arrangement Act, 1933.

Mr. LAPOINTE (Quebec): Explain.

Mr. BERTRAND (Laurier): This is a very short bill. It asks for the repeal of the Companies' Creditors Arrangement Act, which was passed in 1933, was of a temporary nature, and was never completed. Rules were to have been passed by order in council, but this was not done; no machinery is provided for the operation of the act. It has lent itself to a lot of fraud. A petition is made against a company; the company files a petition to fall under the act, and immediately proceedings in bankruptcy are stopped. No liquidator is appointed, no trustee, no inspector. No examination of the books is made; officers of the company cannot be examined under oath, and nobody knows what is what about the company. Public bodies such as the Montreal board of trade have passed resolutions asking for the repeal of this act, and there is a great deal of protest against it. It will be my intention to ask that the bill be referred to the committee on banking and commerce in order that men from Montreal and other cities may be called who want to come and speak in favour of the repeal of the act.

Motion agreed to and bill read the first time.

CITY OF OTTAWA AGREEMENT

AUTHORIZATION OF PAYMENT OF $100,000 FOR THE YEAR ENDING JULY 1, 1938

Hon. P. J. A. CARDIN (Minister of Public Works) moved that the house go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to 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, 1938.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Motion agreed to.

CIVIL SERVICE

APPOINTMENT OF SPECIAL COMMITTEE TO INQUIRE INTO OPERATION OF CIVIL SERVICE ACT

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

That a select special committee of the house be appointed to inquire into the operation of the Civil Service Act, and all matters pertaining thereto, with power to call for persons, papers and records, to examine witnesses under oath, and to report from time to time;

And that standing order 65 be suspended in relation thereto, and that the select special committee shall consist of twenty-five members and the following be appointed members of the said committee;

Messrs. Beaubien, Betts, Boulanger, Brooks, Clark (York-Sunbury), Cleaver, Deachman, Donnelly, Elliott (Kindersley), Fournier (Hull), Glen, Golding, Green, Jean, Lacroix (Quebec-Montmorency), Lawson, MacInnis, MacNeil, McNiven (Regina City), Mulock, O'Neill, Poole, Pouliot, Stewart, Tomlinson.

He said: Mr. Speaker, hon. members will recall that at the first session of the present parliament I indicated that the government had the intention of appointing a special select committee to take into consideration the operation of the Civil Service Act. Owing to the many committees appointed at the first session and the number of matters that came before the house for consideration by a new administration and a new parliament, it was

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not thought advisable or possible to appoint a committee at that session. Last session, as hon. members will recall, owing to the coronation and the imperial conference there was a desire to expedite the business of the house, and it was thought advisable not to appoint a committee at that time. The government is therefore taking an early opportunity in this session of implementing the promise which was made, that a committee would be appointed in the course of the present parliament.

I believe it is a fact that there have been similar reviews of the operation of the Civil Service Act during most of the parliaments of recent years. One reason for periodic reviews is that the needs and conditions of the public service are continually changing; also, the personnel of the house is continually changing. It is important the service should conform to changing needs. It is moreover an advantage to new members as well as old members to have this opportunity of fully appreciating many of the questions which arise in the conduct of the public service, both from the point of view of the civil servants themselves and from the point of view of those who have to do with their appointment; also such matters as the efficiency of the public administration, as well as the cost of that administration.

The fact that the government is proposing the appointment of this committee at this time does not mean that the government does not hold strong convictions with respect to the public service and the principles which should govern its status and conduct. It does mean, however, that the government believes it will be helpful alike to the government itself and to the service to have the various duties and obligations of the service carefully reviewed by hon. members of this house, so that their experience may be brought to bear upon the act as it now is, with a view to such revisions or modifications as may seem most advisable. I might add the appointment of this committee should expedite the sessional program through the opportunity it will afford of consideration of the committee of proposals with respect to the civil service already before the house, or ready to be brought up by reference to committee.

I might say that the government intends to recommend the appointment of another committee to deal with the Civil Service Superannuation Act. The superannuation act is more concerned with questions which are immediately financial and which are in part technical, and it has been thought advisable to have that act dealt with by a smaller committee. It will be general questions and

[Mr. Mackenzie King.]

proposals with respect to the public service that will come up for consideration by the committee now proposed.

As to the personnel of the committee, hon. members will realize that the names as set forth are in alphabetical order. There is no significance as to which name comes first or which comes last. The committee will manage its own affairs, in the selection of a chairman as in other matters, but I would say at once that an effort has been made, through the cooperation of the whips, to have the committee as representative as possible not only of the different parties in the house but of considerations of which a committee of the kind would wish to take account. I need not mention what they are. Inevitably there may be a feeling that some persons ought to be on the committee who are not. All have not been accommodated to the extent that the government would wish to accommodate them. However, this committee will be no different from others in the matter of permitting of changes in personnel in the course of its proceedings if that be thought advisable. I just wished at present to inform hon. members that the names here set forth are those that have been given to the government after consultations between the whips of the different parties. I do not think there is anything further I need say at this stage.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, I am sure every member of this chamber, as well as the country generally, will be pleased with the next to the last observation made by the right hon. Prime Minister (Mr. Mackenzie King), that from the setting up of this committee there was nothing to be taken that might imply that the government had any doubt as to the necessity of maintaining the merit system and a civil service commission in this dominion at this time. There is no doubt that there has been much discussion, sometimes public and sometimes not, with respect to the civil service commission and its operations; and it is highly desirable, I personally believe, that at least once in the life of every parliament there should be a review of the operations of the act.

The Prime Minister referred to the fact that the proposed committee was not to deal with the financial side of the matter. I observe that that is so, and the only question I had in mind was whether or not under the terms of the reference, namely "to inquire into the operation of the Civil Service Act," the committee would be competent to inquire into whether or not the departments

were under or overstaffed, or whether public moneys were overexpended in any particular place. As it reads now I doubt whether it would be broad enough for that purpose. The "operation of the act" merely means its administration, how it operates in practice, not the sufficiency or insufficiency of the numbers of employees engaged in the public service. That is a matter which is not settled by the act itself but is determined by the ministers, by what they conceive to be the necessities of the public service and by the appropriation that is made by parliament to defray the cost of such public service. It would therefore seem to me, if it is thought desirable by the government so to do, that the terms of the reference should be modified or expanded; for I submit the Minister of Justice (Mr. Lapointe) would say that to inquire into the operation of the Civil Service Act, when the civil service commission itself has nothing to do with the determining of the numbers of people who are to be employed, would be hardly adequate to meet the situation as a whole. I merely mention this because I thought possibly the government was of the opinion that it was not desirable for this committee to consider such questions as the adequacy or inadequacy of the numbers employed in the departments; that that was a matter which more largely concerned perhaps some other branch of the public service and which was to be considered from some other angle.

I can only say it is highly desirable that every section of the country and every party in the house should be represented, as it is here, on the committee, and that an endeavour should be made so far as it may be possible to conduct the inquiry into the operations of the act with only one object in mind, namely, the public good and the extent to which, either by amendment or by new legislation, we may be able to improve the efficiency of the civil service. I thought, and I still think, that the language is not broad enough to go beyond the question of mere administration, and that possibly the Prime Minister and his government were of the opinion that it would be desirable to deal with that from another angle altogether, having regard to the report on professional employees made some years ago, and other matters of the kind that should be dealt with in another way, even as superannuation, which is largely a financial matter, should be considered from another angle than that of the operation of the act itself.

Mr. MACKENZIE KING: Mr. Speaker, may I say to my right hon. friend that there was no intention on the part of the government in any way to restrict the scope of the committee's activities in this matter. As a matter of fact, in speaking I think I made direct reference to the cost of services, which of course would include the numbers employed, and the amounts paid to them. If during the course of its inquiry the committee should feel that there is undue restriction in its scope, it would have power to ask the house to enlarge its authority. I assure the house at once that that concession would be made.

The intention is to have the scope of the committee's inquiry made as broad as possible, and not to limit it in any particular. The purpose of having the Superannuation Act made the subject of a separate committee was simply to ensure that one particular phase of civil service interest would receive a more detailed and careful examination by a committee appointed with reference thereto than would be possible under the general inquiry.

Motion agreed to.

FISH TRAP LICENCES

READING OF PETITION OF CERTAIN RESIDENTS OF BRITISH COLUMBIA UNDER STANDING ORDER 68

On the orders of the day:

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, before the orders of the day are called I should like to ask, under standing order 68, that the petition I presented yesterday be read.

Motion agreed to.

(The Clerk Assistant read the petition as follows):

To the honourable the House of Commons in parliament assembled:

The petition of the undersigned residents of the province of British Columbia, humbly showeth:

That since time immemorial large runs of sockeye salmon have passed the southwest coast of Vancouver island thence passing into American waters in Puget sound and then back to Canadian waters to spawn in the Fraser river.

That for many years we have maintained in the neighbourhood of Sooke on the southwest coast of Vancouver island four or five fish traps and the Americans maintained in their waters in Puget sound several hundreds, with result that our percentage of the joint catch of that run would run about thirty per cent while theirs would be seventy per cent.

That, three years ago the Americans took out all their traps in Puget sound numbering 219 while we retained ours, with the result

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that our proportion of the joint catch jumped from thirty per cent to fifty per cent and even eighty per cent.

That, the fact that we have not taken out our traps has been used and will be used as a very strong argument by the American trap owners for permission to re-introduce traps on the American side.

That, it is very much to our interests that the American traps should not be re-introduced.

That, there is no truth in the allegation that traps are the only means by which salmon can be taken in our waters in that neighbourhood, as it has been demonstrated that it can be fished by seines, gillnets, and trollers, to which the Americans would have no objection as they use the same gear themselves.

That, the above refers to the sockeye run of salmon but traps are as undesirable as regards the spring and cohoe runs. These fish are heavy in spawn making their way to their spawning ground, swimming in shoals, following the coast line, keeping in shallow water and close in shore so that they fall an easy prey to the traps and comparatively few get by.

That, traps are the most destructive form of fishing known, as they are open day and night and catch every species of fish, large or small, that comes along whether they happen to be out of season or not. Nothing escapes them or gets through.

That, the abolition of traps would lead to the revival of fishing and employment of many local fishermen as was formerly the case, but who, finding their livelihood gone, have had to find other work, often on relief.

That, it would encourage the tourist fishermen who spend their money freely provided that they get good fishing and who to-day are too often disappointed at the present poorness of the fishing in those waters. It would make a great difference to the tourist traffic in the vicinity of Victoria.

That, the abolition of the traps would protect the run of fish, would increase employment instead of, as is the case, exploiting one of British Columbia's greatest assets for the sole benefit of a few.

That, the Associated Boards of Trade of Vancouver island at their annual meeting in June last passed a resolution asking for the abolition of fish traps.

Wherefore, your petitioners humbly pray that your honourable house may be pleased to order that no more fish traps licences shall be granted in British Columbia.

And, as in duty bound, your petitioners will ever pray.

(Signed by Geo. Harris and 9,594 others.)

SUPPLY

NATIONAL DEFENCE AND FOREIGN POLICY—STATEMENT OF MR. MACNEIL

Hon. CHARLES A. DUNNING (Minister of Finance) moved that the house go into committee of supply.

Mr. C. G. MacNEIL (Vancouver North): Mr. Speaker, before Your Honour leaves the

[Mr. Neill.]

chair, and as the estimates of the Department of National Defence may be introduced, I desire to direct the attention of the government to certain considerations which arise in respect of any discussion of these estimates at this time.

There is grave concern throughout Canada as to the developing international trends, and the possible implications arising therefrom and which attend upon Canada's position in the League of Nations and the British commonwealth. For this reason, without any desire to add to the difficulties of the situation and with every desire to cooperate in the promotion of peaceful external relations for Canada, it is urged that the government should provide an opportunity for the discussion of the general policy proposed with relation to the defence of Canada.

Preparations for defence are necessarily the outcome of foreign policy. It is therefore desirable that the government should give whatever assurance may be possible, indicating that existing commitments and plans do not contemplate participation in external war. It is hoped that the minister will make a statement, before proceeding to the principal items of his estimates, as to the relationship of the defence program to needs which are solely Canadian. Such a statement might serve to obviate unnecessary inquiries or criticisms from those who do not oppose reasonable measures of defence, but who are uneasy as to the purpose and degree of defence.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, may I say to the hon. member for Vancouver North (Mr. MacNeil) that while an item in the estimates of the Department of National Defence will be called to-day, so as to enable the minister of that department to take up its estimates on Thursdays and Fridays, it is not the intention of the government at this time to proceed with the estimates of the Department of National Defence. When the minister does take up the estimates I understand it is his intention to make a full statement on the defence policy, and also to permit the fullest discussion upon what he may have to say in that connection. Meantime may I say to the hon. member and to the house that the defence policy of the government remains to-day exactly as stated by the minister, and also by myself at the last session of parliament.

Motion agreed to, and the house went into committee of supply, Mr. Johnston (Lake Centre) in the chair.

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57		Civil Service. Speeches in Parliament	Feb. 1938	D 34458 - D 34461	
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57		Devonshire: Duke of. Speeches in Parliament	May 1938	D 34493 - D 34497	
57		Dominion-Provincial Relations, Royal Commission on. Speeches in Parliament	Jan. - May 1938	D 34498 - D 34520	
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The government is convinced that, in seeking to cooperate with the United Kingdom and other countries in efforts to promote international trade, it is pursuing one of the most effective means of ensuring economic security and progress in Canada, and the betterment of conditions in other parts of the world.

Members of the House of Commons:

The public accounts of the last fiscal year and the estimates for the coming year will be submitted for your consideration.

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

In inviting your careful consideration of the 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 Monday next, and that this order have precedence over all other business, except the introduction of bills, until disposed of.

Motion agreed to.

HIS MAJESTY KING GEORGE VI

ACKNOWLEDGMENT OF ADDRESS TO HIS MAJESTY ON THE OCCASION OF HIS ACCESSION TO THE THRONE

Mr. SPEAKER: I have the honour to inform the house that I have received a communication from His Majesty King George VI, signed by his own hand, as follows:

Buckingham Palace.

Members of the Senate and of the House of Commons of Canada.

I thank you most sincerely for the assurances of loyalty and support contained in the address which you have presented to me upon the occasion of my accession to the throne. It is the dearest wish of The Queen and myself that our reign may be marked, under Divine Providence, by the blessings of peace and by a steady advancement in the welfare and prosperity of all our peoples: and in our labours to this end we shall be strengthened and encouraged by the prayers and goodwill of the Canadian parliament and people.

George R.I.

12th April, 1937.

ACKNOWLEDGMENT OF ADDRESS TO HIS MAJESTY ON THE OCCASION OF HIS CORONATION

Mr. SPEAKER: I have the honour to inform the house that I have a communication from His Majesty King George VI, signed by his own hand, as follows:

Buckingham Palace.

Members of the Senate and of the House of Commons of Canada:

It is with feelings of deep gratitude that I acknowledge the message of loyalty and congratulation conveyed in your Address of the 10th April which was presented to me by my Prime Minister of Canada on the 11th May.

The assurances of loyalty and devotion addressed to us on that occasion will always be an encouragement to The Queen and myself in the performance of our high task.

We were glad to know that the Speakers of your two houses were present at the solemn ceremony of our coronation. The participation in that ceremony of representatives from our overseas dominions fittingly marked the position of the crown as symbolising the unity and free association of the peoples of the British Commonwealth.

Throughout our reign it will be our constant aim to cherish and maintain, to the best of our powers, the heritage of justice, civil liberty, and ordered freedom which we have received from those who in past generations helped to build up this association of nations; and we rejoice to know that in our endeavours to promote, under Divine guidance, the welfare and happiness of our peoples, we shall be supported by the prayers and affection of the people of Canada.

George R.I.

29th June, 1937.

STANDING COMMITTEES

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

That a special committee consisting of Messrs. Casselman, Gray, Mackenzie (Vancouver), Power and Woodsworth, 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.

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 Right Honourable Ernest Lapointe, Minister of Justice, the Honourable Charles A. Dunning, Minister of Finance, and the Honourable W. D. Euler, 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.

LIBRARY OF PARLIAMENT

Mr. SPEAKER: I have the honour to lay before the house the report of the joint librarians of parliament.

On motion of Mr. Mackenzie King the house adjourned at 4.25 p.m.

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properly take place. The time to discuss these trade matters is when we have something concrete before us for deliberation.

I should, however, make it abundantly clear that any trade negotiations between Great Britain and the United States were begun and entered into by those countries themselves. Of necessity we have to take notice of them. We have an agreement with Great Britain and one with the United States, each of which will expire shortly. In fact, the one with the United States runs to the end of the present year, and is subject thereafter upon notice to complete cancellation at the end of six months. The agreement with Great Britain expires in 1940.

It is necessary for a government at all times to have regard, not only for today but for tomorrow, to situations which may arise not only in the immediate present but also in the future. Under these circumstances I would ask any hon. member this question: When other countries belonging to the British Commonwealth of Nations have declared their willingness to cooperate helpfully, if it is possible so to do, in the furtherance of trade relations between the two greatest trading countries of the world, in a manner which it is hoped will help to serve the interests not only of these two countries but of all parts of the British Commonwealth and other nations as well, should Canada be the one to sit back, like a dog in the manger and say, "We will have nothing to do with either of you in transactions of the kind"? I wonder where we would be in the course of another year if that were the attitude we chose to take.

If that is the attitude he would take, it is a fortunate thing for Canada that my right hon. friend is not in office to-day. I tell him that, strong as he may feel about the importance of having a wall around his own country, those walls which have been built up around different countries more than anything else, are responsible for the unrest throughout the world at the present time. The world will get through its present difficulties, not by nations adopting an attitude of non-cooperation, but by all countries being as helpful as they can and in as many directions as possible. Particularly is this true with respect to matters tending to improve conditions in international trade.

The next topic to which reference is made in the speech from the throne is the improvement in Canada's economic condition. The facts of recovery are so evident, I had thought I would not say very much on this subject, but the amendment of my right hon. friend forces me to make some observations. He has moved the following in amendment:

> We desire respectfully to express regret that the speech from the throne does not indicate that the government have taken or contemplate taking efficient measures to deal with unfavourable economic conditions in Canada, and that no legislative action is proposed to deal effectively with the prevailing uncertainty and insecurity resulting from the inadequate incomes of large numbers of our people.

The amendment regrets that the speech from the throne does not indicate that the government have taken or contemplate taking efficient measures to improve economic conditions. Why should the speech from the throne state that the government contemplates taking efficient measures to improve economic conditions? Look at the facts and figures with regard to the present conditions in Canada in comparison with what they were when we came into office and see what they disclose. They speak more eloquently than could any words in the speech from the throne. If we had put into the speech from the throne the exact words of my right hon. friend's amendment he would have criticized us at once. He would have told us that instead of putting any such words into the speech from the throne it would have been much better to have enumerated the statistics which would verify the fact that an improvement had taken place.

He said that within the last little while there had been a falling off of trade with the United States, that there had been a setback to some extent, and that the balance of trade was not what it had been. My right hon. friend knows very well that the falling off this year in exports to the United States and other countries is due, more than anything else to the unfortunate drought which has been experienced in western Canada. In the past year, the United States had a surplus of grains, feed and fodder, whereas Canada unfortunately, as a result of intense drought had no exportable surplus. A year ago that situation was entirely the reverse. At that time we had a surplus of these commodities and drought in the United States necessitated large imports of them from Canada. Because of drought, Canada did not have a normal quantity of wheat for export in the closing months of 1937. The exports of wheat in December, 1936, were valued at $25,256,000, whereas in December, 1937, they were valued at only $10,121,000. In the one item of wheat there was a decrease of $15,000,000 or 60 per cent in one month. This decrease was due in

D 34464

part, to the fact that the dominion had not been able to produce the wheat required for export. We hope that this condition will not recur in the present year, and there is strong reason to believe that it will not. If conditions should again become what we hope they will, then unquestionably sales to the United States and other countries will be appreciably increased as a consequence.

Mr. BENNETT: The exports that have just been mentioned were not to the United States only.

Mr. MACKENZIE KING: They were Canadian wheat exports, but a very large part would have gone to the United States if we had been in a position to sell.

Notwithstanding what my right hon. friend asserts in his amendment, there is abundant evidence of substantial progress. The speech from the throne refers to the new levels that have been reached in revenues. Revenues are a fairly good index as to whether or not conditions have improved. For the first nine months of the fiscal year 1935-36, the total ordinary revenues of Canada amounted to $288,000,000. In the same period in 1936-37, they had increased to $339,000,000. In 1937-38, they totalled $401,000,000. The figures for 1937-38 showed an increase of 18 per cent over the 1936-37 period and 39 per cent over the 1935-36 period. In 1937-38, the revenues of this country were the highest that they have ever been for a similar period in any year.

These figures supply the answer to my right hon. friend's amendment. They indicate the degree of relative prosperity in this country when compared with what it has been in the past.

Let us take the figures with respect to trade. The total trade of Canada for the calendar year of 1937 was the highest since 1929, which was one of the best years. In 1935, the last year my right hon. friend was in office, the total trade of Canada amounted to $1,389,000,000. In 1936 it amounted to $1,663,000,000, and in 1937, $1,934,000,000. The 1937 figure shows an increase of $271,000,000 or 16 per cent over the 1936 figure and $545,000,000 or 39 per cent over the 1935 figure. For those who insist that the important factor is the balance of trade, let me state that Canada had a favourable visible balance of trade of $316,000,000 for the calendar year 1937. For the first time since 1921, Canada regained her position as the fourth greatest exporting nation in the world.

Yet to-night this new doctrine of no advantage in export trade, is put forth quite evidently to help combine the Tory party with those of the Social Credit and other groups who sit to its left.

Mr. BENNETT: I did not say that.

Mr. MACKENZIE KING: I know my right hon. friend did not say it, but I am saying it. I know what he has in his mind.

Mr. BENNETT: I did not say there was no advantage in export trade.

Mr. MACKENZIE KING: My right hon. friend has so many doctrines that it is hard to keep track of them, but, according to the latest one put forth to-night, it is a mistake to think of international trade as being a good thing.

Mr. BENNETT: I did not say any such thing.

Mr. MACKENZIE KING: My right hon. friend said that it led to war.

Mr. BENNETT: That is not what I said either.

Mr. MACKENZIE KING: My right hon. friend may have his eyes on the Edmonton East by-election.

Mr. BENNETT: No, I am not thinking about it.

Mr. MACKENZIE KING: He may be hoping that between now and the next general election he can succeed by some doctrine of economic nationalism in finding an alleged solution of all problems. He evidently hopes to bring these two parties into a working combination. The Conservative party will be brought into this combination on the basis of high protection, and the Social Credit party will be brought in on the basis that their experiment can succeed only where there is no contact with the outside world.

My right hon. friend came into power in 1930 on the cry that he would end unemployment in a short time. He went out of office five years later because he had not succeeded but had made the situation worse. He left us with a pretty heavy legacy. We have, however, tried to do our best, and have succeeded to a considerable degree. What is the position with regard to the increase in employment and the decrease in unemployment? More persons were employed in Canada on January 1, 1938, than at the corresponding period of any previous year in the history of Canada. That fact is disclosed by the figures of the Dominion Bureau of Statistics with regard to employment by firms employing fifteen or

D 34465

more persons. The index number for January 1, 1930, stood at 111·2; in 1938 it was 113·4. I want to repeat that fact: More persons were employed on January 1, 1938, than at the corresponding time in any previous year.

What about unemployment? Unemployment was lower in December 1937, than in the same month of any year since the beginning of the depression. The Dominion Bureau of Statistics estimate of unemployment in Canada for the month of December in different years is as follows:

1930	413,000
1932	675,000
1936	502,000
1937	381,000

A very substantial decrease. The relief figures at last also show a marked decrease. There is always a time lag between reemployment and the corresponding reduction in relief. This was evident a year ago, despite the substantial increase in employment at that time. The figures for this year are as follows: The total number afforded direct relief, including dependents and those receiving part time relief, for the month of December, 1932, was 1,243,000; December, 1936, 1,119,000; December, 1937—no longer in the million—down to 970,000. This reduction in the relief figures has taken place notwithstanding the drastic increase in relief in Saskatchewan due to drought conditions. The total of the direct relief for the province of Saskatchewan alone—which helps to show where the numbers are—ran up from: in December, 1935, 176,000; and December, 1936, 230,000, to 400,000 in December, 1937. The total estimated population of Saskatchewan in 1937, it should be borne in mind, is 939,000.

Now what do these figures of the increase in employment and increase in trade indicate? They indicate that a consequent improvement has taken place all along the line of our economic life. Carloadings, for instance, have materially increased. In fact, they have been the highest this last year since 1930. The gross operating revenue of the railways has been the highest since 1931. In the year just closed, industrial production and the volume of business in Canada have attained unprecedented levels. I will not go into details, they can be given at some other time if necessary. If you are to gauge economic improvement and progress, what are the indices by which you will do so? One is the increase in revenues, another is the increase in trade, another is the increase of employment, and another is the decrease of unemployment. In every one of these, the record is exceptionally good. While undoubtedly much remains to be done, this much shows at least that our policies have been in the right direction. We have heard my right hon. friend to-night describe an individual case of hardship and distress. There are too many of these cases, but, thank heaven, there are not anything like the number to-day that there were when he was in office Things are very different indeed. We are witnessing gradually an improvement of conditions, not as quick an improvement as we should like, but as rapid, apparently, as the circumstances of the times have made possible. It may be that some hon. members can make suggestions which will serve as a cure-all for the ills of to-day. We have heard a good many of them in the past. Heretofore when most of them have been tried, they have not been too successful.

My right hon. friend spoke of the employment commission and asked why, the commission having made its report, we were not acting upon its recommendations. Well, there have been several recommendations of the commission which have already been acted upon. I shall not anticipate what the Minister of Labour (Mr. Rogers) may have to say, but I might point out to the house that, when we came into office, there was no registration of the unemployed in this country. To-day the unemployed have been registered from the Atlantic to the Pacific. In this particular, we know where we are at in dealing with this problem. This registration was one of the initial recommendations and subsequent accomplishments of the commission. When we came into office there were from one side of this country to the other relief camps in which single unemployed men were massed together in great numbers. These camps were becoming more and more hotbeds of unrest and dangerous discontent and were proving anything but helpful to those who were the members of them. Happily, these relief camps have completely disappeared. The men who were in them have, in considerable numbers, found employment elsewhere or have been receiving training to fit themselves for an honourable occupation in some business or industry in which they might wish to engage. Another recommendation of the commission, put into operation by the government had to do with youth training projects. Up to the present, 26,000 unemployed young people have received, or are receiving training in various types of useful and profitable work. Then there has been the scheme for placing large numbers of single unemployed men on the farms, helping to supply the farmer with labour which he needed, helping to supply these men

D 34466

with work, remuneration, and the comfort of a home. Thousands have been placed in these positions. Moreover, under the home improvement plan, another recommendation of the commission acted upon by the government, 34,000 loans have been made by the Minister of Finance (Mr. Dunning), all of which have helped to provide employment to large numbers of those engaged in the building and other trades.

These are some of the things which have been done under recommendations of the employment commission. The final report of the commission reached the government only a day or two ago. That report is being translated and is also being set up in type at the printing bureau. The government has assumed that hon. members will wish to have the report in printed form as soon as it is tabled. We assume that the house will desire to order a number of copies. But we are anticipating that order by asking the bureau to go ahead with the printing, so that as soon as the report can be tabled in both French and English, it may be immediately available in printed form to all hon. members.

The same is true with respect to the report of the textile commission, which is now in the hands of the translators. It was not received until shortly before parliament opened. As soon as it is translated and printed it, too, will be laid on the table. My right hon. friend has complained about the length of time it has taken for that report to be completed and signed. It is true that it has taken longer than the government hoped it might. My right hon. friend has spoken about Mr. Justice Turgeon being employed upon another report, which has to do with the grain trade. It so happens that Mr. Justice Turgeon has an exceptional knowledge of matters pertaining to the grain trade, and when it was thought advisable to have an investigation made into the subject of the wheat board and its operations, it was, I think, a matter of general opinion that no better person could be secured in Canada than Mr. Justice Turgeon to undertake that particular work. The matter being as important as it was, the government felt that, notwithstanding the fact that he had undertaken the onerous task of conducting an inquiry into conditions in the textile industry, it would ask him to undertake the other task as well. He has had a very heavy time of it, but I think that when the house receives the reports which will be presented to it there will be every reason to believe that it was worth waiting a little longer to get the results we shall obtain in that way.

[Mr. Mackenzie King.]

I pass on to the next subject, which is one that seems to afford my right hon. friend considerable amusement, namely the relations between the Department of Trade and Commerce and the Department of Agriculture. No doubt he has in mind some of the experiences he himself underwent when he was head of a previous administration and had to do with government officials in different departments. The matter is a very simple one. I think the press in some cases has looked upon it as one that, with the aid of their own imaginations, could be exploited with interest to the public. They have sought to make out that there was a sort of government crisis arising out of different points of view being held by officials of various departments. May I tell my right hon. friend and other hon. members exactly what the facts are?

As my right hon. friend has said, there has always been a question as to just where the jurisdiction of the Department of Agriculture in the matter of marketing products ended, and where the jurisdiction of the Department of Trade and Commerce with respect to marketing, began. There is a point at which the two come more or less into pretty close contact; and when they do, the officials of the departments concerned are apt to come into close contact as well. If there happens to be the slightest comment which can be construed as a suggestion that some department has not quite measured up to the mark, immediately it is taken as a reflection upon the officials of a particular department.

My colleague, the Minister of Agriculture (Mr. Gardiner), appointed Mr. A. M. Shaw, along with other experts, to prepare a report on certain aspects of the United Kingdom market and Canadian agricultural products. That report was printed and distributed. It so happened that it contained some inaccuracies. It also contained some statements that were a bit ambiguous and capable of being misconstrued. That being the case, strong exception was naturally taken to certain phases of the report. However, when these matters were brought to the attention of the government, the Minister of Agriculture himself immediately suggested that there should be a committee, which would be composed of representatives of the Departments of Trade and Commerce and of External Affairs, as well as of his own department, to go over the report to see wherein statements might require revision for the sake of accuracy. That has been done and the report has been changed to that extent. The report had been printed and distributed to the extent of some five thousand copies, six

Debate 239

GENERAL ECONOMIC CONDITIONS

D 34467

Substantial improvement of past year in general economic conditions -

only exceptions:

(a) drought conditions of southern Saskatchewan - Government in no way responsible for this,
has undertaken far-reaching measures to alleviate distress, and long-term policies in endeavour to cope with situation;

(See Unemployment and Drought Relief)

(b) reduction in export trade in closing months of 1937 ~~due to:~~

(i) Due to drought, Canada has not had normal quantity of wheat for export:
Canadian wheat exports, month of
December 1936 - $25,256,000
" 1937 - $10,121,000

(ii) Business recession in U.S.-
While "business conditions in Canada have continued to improve throughout 1937, and consumer demand has

D 34463

been sustained for both domestic and imported goods," business recession in U.S. which "we hope and believe is already lifting, has tended in recent months to cut down U.S. purchase of both domestic and imported goods" -

(See Memo."Trade Negotiations")

(iii) Reversal of conditions due to drought in Canada and U.S.-

In 1936, Canada had a surplus of grains, feed and fodder, etc., when drought in U.S. necessitated large imports of supplies from Canada,

In 1937, U.S. had surplus of these supplies and Canada, as a result of intense drought, had no exportable surplus;

Notwithstanding these unfortunate factors, Canada's progress toward recovery has been substantial:

D34469

1. Revenues have reached new levels -

Total ordinary revenue of Canada for 9 months of fiscal year (Apr.1 - Dec.21):

1935-36 $288,000,000

1936-37 $339,000,000

1937-38 $401,000,000

Increase 1937-38 period over 1935-36 - 39%

" " " " " 1936-37 - 18%

(1937-38 highest for this period in any year)

2. Total trade of Canada highest since 1929 -

Calendar Year - 1935 - $1,389,000,000

1936 - $1,663,000,000

1937 - $1,934,000,000

1937 increase over 1935 - $545,000,000, or 39%

" " " 1936 - $271,000,000, or 16%

For those who insist important factor is balance of trade, Canada had a favourable visible balance of trade, calendar year 1937, of $316,000,000;

In 1936, Canada regained, for first time since 1921, position as fourth greatest exporting country of world -

D34470

(Relative figures for 1937 not yet available.)

3. Steady gain in employment and decrease in unemployment:

(a) more persons employed on Jan.1.1938 than at corresponding time of any previous year in history of Canada -
Dominion Bureau of Statistics Index of Employment
(firms employing 15 or more persons) -
January 1, 1930: 111.2
" " 1938: 113.4

(b) unemployment lower in December 1937 than in same month of any year since beginning of depression;
Dominion Bureau of Statistics (unpublished) estimate of unemployed in Canada

Month of December

1930	1932	1936	1937
413,000	675,000	502,000	381,000

4. Relief figures at last showing marked decrease -
Always a time lag between re-employment and corresponding reduction in relief -
This evident a year ago, when, in spite of

D34471

substantial increase in employment, little progress toward lower relief figures -

Total No. afforded direct relief (including dependents and part time relief)

Month of December

1932	1936	1937
1,243,000	1,119,000	970,000

Reduction in relief figures has taken place notwithstanding drastic increase in relief in Saskatchewan due to drought conditions:

Total No. on direct relief, province of Saskatchewan:

Month of December

1935 - 176,000

1936 - 230,000

1937 - 400,000

(Total population of Sask.1937 - estimated - 939,000)

(See also - Unemployment and Drought Relief)

D34472

5. Railways - (1937)

Car loadings highest since 1930;

Gross operating revenue highest since 1931;

6. Industrial production and volume of business in Canada attaining unprecedented levels:

In closing months of 1937 - indices of industrial production, and volume of business highest for corresponding period of any year since war -

D. B. S. Index of industrial production -

Average for year 1937 - 126.8;

(base 1926 = 100)

Except for 1928, (127.4) highest for any year since war;

D. B. S. Index of physical volume of business -

Average for year 1937 - 122.7;

(base 1926 = 100)

Except for 1928 (125.5) highest for any year since war;

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57		Civil Service. Speeches in Parliament	Feb. 1938	D 34458 - D 34461	
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57		Elections & Franchise. Speeches in Parliament	March 1938	D 34521 - D 34522	

Re: Speech on the Address
House of Commons
Jan. 31, 1938

"K" SPEECHES
Congratulations.

D 34473

Congratulations mover and seconder.

Francoeur (Lotbiniere)
Many years Quebec Legislature.
Minister of Crown.
Speaker Assembly - 9 years.
Leading member of Bar.
Able and eloquent speech has reflected his known high attainments in law and politics.
-- also how valuable an acquisition he is to membership of this House.

Warren - seconder - (Renfrew North)
Considerable experience in public affairs.
Reeve of Township.
Member of County Council.
Member of Ontario Legislature.
Farmer.
May be expected to make valuable contributions.

Congratulate other new members.
MacLean - Cape Breton-North Victoria
McCallum - Frontenac-Addington.
Bonnier - St. Henri.
Mayhew - Victoria.
Extend wishes for useful Parliamentary career.

Congratulations also to Rowe
Member - Dufferin-Simcoe, on return to the fold after escapade of last Summer and Fall. No doubt experience gained will be helpful to him in public life.

D 34474

Re Bennett:
Has complained of Government shortcomings but made no reference to recent by-elections.
Party returned with largest majority.
Present majority larger.
17 by-elections since.
Liberals won - 15.
Conservatives won - 2.

D 34475

Notes re - Mover and Seconder of Address

Pleased to join with Right Honourable friend in extending congratulations to Mover and Seconder of Address;

Evident that Parliament is fortunate in its new membership;

Mover of Address - Member for Lotbiniere - brings to House wealth of experience gained in Quebec Legislature:-

- Speaker of Legislative Assembly for nine years;
- Minister of Public Works;
- Member of the Quebec Bar;

Qualities indicated by able and eloquent address;

Seconder of Address - Member for Renfrew North - elected during course of last session, but session closed before able to take seat in House;

Like Mover of Address, has also had legislative experience:-

- member of Ontario Legislature, 1919-23;
- also wide municipal experience as Reeve of his township, and for many years represented municipality on Renfrew County Council;

Practical farmer, with wide knowledge of the Farm Co-operative Movement - he will add to strength of House;

Desire to extend warm welcome of this House to both Mover and Seconder, and to other new Members - (Cape Breton-N.Victoria, MacLean) (Frontenac-Addington, McCallum) best wishes for happy, as well as useful careers in Parliament.

"K" Speeches - 1938 Session

D34476

Notes re - Mover and Seconder of Address

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Evident that Parliament is fortunate in its new membership;

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Speaker of Legislative Assembly for nine years;

Minister of Public Works;

Member of the Quebec Bar;

Qualities indicated by able and eloquent address;

Seconder of Address - Member for Renfrew North - elected during course of last session, but session closed before able to take seat in House;

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also wide municipal experience as Reeve of his township, and for many years represented municipality on Renfrew County Council;

Practical farmer, with wide knowledge of the Farm Co-operative Movement - he will add to strength of House;

Desire to extend warm welcome of this House to both Mover and Seconder, and to other new Members - (Cape Breton-N.Victoria, MacLean) (Frontenac-Addington, McCallum) best wishes for happy, as well as useful careers in Parliament.

Notes re - Mover and Seconder of Address

D 34477

Pleased to join with Right Honourable friend in extending congratulations to Mover and Seconder of Address;

Evident that Parliament is fortunate in its new membership;

Mover of Address - Member for Lotbiniere - brings to House wealth of experience gained in Quebec Legislature:-

- Speaker of Legislative Assembly for nine years;
- Minister of Public Works;
- Member of the Quebec Bar;

Qualities indicated by able and eloquent address;

Seconder of Address - Member for Renfrew North - elected during course of last session, but session closed before able to take seat in House;

Like Mover of Address, has also had legislative experience:-

- member of Ontario Legislature, 1919-23;
- also wide municipal experience as Reeve of his township, and for many years represented municipality on Renfrew County Council;

Practical farmer, with wide knowledge of the Farm Co-operative Movement - he will add to strength of House;

Desire to extend warm welcome of this House to both Mover and Seconder, and to other new Members (Cape Breton-N.Victoria, MacLean) (Frontenac-Addington, McCallum) best wishes for happy, as well as useful careers in Parliament.

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D 34478

Coronation

Coronation had new significance for Canada, as for other Dominions -

full nationhood of Dominions given formal recognition in ceremonies -

in effect, H.M. George VI crowned "King of Canada", and of other Dominions, in same way as of Great Britain;

oath taken by King clearly indicated new relationship; see exhibit

"Colonial period" as symbolized by former Coronation ceremonies now finally ended;

The Coronation (1937) was the "final word" in struggle for self government which had its beginnings more than 100 years ago;

Events of last summer served to emphasize that, among British peoples throughout world the Crown has never been regarded with deeper feelings of loyalty and devotion;

Already new King and Queen have attained very high place in affections of their people;

D 34479

Inspiring nature of Coronation - the young King and his Queen dedicating themselves to the service of their peoples;

Significant that Coronation recognising new status of Canada should be in centennary year of Coronation of Queen Victoria and of culmination of struggle for responsible government in Upper and Lower Canada;

F/MC

December 6th, 1937.

Exhibit

D 34480

Text of Coronation Oath taken by King George VI

Q. Will you solemnly promise and swear to govern the peoples of Great Britain, Ireland, Canada, Australia, New Zealand and the Union of South Africa, of your possessions and the other territories to any of them belonging or pertaining, and of your empire of India, according to their respective laws and customs?

A. I solemnly promise so to do.

Q. Will you to your power cause law and justice, in mercy, to be executed in all your judgments?

A. I will.

Q. Will you to the utmost of your power maintain the laws of God and the true profession of the gospel? Will you to the utmost of your power maintain in the United Kingdom the Protestant reformed religion established by law? And will you maintain and preserve inviolably the settlement of the Church of England, and the doctrine, worship, discipline, and government thereof, as by law established in England? And will you preserve unto the bishops and clergy of England, and to the churches there committed to their charge, all such rights and privileges as by law do or shall appertain to them or any of them?

A. All this I promise to do.

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57		Coronation. Speeches in Parliament	1938	D 34478 - D 34480	
57		Defence: National. Speeches in Parliament	Feb. 1938	D 34481 - D 34490	
57		Deputy Speaker. Speeches in Parliament	Feb. 1938	D 34491 - D 34492	
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"K" SPEECHES D94481

that our proportion of the joint catch jumped from thirty per cent to fifty per cent and even eighty per cent.

That, the fact that we have not taken out our traps has been used and will be used as a very strong argument by the American trap owners for permission to re-introduce traps on the American side.

That, it is very much to our interests that the American traps should not be re-introduced.

That, there is no truth in the allegation that traps are the only means by which salmon can be taken in our waters in that neighbourhood, as it has been demonstrated that it can be fished by seines, gillnets, and trollers, to which the Americans would have no objection as they use the same gear themselves.

That, the above refers to the sockeye run of salmon but traps are as undesirable as regards the spring and cohoe runs. These fish are heavy in spawn making their way to their spawning ground, swimming in shoals, following the coast line, keeping in shallow water and close in shore so that they fall an easy prey to the traps and comparatively few get by.

That, traps are the most destructive form of fishing known, as they are open day and night and catch every species of fish, large or small, that comes along whether they happen to be out of season or not. Nothing escapes them or gets through.

That, the abolition of traps would lead to the revival of fishing and employment of many local fishermen as was formerly the case, but who, finding their livelihood gone, have had to find other work, often on relief.

That, it would encourage the tourist fishermen who spend their money freely provided that they get good fishing and who to-day are too often disappointed at the present poorness of the fishing in those waters. It would make a great difference to the tourist traffic in the vicinity of Victoria.

That, the abolition of the traps would protect the run of fish, would increase employment instead of, as is the case, exploiting one of British Columbia's greatest assets for the sole benefit of a few.

That, the Associated Boards of Trade of Vancouver island at their annual meeting in June last passed a resolution asking for the abolition of fish traps.

Wherefore, your petitioners humbly pray that your honourable house may be pleased to order that no more fish traps licences shall be granted in British Columbia.

And, as in duty bound, your petitioners will ever pray.

(Signed by Geo. Harris and 9,594 others.)

SUPPLY

NATIONAL DEFENCE AND FOREIGN POLICY—STATEMENT OF MR. MACNEIL

Hon. CHARLES A. DUNNING (Minister of Finance) moved that the house go into committee of supply.

Mr. C. G. MacNEIL (Vancouver North): Mr. Speaker, before Your Honour leaves the chair, and as the estimates of the Department of National Defence may be introduced, I desire to direct the attention of the government to certain considerations which arise in respect of any discussion of these estimates at this time.

There is grave concern throughout Canada as to the developing international trends, and the possible implications arising therefrom and which attend upon Canada's position in the League of Nations and the British commonwealth. For this reason, without any desire to add to the difficulties of the situation and with every desire to cooperate in the promotion of peaceful external relations for Canada, it is urged that the government should provide an opportunity for the discussion of the general policy proposed with relation to the defence of Canada.

Preparations for defence are necessarily the outcome of foreign policy. It is therefore desirable that the government should give whatever assurance may be possible, indicating that existing commitments and plans do not contemplate participation in external war. It is hoped that the minister will make a statement, before proceeding to the principal items of his estimates, as to the relationship of the defence program to needs which are solely Canadian. Such a statement might serve to obviate unnecessary inquiries or criticisms from those who do not oppose reasonable measures of defence, but who are uneasy as to the purpose and degree of defence.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, may I say to the hon. member for Vancouver North (Mr. MacNeil) that while an item in the estimates of the Department of National Defence will be called to-day, so as to enable the minister of that department to take up its estimates on Thursdays and Fridays, it is not the intention of the government at this time to proceed with the estimates of the Department of National Defence. When the minister does take up the estimates I understand it is his intention to make a full statement on the defence policy, and also to permit the fullest discussion upon what he may have to say in that connection. Meantime may I say to the hon. member and to the house that the defence policy of the government remains to-day exactly as stated by the minister, and also by myself at the last session of parliament.

Motion agreed to, and the house went into committee of supply, Mr. Johnston (Lake Centre) in the chair.

D 34482

were under or overstaffed, or whether public moneys were overexpended in any particular place. As it reads now I doubt whether it would be broad enough for that purpose. The "operation of the act" merely means its administration, how it operates in practice, not the sufficiency or insufficiency of the numbers of employees engaged in the public service. That is a matter which is not settled by the act itself but is determined by the ministers, by what they conceive to be the necessities of the public service and by the appropriation that is made by parliament to defray the cost of such public service. It would therefore seem to me, if it is thought desirable by the government so to do, that the terms of the reference should be modified or expanded; for I submit the Minister of Justice (Mr. Lapointe) would say that to inquire into the operation of the Civil Service Act, when the civil service commission itself has nothing to do with the determining of the numbers of people who are to be employed, would be hardly adequate to meet the situation as a whole. I merely mention this because I thought possibly the government was of the opinion that it was not desirable for this committee to consider such questions as the adequacy or inadequacy of the numbers employed in the departments; that that was a matter which more largely concerned perhaps some other branch of the public service and which was to be considered from some other angle.

I can only say it is highly desirable that every section of the country and every party in the house should be represented, as it is here, on the committee, and that an endeavour should be made so far as it may be possible to conduct the inquiry into the operations of the act with only one object in mind, namely, the public good and the extent to which, either by amendment or by new legislation, we may be able to improve the efficiency of the civil service. I thought, and I still think, that the language is not broad enough to go beyond the question of mere administration, and that possibly the Prime Minister and his government were of the opinion that it would be desirable to deal with that from another angle altogether, having regard to the report on professional employees made some years ago, and other matters of the kind that should be dealt with in another way, even as superannuation, which is largely a financial matter, should be considered from another angle than that of the operation of the act itself.

Mr. MACKENZIE KING: Mr. Speaker, may I say to my right hon. friend that there was no intention on the part of the government in any way to restrict the scope of the committee's activities in this matter. As a matter of fact, in speaking I think I made direct reference to the cost of services, which of course would include the numbers employed, and the amounts paid to them. If during the course of its inquiry the committee should feel that there is undue restriction in its scope, it would have power to ask the house to enlarge its authority. I assure the house at once that that concession would be made.

The intention is to have the scope of the committee's inquiry made as broad as possible, and not to limit it in any particular. The purpose of having the Superannuation Act made the subject of a separate committee was simply to ensure that one particular phase of civil service interest would receive a more detailed and careful examination by a committee appointed with reference thereto than would be possible under the general inquiry.

Motion agreed to.

FISH TRAP LICENCES

READING OF PETITION OF CERTAIN RESIDENTS OF BRITISH COLUMBIA UNDER STANDING ORDER 68

On the orders of the day:

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, before the orders of the day are called I should like to ask, under standing order 68, that the petition I presented yesterday be read.

Motion agreed to.

(The Clerk Assistant read the petition as follows):

To the honourable the House of Commons in parliament assembled:

The petition of the undersigned residents of the province of British Columbia, humbly showeth:

That since time immemorial large runs of sockeye salmon have passed the southwest coast of Vancouver island thence passing into American waters in Puget sound and then back to Canadian waters to spawn in the Fraser river.

That for many years we have maintained in the neighbourhood of Sooke on the southwest coast of Vancouver island four or five fish traps and the Americans maintained in their waters in Puget sound several hundreds, with result that our percentage of the joint catch of that run would run about thirty per cent while theirs would be seventy per cent.

That, three years ago the Americans took out all their traps in Puget sound numbering 219 while we retained ours, with the result

Notes by R.L.T.
(1938)

DEFENCE

D 34483

Serious situation when present government took office:

Bennett government had drastically curtailed defence measures -

Appropriation - 1930-31 (Liberal budget) $21,700,000;
1931-32 (Cons. ") 12,600,000;
reduction - $9,100,000;

Air Force, in modern times essential arm of defence, cut 75%;

When present government took office, all branches of defence forces were far below normal standard of efficiency -

No guns (existing equipment obsolete and outworn) -

Not one aeroplane fit for active service -

Almost complete lack of ammunition, supplies and other necessary equipment;

Prepared to accept explanation of Bennett government that drastic curtailment of defence expenditures represented effort to cope with difficulties of depression years;

In view of serious international situation and mounting armaments of rest of world, present administration would have been lacking in sense of duty if it had not undertaken to restore neglected defence services;

Present Government has undertaken adequate defence measures:

	Appropriations during 1937-8	Estimates for 1938-9
Militia services	$18,614,000	$15,881,000
Naval "	4,548,000	6,486,000
Air "	11,771,000	10,754,000
TOTAL:	34,933,000	33,121,000

(From "Estimates For the Fiscal Year ending March 31, 1939")

(Last Conservative budget - 1935-6 appropriation, excluding cost of civil government, relief projects, etc.- $17,300,000).

Progress of Past Year:

(This sentence approved by Secretary to Minister of National Defence)

Programme laid down during past session has been carried out to a very satisfactory state of completion;

D 34485

Aim has been to maintain armed forces of Dominion on efficient and most effective basis, and to continue programme of providing system of coast defence adequate to cope with emergencies;

New and additional equipment, supplies, structures and premises have been acquired;

Development being concentrated, primarily, on the Pacific Coast -

priority has been given to air forces, then to naval defence, and finally, to repairing deficiencies in equipment of militia services;

In Estimates for 1938-9, provision made for -

acquisition of 75 additional aircraft (55 for Permanent Force, 20 for Non-Permanent);

2 new destroyers (identical in type with 2 already acquired by present government);

completion of 4 new minesweepers now under construction;

continuation of construction of defence fortifications on Pacific Coast;

additions to naval and Air Force personnel commensurate with increases in equipment;

additional training of militia;

D34486

General considerations re Defence:

Present government, like people of Canada, profoundly attached to peace -
belief in disarmament as an end in itself,
and as a means of ensuring peace;
Folly, however, for Canada to be lacking in means of defending herself in light of present serious international situation, and when other countries armed to a degree unprecedented in time of peace;

Why Canada needs arms at present time:

As I pointed out during last session, for some years after Great War, reliance was placed in "collective system" of League;
In certain regards League failed to fulfil early promises - universality of membership;
League unable to protect one of its members from dismemberment in 1931 (China),
failed to prevent Chaco war;
conquest of Ethiopia,
Sino-Japanese confliet;

D3448?

As result of these failures, and return to pre-
war reliance on <u>force</u> rather than <u>reason</u>,
nations came to lose confidence in League's
powers to protect them from aggression;
With this lack of faith in League came feeling
of need of national defence, which, in turn,
led to race for armaments;

<u>Canada in fortunate position:</u>

Enjoys unusual degree of security through geo-
graphic position -
separated by oceans from Europe and Asia,
no neighbour to north,
friendly neighbour to south;
Canada on friendly terms with all countries -
Present government has sought to ensure this -
e.g. Commercial agreements (Japan, Germany),
Removal of Russian embargo;

<u>Cannot look solely to others for defence</u>:

Canada fortunate to have security provided by
membership in British Commonwealth
and friendship with U.S.A. -
Would be lacking in sense of realism not
to make the most of these fortunate
circumstances;

D 34488

If it were not for these factors, it would be imperative for Canada to undertake much larger defence programme at present time;

Cannot, however, depend entirely upon membership in Commonwealth and Monroe Doctrine for our defence;

Canada must undertake its part, as befits a great nation such as this, just as a man must be prepared to defend his own home, at least until friends or police arrive to help him;

Canada has no secret commitments:

Each part of Empire decides its own defence policy;

In Canada, defence measures are based on need for defence of Canada - defence plans not based on participation in foreign wars;

Government recognizes no obligation to participate in war, other than defence of this country;

No commitments or undertakings with respect to any country - none given at Imperial Conference;

(See attached excerpt from Prime Minister's speech, "Crown and Commonwealth").

D 34489

National Defence policy approved by Dominion:

In view of importance to nation of defence,
essential that policies be approved by
Dominion as a whole;

In measures proposed last year, government sought
to present programme which would re-
ceive general support throughout Canada -

On no other aspect of national life is
necessity of unity greater;

Past year has revealed that government's programme
has commanded nation-wide approval -

in Parliament and press;

of individuals and semi-public bodies;
(e.g. Canadian Legion);

In 3 recent by-elections (Victoria, Lotbiniere
and St. Henri) government's defence
programme was made a clear and fore-
most issue -

In spite of most unscrupulous attempts to
falsify issue, and appeal to narrow
selfish interests, government's
policies have met with general approval.

D34490

Recent Events have emphasized wisdom of government's policies re defence:

Serious and ominous situation in Europe and Far East have justified government's unwillingness to add to Canada's commitments -

justified, as well, Government's insistence upon need of preparedness to protect Canada from any threat of aggression, which, in disturbed nature of world affairs, might arise, and likewise steps taken during past year to render this country less liable to such threats.

March 23, 1938.

F/MP

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
57		By-Elections: Speeches in Parliament	Jan. 1938	D 34439 - D 34445	
57		Caucus: Speeches in Parliament	Feb. 1938	D 34446 - D 34457	
57		Civil Service. Speeches in Parliament	Feb. 1938	D 34458 - D 34461	
57		Committees. Speeches in Parliament	Jan. 1938	D 34462	
57		Conditions. Speeches in Parliament	Jan. 1938	D 34463 - D 34472	
57		Congratulations. Speeches in Parliament	Jan. 1938	D 34473 - D 34477	
57		Coronation. Speeches in Parliament	1938	D 34478 - D 34480	
57		Defence: National. Speeches in Parliament	Feb. 1938	D 34481 - D 34490	
57		Deputy Speaker. Speeches in Parliament	Feb. 1938	D 34491 - D 34492	
57		Devonshire: Duke of. Speeches in Parliament	May 1938	D 34493 - D 34497	
57		Dominion-Provincial Relations, Royal Commission on. Speeches in Parliament	Jan. - May 1938	D 34498 - D 34520	
57		Elections & Franchise. Speeches in Parliament	March 1938	D 34521 - D 34522	

"K" Speeches

D 34491

MAIN ESTIMATES 1938-39

Hon. CHARLES A. DUNNING (Minister of Finance) moved:

That the message of His Excellency the Governor General, together with the estimates presented on February 3, 1938, be referred to the committee of supply.

Motion agreed to.

THE DEPUTY SPEAKER

AMENDMENT OF STANDING ORDER 56 TO PROVIDE FOR APPOINTMENT OF DEPUTY CHAIRMAN OF COMMITTEES

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

That standing order 56 be amended by adding the following as section (5):

(5) At the commencement of every session, or from time to time as necessity may arise, the house may appoint a deputy chairman of committees who shall, whenever the chairman of committees is absent, be entitled to exercise all the powers vested in the chairman of committees including his powers as deputy speaker during Mr. Speaker's unavoidable absence.

He said: Mr. Speaker, standing order No. 56 has to do with the office and duties of the Deputy Speaker. The Speaker of the House of Commons Act provides that at the beginning of each parliament the house shall appoint, first, a speaker, and then a chairman of committees. The act also contains provision for the appointment of a deputy chairman of committees, but that right has not thus far been availed of, and there at present is no rule of the house relating to a deputy chairman of committees.

The circumstance which has brought the matter to the attention of the government at this time is that the Deputy Speaker and chairman of committees, Mr. Sanderson, having been chosen by the Empire Parliamentary Association as one of the delegates to represent Canada at the 150th anniversary of the founding of Australia, is likely to be absent from the house until towards the end of March. It has been pointed out that if it should so happen that His Honour the Speaker were absent at the same time as the Deputy Speaker, the house might, pending some action formally agreed upon, find it impossible to meet until we succeeded in having either His Honour the Speaker or the Deputy Speaker return to his place.

To avoid a possibility of that kind, and in conformance with the practice followed at Westminster, I have introduced the resolution now before the house. If it is adopted it will make possible the appointment of a deputy to the chairman of committees, and

I shall then suggest, for this position an hon. member whose name will, I believe, appeal to all hon. members.

I may say that this resolution does not contemplate the appointment of a deputy chairman for the entire term of parliament, but simply for the session and from time to time as occasion may arise. There are similar orders, not only at Westminster but in the parliaments of the other self-governing dominions.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, it seems to me that only one question arises in this matter: is it competent under the statute as it now stands to confer the powers of the Speaker upon a deputy chairman of committees? I am bound to say that I find it difficult to give an affirmative answer to that question. The Prime Minister (Mr. Mackenzie King) has pointed out that the Speaker of the House of Commons Act provides for the election of a speaker and that under our standing rule we have a chairman of committees who has exercised the powers of the Speaker when the Speaker has been absent but I have some doubt that we can name a deputy of the chairman of committees and confer upon him the powers of the Speaker.

I assume the Minister of Justice (Mr. Lapointe) has given this matter his consideration and has arrived at a satisfactory conclusion, otherwise the resolution would not have been introduced. It seems to me the safe course to pursue would be to have the chairman of committees, when parliament meets, tender his resignation for the session, and then elect a chairman of committees. That would obviate any possible difficulty that might arise with respect to conferring the powers of the Speaker upon a deputy chairman of committees. This is the only observation I have to make, and I shall be glad to hear whether the Minister of Justice has satisfied himself on this point.

Right Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, I may say to my right hon. friend that I really believe this is a regular method of procedure during the absence of the Deputy Speaker. The question has been considered by the department and we could find no other way of dealing with it.

Mr. BENNETT: Mr. Speaker, with your consent I shall put again to the Minister of Justice the method which I conceive to be the safe way of dealing with this. I do not believe he got my observation, because he was reading the statute at the time.

I say we should ask the chairman of committees to resign his office for the session, or

D34492

NAYS

Messrs:

Ahearn	Lapointe (Quebec East)
Barry	Leader
Beaubien	Leclerc
Bertrand (Prescott)	Little
Bertrand (Laurier)	McCallum
Blair	McCann
Blais	McCuaig
Blanchette	McCulloch
Bonnier	Macdonald (Brantford City)
Bothwell	McDonald (Souris)
Bouchard	McGeer
Boulanger	McIntosh
Bradette	McIvor
Brasset	McKenzie (Lambton-Kent)
Brunelle	MacKenzie (Neepawa)
Cameron	Mackenzie (Vancouver Centre)
Chevrier	McKinnon (Kenora-Rainy River)
Cochrane	McLarty
Coté	MacLean (Cape Breton North-Victoria)
Crerar	McLean (Melfort)
Crète	MacLean (Prince)
Davidson	MacLennan
Deachman	MacMillan
Denis	McPhee
Deslauriers	MacRae
Donnelly	Mallette
Duffus	Maybank
Dunning	Michaud
Dussault	Motherwell
Emmerson	Mulock
Evans	Neill
Factor	O'Neill
Fafard	Pinard
Farquhar	Plaxton
Ferguson	Pottier
Ferland	Pouliot
Ferron	Power
Finn	Purdy
Fiset (Sir Eugène)	Reid
Fleming	Rennie
Fournier (Hull)	Robichaud
Francœur	Rogers
Furniss	Ross (Moose Jaw)
Gardiner	Rowe (Athabaska)
Gariépy	Sinclair
Gauthier	Slaght
Girouard	Sylvestre
Gladstone	Taylor (Norfolk)
Glen	Thauvette
Golding	Thorson
Gosselin	Tomlinson
Goulet	Tremblay
Grant	Tucker
Hamilton	Turgeon
Hanson	Turner
Hartigan	Veniot
Howden	Vien
Howe	Ward
Hushion	Warren
Ilsley	Weir
Isnor	Winkler
Johnston (Lake Centre)	Wood
King	Young—132.
Kinley	
Kirk	
Lacombe	
Lacroix (Quebec-Montmorency)	
Lalonde	
Lapointe (Matapedia-Matane)	

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs.	
Sanderson	Senn
Patterson	Brooks
Rickard	Tustin
Jacobs	Harris
Power	Lawson
Euler	Edwards
Gray	Casselman
Fontaine	Wermenlinger
Martin	Brown
Cardin	Beaubier
McNiven	Marsh
Elliott (Middlesex)	Church
Mutch	Massey
Raymond	Walsh

Mr. MARTIN: I was paired with the hon. member for Hamilton East (Mr. Brown). Had I voted I would have voted against the amendment.

Mr. SENN: I was paired with the hon. member for Perth (Mr. Sanderson). Had I voted I would have voted for the amendment.

Mr. McNIVEN (Regina): I was paired with the hon. member for Hamilton West (Mr. Marsh). Had I voted I would have voted against the amendment.

Mr. EDWARDS: I was paired with the hon. member for Waterloo North (Mr. Euler). Had I voted I would have voted for the amendment.

Mr. BROOKS: I was paired with the hon. member for Victoria-Carleton (Mr. Patterson). Had I voted I would have voted for the amendment.

Main motion (Mr. Francœur) agreed to.

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

That the address be engrossed and transmitted to His Excellency the Governor General by such members of the house as are of the honourable the privy council.

Motion agreed to.

SUPPLY

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

That this house will, on Monday next, resolve itself into a committee to consider of a supply to be granted to His Majesty.

Motion agreed to.

WAYS AND MEANS

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

That this house will, on Monday next, 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.

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
57		By-Elections: Speeches in Parliament	Jan. 1938	D 34439 - D 34445	
57		Caucus: Speeches in Parliament	Feb. 1938	D 34446 - D 34457	
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57		Elections & Franchise. Speeches in Parliament	March 1938	D 34521 - D 34522	

HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

FRIDAY, May 6, 1938.

The house met at three o'clock.

THE LATE DUKE OF DEVONSHIRE

TRIBUTES BY THE PRIME MINISTER AND THE LEADER OF THE OPPOSITION

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, hon. members of this house and the people of Canada generally will have learned with deep regret of the passing at an early hour this morning of His Grace the Duke of Devonshire, who held the high office of governor general of this country from 1916 to 1921.

The Duke of Devonshire inherited and honourably maintained an ancient family tradition of public service. Before coming to Canada he had already, as a young man, sat in the House of Commons for almost two decades and had occupied important posts in the British ministry. Nor did his active participation in the public life of the old land cease with his term as governor general. From 1922 to 1924 he served as secretary of state for the colonies, which portfolio he held at the time of the imperial conference of 1923.

But it is his years as governor general of Canada which are uppermost in our thoughts to-day. Those who were responsible for the conduct of public affairs during the Duke of Devonshire's term of office realized how much his English traits of composure, of balance and sound common sense contributed to the steadiness of national life in those critical years. In his person the Duke of Devonshire was kindly and friendly, deeply and genuinely interested in the well being of his fellows in all walks of life. Many who knew him even but slightly will recall his quiet, unremitting and generous support of worthy causes and his interest in all that pertained to Canada's social, cultural and economic activities. In his official capacity the Duke of Devonshire discharged his duties with constant regard to British tradition and British constitutional practice.

The people of Canada will recall the charming and delightful personality of the Duchess of Devonshire and the manner in which, along with the members of their lovely family, she shared the interests and labours of her husband. To Her Grace and to the members of the family in their bereavement I should like to extend on behalf of the members of this House of Commons and of the people of Canada the expression of our very sincere sympathy.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, on behalf of those who constitute the official opposition I desire to associate myself with the observations of the right hon. Prime Minister (Mr. Mackenzie King).

The Duke of Devonshire came to Canada at a very difficult time. The war had been in progress for some years, and conditions were certainly anything but satisfactory from the standpoint of the allied cause. It was my privilege to see much of him, after I had left this house, because of his active participation in the work of the Red Cross society. Perhaps he could be best characterized as possessing common sense to a very singular degree. His balanced judgment, his calm approach to the problems of the country and that sterling common sense which always manifested itself enabled him to deal with very complex problems, not only of administration but also of policy, affecting not only the Red Cross society but also other organizations that had to do with the life of our country at that time, notably the Patriotic Fund.

The Duke of Devonshire was the first head of his great family to undertake the service of the crown overseas. It was an experiment for the head of that great Whig family, one of the most powerful of all the illustrious families of England. How successful that experiment was and how well he discharged his duties is a matter of history. He was interested in everything that had to do with the welfare of this country. I think one of the most powerful addresses I ever heard made by a public man was an address he made at a time when the fortunes of the war were running very strongly against

D 34494

us. That magnificent courage which is a distinguishing characteristic of men of his race was never more manifest than on that occasion, and I shall carry with me always the memory of that occasion. He seemed to be an apathetic gentleman, but in point of fact he was most observant and had a very keen interest in everything that was going on around about him. I remember his indicating that he thought perhaps one of the greatest compliments ever paid to him was by the stock men of the west, who found him possessed of such wide knowledge with respect to live stock that they wondered if they could not secure his services as a judge after his term of office had expired here as governor general. He had a very great appreciation of the compliment thus paid to his knowledge of live stock, of farming and of everything that had to do with agriculture. His wide training in public life, to which the Prime Minister has referred, enabled him not only to discharge the constitutional duties of governor general with great acceptance, but to be of the utmost assistance to those who were responsible for government at that time. I know that the prime minister from 1911 until 1921 would, if he were present, pay high tribute to the assistance the governor general gave to him in the discharge of his very onerous duties.

Her Grace the Duchess of Devonshire, a daughter of the distinguished Lord Lansdowne, who had been governor general of Canada, seemed almost intuitively to know this country and its peoples. Her charm and remarkable understanding and intelligence were manifest on all occasions, so that I can say frankly that everyone felt at home in her company. The family, when they were all here, were an aggregation of young men and women such as one would find in any well conducted home.

Our sympathy goes out to the Duchess of Devonshire and to her family in the great sorrow they have experienced. Although the Duke of Devonshire during the last few years had not been able actively to participate in public life, his interest in Canada after his recovery from a stroke was always manifest, and I fancy there are very few Canadians who came in contact with him who have not been invited to partake of his generous hospitality, whether in his home in London or at his great estates in Derbyshire and Yorkshire. Every Canadian was always welcome; the latch-string was always down. He will be greatly missed by all Canadians who knew him, and it must be a matter of profound satisfaction to those associated with him, and to his family, that he was able to make so great a contribution to the public service of the empire at a period of great stress and strain.

I am sure, Mr. Speaker, you will on behalf of this house express our sincere sympathy to the Duchess of Devonshire and the surviving family of our former governer general in their bereavement.

FARM IMPLEMENTS COMMITTEE

MOTION FOR CONCURRENCE IN SECOND REPORT PRESENTED APRIL 8, 1937.

The house resumed from Thursday, May 5, consideration of the motion of Mr. Johnston (Lake Centre) for concurrence in the second report of the special committee appointed to investigate farm implement prices, presented to the house on the 8th of April, 1937.

Mr. G. E. WOOD (Brant): Mr. Speaker, I have listened with a great deal of interest to hon. members who have given expression to their opinions and their interpretations of the report of the special committee on farm implement prices. After paying strict attention to their contributions I have come to the conclusion that there are only two sides to every question—the side I take, and the wrong side. I sometimes marvel at the ability of some hon. members to bring out the phases of a particular argument which go to prove anything they wish to prove, and at their attempts to leave an impression favourable to the cause they desire to support.

The hon. member for Greenwood (Mr. Massey), in high-sounding phrases, endeavoured to pose as a man attempting to clarify the national air from the creation of false impressions, and his statement with respect to the speech of the Minister of Agriculture (Mr. Gardiner) has tended only to strike one more blow upon the wedge being driven between certain sections of the country. Having regard to the record of the party with which the hon. member is associated, he should be the last to emphasize this particular virtue, because I am satisfied that the party to which he belongs has made the greatest contribution towards driving that wedge between the agrarian and the industrial interests.

The hope of Canada lies in a great national party, a party whose principles are liberty of thought, liberty of conscience and liberty of action. There is always more or less of a conflict, under our constitution, between the local and the larger interest, and it is the duty of those who happen to be responsible for the smaller interests to bring the needs of those

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House and country have learned with deep regret of passing, early this morning, of Duke of Devonshire;

(in few days would have completed 70th year - May 31st);

inherited and maintained ancient family tradition of public service -

(M.P. 1891-1908;
several posts in British Ministry - Financial Secretary to Treasury 1903-5);
Civil Lord of Admiralty (1915-16);
Secretary of State for Colonies 1922-4);
interest in education and Civil Service - Chancellor Leeds University 1909, Member Royal Commission Civil Service 1912);

Governor General 1916-21;

years in Canada much in our thoughts today;

assumed office in midst of war; continued during almost equally difficult period of readjustment;

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quiet, constant support of every national activity in those critical years; stimulated social and economic activities of national life;

discharged duties with full regard to British traditions and constitutional practice;

embodied English traits of steadiness, coolness, balance;

kindly and friendly individual - deep and genuine interest in his fellows;

name will have an enduring association with history of our country;

Family:

Duchess of D. shared fully interests and labours of her husband;

specially remembered for her charming and delightful personality;

loveliness of family life - an inspiration to all;

not without interest that eldest son,
Marquis of Hartington, at present
Under Secretary of State for
Dominions;
House will wish to join in expression
alike of appreciation of career
and of sympathy to family.

May 6th, 1938.

P/R

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57		Defence: National. Speeches in Parliament	Feb. 1938	D 34481 - D 34490	
57		Deputy Speaker. Speeches in Parliament	Feb. 1938	D 34491 - D 34492	
57		Devonshire: Duke of. Speeches in Parliament	May 1938	D 34493 - D 34497	
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been made of the high commissioner in London. I think they have been most unfair and unjust.

While speaking of the high commissioner, may I refer to one other criticism that has been made. It has been alleged anonymously that Mr. Massey did not show the attention he should have shown to some Canadians who were in London during the period of the coronation. I believe if it were left to hon. members who were in London at the time of the coronation to speak for themselves, they would agree with me that the high commissioner did all that any man could have possibly been expected to do in meeting the difficulties with which the high commissioner's office was faced at that time, and that what Mr. Massey and his small staff accomplished was really most remarkable in face of the situation as it existed. The coronation and the imperial conference made exceptional demands on the high commissioner's office. I wonder if hon. members realize how great that additional obligation was. There were arrangements for invitations to and the placing of Canadians in the abbey; the allocation of 4,800 tickets for Canadians to view the possession on the line of march, as well as the financing and administration of the sale of those tickets. This involved the writing of approximately 30,000 letters by a small staff hurriedly improvised for the occasion. There were arrangements for the erection of the stand at Canada House, the allocation of 525 seats thereon and the financing of this enterprise through receipts from tickets. This was entirely a Canada House initiative. Canadian visitors registered at Canada House during the coronation period to the number of 7,360. Efforts were made to assist them in a variety of ways, securing them accommodation, tickets for luncheons, hospitality, and looking after their mail. Approximately 30,000 letters were distributed or readdressed, to visitors by the Canada House staff during this period, while some 13,000 invitations to official, semi-official and private functions were arranged. The high commissioner himself entertained at his own house during the coronation period some 2,000 Canadian visitors. I submit that with a task of that size thrown upon the organization at Canada House, what was accomplished in the circumstances was truly remarkable.

Before leaving this subject, I desire to refer to an insinuation, if not a statement made by one newspaper correspondent, that money voted by this parliament for publicity purposes had been used by Mr. Massey as high commissioner for entertainment and social purposes. I deny that statement emphatically and totally. I wish to add that if more statements of that kind appear in future, the government will not hesitate to institute prosecution of those responsible for them.

Mr. BENNETT: It could not happen anyway.

Mr. MACKENZIE KING: No, certainly not. There will be other opportunities to discuss the work of the royal commission appointed to deal with dominion-provincial relations. I should like, however, to say at once that the criticism my right hon. friend has directed against the personnel of the commission is not so much a criticism of individuals of this particular commission as it is a criticism of all royal commissions. It is a criticism of the integrity of men who undertake judicial duties. My right hon. friend knows as well as anyone living, better than most people, that any attack of the character upon the judiciary would be wholly indefensible.

Mr. BENNETT: This is not judicial duty.

Mr. MACKENZIE KING: These are judicial duties, very much so. The commission is presided over by a chief justice of one of our provinces. I was surprised that my right hon. friend should make the attack he did upon the personnel of the commission. He has told us to-day that he did not make the criticism of the chief justice attributed to him. But he did, I think, include him as belonging to the pack of Grits to which he referred. He now nods his head to that effect. But the chairman of the commission was not so classified at the time he was president of the Privy Council in Sir Robert Borden's government. I think the present administration has shown pretty clearly in this appointment as in the appointment of Mr. Dafoe, the attitude of those who were supporters of Sir Wilfrid Laurier throughout the whole of his leadership. We have not been hidebound by a narrow or bigoted party point of view. We have sought to take what we believed was the right and large view of liberalism in this country. May I ask my right hon. friend a question? I suppose there is no greater political partisan in the country to-day than himself. And I think he would agree that there are few men in Canada—and I say this with pride and pleasure—who are more admirably equipped intellectually and by high legal attainments and learning for a position on the bench than himself. Would he regard the fact that he had been in politics, and is to-day the bitter partisan that he is, as evidence that he was wholly unsuited to occupy

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a position on a royal commission or wholly unsuited to occupy a place on the bench? The judiciary of this country is filled with men who at one time or another have occupied seats in this House of Commons, who have been extreme party men or perhaps I ought to say very sincere party men, who fought their political battles in the open, feeling that others believed in their integrity and sincerity of purpose. When they have gone on the bench or have acted as members of royal commissions or have been given other positions of honour and trust and confidence, they have sought to bring to those positions the integrity which their fellowmen had come to know and admire while they were sitting in parliament.

The same is true of the gentlemen who have been appointed to this royal commission. There is not in this country a man, with the possible exception of the chief justice of Ontario, who has given more careful thought and study to constitutional questions than Doctor Dafoe. I do not believe there is a man whose integrity of mind and purpose is stronger and firmer or more respected than that of Doctor Dafoe.

No one knows better than my right hon. friend that this commission is not deciding on the future constitution of Canada. The work of the commission is concerned with the finding of facts and the expressing of opinions in reference to those facts. Whether or not the opinions reached prove to be wise and such as to commend themselves to the judgment of others will depend upon what those opinions are, in the light of all the facts put before the commission. My right hon. friend says we should have had the matter so arranged that there would be a convention where, as soon as one opinion was put forward, in the very next moment it could be combated by another. I wonder what would be accomplished at a convention of that sort, where every time a speaker got up to make one proposal from one province he would be combated by someone with a counter proposal from another province. It was precisely to avoid that sort of thing that this commission was appointed, and that is the reason most commissions are appointed. The commission will make its investigation thoroughly, as it is doing now, with respect to facts and opinions from coast to coast, being prepared to receive any representations presented to it in a responsible way for consideration. All this information will be at the disposal of hon. members of this house and the members of provincial governments when estimating the value of the opinions of the commission. Whether or not the government itself will accept the views of the commission, or the opinions of the commission, is not by any means certain. The government like everyone else, will wish to study the report. We are not obligating ourselves in advance to accept whatever this or any other commission may recommend or suggest. The terms of reference have been drafted in specific terms to make clear that what the commission is expected to do is to give opinions and the grounds for those opinions and endeavour so to elucidate matters that when public bodies come to deal with the great questions with which the commission is concerned, they will have accurate and adequate information before them.

I venture to say that the commission has more than justified its establishment already, if for no other reason than that the country sees to-day, as it has never seen before, the reasons for the differences that exist between different parts of Canada and the difficulties in the way of meeting the various situations that arise. I venture to say there is not an hon. member of this parliament who has not already had his eyes opened by the representations that have been made to the commission in different parts of the country; as to what was expected of the central government; as to what is to be expected in years to come, and as to the impossibility of the acceptance of some of the proposals that are being advanced. It is just because the whole situation is so complex and involved that it is necessary to have a commission to sort out the material and go through it in a thorough manner, reviewing it so that it can be taken up intelligently by those who later will have to deal with the question of policy.

So far as policy is concerned, what is to be done with the information that will be put before parliament as a result of the work of the commission, is a matter which will come up entirely independently of the commission. Anyone who seeks to say that we are seeking, by means of the commission, to change the constitution of this country, and that we are changing it, is stating something that is wholly without foundation. The commission has been appointed, not to change the constitution, but to examine facts with regard to economic conditions, financial responsibilities and the like. There is a difference between changing and examining. When it comes to the question of change, this parliament and the legislatures of the different provinces of Canada will have their full say in the matter.

Mr. BENNETT: The order in council speaks of the distribution of legislative powers.

Mr. MACKENZIE KING: Yes, the commission is empowered to examine into the distribution of legislative powers, but not to change them. My right hon. friend knows

that no commission can alter the distribution of legislative powers. He knows that this parliament is the only body which can do that with respect to the constitution of Canada. His time would be much better spent, and his great knowledge of these questions better utilized, if he sought to show wherein it might be possible, step by step, precept by precept, here a little and there a little, to bring about changes that are going to be in the interests of Canada as a whole, rather than trying to add to difficulties by suggesting, because different views are finding expression, that the commision is rendering a disservice to Canada. I never listened to anything so—I was going to say "puerile"; I hope my right hon. friend will not mind the word—

Mr. BENNETT: Not at all, considering its source.

Mr. MACKENZIE KING: —as his statement with respect to a document which had been prepared by the present Minister of Labour (Mr. Rogers) for the government of Nova Scotia, which evidently has been much appreciated by the citizens of other parts of Canada as well as of the maritime provinces. My right hon. friend says that this document is going to upset the constitution, and put the east against the west. My right hon. friend went a long piece out of his way to attack the government when he had to do it in that roundabout fashion over the head of the present Minister of Labour in reference to a matter that related to the maritime provinces.

Mr. BENNETT: No, in it he referred to the other provinces.

Mr. MACKENZIE KING: Yes, I know. And may I say this to my right hon. friend, that the Duncan commission, as he will recall, had to deal, among other things, with problems that affected the relations between the dominion and the provinces. If evidence was needed as to the service that a commission can render in just those very matters, nothing better could be cited than the work of the Duncan commission itself, because it helped in very large part to meet some of the conditions with which it was faced.

My right hon. friend appointed a commission himself. He appointed a good many; but the one I have in mind in particular is the commission that inquired into railways and transportation. At the head of that commission he placed the chief justice of Canada, and on the commission he appointed a number of other gentlemen who were known to have very definite and fixed ideas with regard to certain phases of transportation. When he appointed the members of that commission, was he doing so in the belief that they would not act in a wholly honourable manner in discharging their duties, and give to the country the best of their intelligence by way of a careful and just analysis of all the evidence that was put before them? Unless he is prepared to say as much in regard to the commissions which he appointed he should not begin to criticize other people from motives which they find it difficult to understand.

Mr. BENNETT: My right hon. friend is wrong. I was not criticizing motives; I was simply saying the method was wholly inapplicable to a constitution; that is all.

Mr. MACKENZIE KING: I think we shall agree to disagree, but may I say this last word in regard to the value of the evidence that may be given before the Dominion-Provincial commission. I do not recollect any too well much of my early classical training, but there was one sentence in Cicero which left a lasting impression upon my mind. It is: "Magna vis veritatis qua facile se per se ipsa defendit." As my latin may not be too easily understood, may I give the translation. It is: "Great is the power of truth which of itself so easily defends itself." That is the way in which the most of this commission will be judged, as will the most of every other commission. We will judge what is best in the situation from the truth itself. The truth will be easily defended because of itself it defends itself, once the facts are adequate and clear.

Mr. BENNETT: And my right hon. friend will remember, "What is truth"?

Mr. MACKENZIE KING: That is a question which has not yet been answered.

Mr. BENNETT: No.

Mr. MACKENZIE KING: But we are getting nearer the answer every day.

My right hon. friend's attention was next directed to the course the government is taking with respect to seeking to have enacted by parliament as speedily as possible a national system of unemployment insurance. I was amazed to hear his observations on the subject. He said, "How do you ever expect to amend the constitution? How do you expect to pass an unemployment insurance measure? Are you going to take the word of the premiers of the provinces? Are you going to listen to provincial governments? Are you going to take the approval of legislative assemblies of the provinces, or

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will you take the word of the electors?" He sought to have the impression that all of these were necessary before a measure of unemployment insurance could be brought into parliament.

Mr. BENNETT: I did not say that.

Mr. MACKENZIE KING: That was the inference left.

Mr. BENNETT: Well, that is not what was said.

Mr. MACKENZIE KING: I find it difficult to tell what my right hon. friend does say, but I do point out—and I do not think he will deny it—that it was he who, only a year or two ago, introduced a national unemployment insurance bill into this house. He drove it through the house, without asking the premier of a single province what he thought of it. He never asked the members of provincial governments in any of the provinces what they thought of it. He never thought of referring a copy of it to the legislative assembly of any of the provinces.

Mr. BENNETT: Hear, hear.

Mr. MACKENZIE KING: He never thought of giving the electorate in any of the provinces a chance to say a word about it, nor was he willing to permit the electorate of Canada to say anything about it. He was determined to jam it through the House of Commons, at no matter what cost—and he did that very thing.

Mr. BENNETT: Surely my right hon. friend knows better than that. He is putting into my mouth words which I did not use. What I did was to introduce and carry through the house a certain measure, on the assumption that the house had sole jurisdiction to act.

Mr. MACKENZIE KING: My right hon. friend, who usually stands behind the courts—and I believe he is right in so doing—would not allow the courts even to look at his measure. He knew that there was a statute which provided expressly that the Supreme court might be asked to express an opinion upon matters of that kind.

To-night my right hon. friend has had a great deal to say about the extent to which the provinces have been arraying themselves against the central government. I will tell him where the responsibility for that lies. I tell him that it began during the time he was in office, and because of the methods he adopted while in office. He was the man who in office tried to take from the control of parliament, and to handle himself, the management of public affairs. He was the one who, in the first instance, instituted a sort of quasi dictatorship in the conduct of public affairs in Canada. It was he who brought down and put on the statute books the so-called social reform legislation to which I have referred, although he knew, and was told over and over again by the opposition of the day, that he was attempting to deal with something which came within provincial jurisdiction, and that the provinces would so regard it. Notwithstanding that fact, and notwithstanding the position which had always been taken by parliament, he insisted upon putting through the new deal concocted between himself and the then minister to Washington, and did so in large part much against the will and wish of his own party. He insisted on jamming these measures through parliament. That is what antagonized the provinces.

That is what has given rise to a suspicion in the provinces that, so far as Ottawa is concerned, there is a desire to get everything into our own hands. Instead of attempting to do things in that way, the present administration has sought to go about the matter in the only way in which it can be speedily and satisfactorily solved, namely to communicate with the provinces themselves, with the constituted authorities in each province, hoping that they may see the reasonableness of the position taken by the government, and extend their cooperation so as to enable the necessary amendment to be made to the British North America Act. That cooperation would facilitate the early introduction of the legislation. If it cannot be brought in as a result of cooperative effort between the provinces and the dominion, I fail to see how else it can be done. It is the one and only method, and if that method had been taken at the start by my right hon. friend, instead of adopting arbitrary action at the end of his term of office, the results might have been different.

As leader of the opposition, at the beginning of the parliament over which my right hon. friend presided, I urged him to do that very thing. Had he sought an amendment to the British North America Act at that time, some seven years ago, and had an unemployment insurance measure been then introduced, we might have had such a law on the statute books five years ago. If there has been delay, such delay is due, first of all, to the years of inaction of my right hon. friend opposite, and, second, to the wrongful methods he adopted in seeking to bring such legislation into being.

I now pass on to the next subject mentioned, namely the elections and franchise

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question was based on a long report in the Toronto Star Weekly of Saturday, April 23, in a dispatch from Montreal and quoting L'Autorité, in which a scheme to seize Rideau Hall, Ottawa, and the public buildings here was set out at length under a heading Fascist Scheme to Seize Ottawa by Force. These matters I complained of were in many other papers including all our leading Canadian dailies.

Under the rules I was prevented from reading a verbatim report of what the reverend gentleman said. I waited for the government or for some responsible minister to raise this question of public importance and get the real facts and to take action, but nothing was done.

At page 2636 the minister is reported as having made this answer to the first question I asked:

> This question serves to show the soundness of the rules of the house to the effect that a question should seek to obtain information, not to supply it to the house.

I repeat, my question did not supply information, but I sought government action; for the information is contained in a two-column verbatim report published in many newspapers. I supplied no answer, only a reference to lengthy press reports. The minister went on to say:

> The government is not aware of the facts mentioned by the hon. gentleman—

The occurrences and the meeting to which I have reference in the question were in the minister's own constituency or city and were reported in his own city press. He continued:

> —but I know personally that he has been wrongly informed, at least in some important particulars.

I did not make the statement myself which I quoted in the question I asked; it appeared in three newspapers published in Quebec and in others throughout Canada. The mere fact that the minister says that my fears are groundless does not make it so. I simply stated the facts, and as a further question of privilege, I object to untruthful comments in this morning's Citizen and reflections on me. It is in the public interest that in times like these the government should find out what address this gentleman did make, and examine the press reports and comments, and decide whether any action will be taken in the matter under the law. Section 98 was repealed, but other sections of the code are there with regard to unlawful assemblies and threats of force and revolution.

Mr. SPEAKER: I would ask the hon. member to state the point of privilege which he is raising and to do so in terms as brief as possible.

[Mr. Church.]

Mr. CHURCH: I have received certain information through the mail also, sent to me by revolutionists and others. Am I as a private member to get all these particulars while no one in a responsible position will take any action? I should like to have an answer from the minister as to what he intends to do.

Right Hon. ERNEST LAPOINTE (Minister of Justice): I have nothing to add to the answers I gave the hon. gentleman yesterday.

Mr. CHURCH: What about your padlock law?

DOMINION-PROVINCIAL RELATIONS

QUESTION AS TO CONSULTATION WITH PROVINCES REGARDING APPOINTMENT OF ROYAL COMMISSION

On the orders of the day:

Mr. A. MacG. YOUNG (Saskatoon): I desire to ask the government a question based upon a report which appeared in the Ottawa Evening Citizen of Monday, May 2, of an address by the premier of Ontario before the royal commission on dominion-provincial relations. I quote:

> "And now may I express a long, deep note of discontent," the premier continued, stating the first notice he received of the appointment of the commission, "came at the breakfast table, from a morning newspaper"....
>
> He suggested the objective of the commission bore so directly on the affairs of provincial government that all provinces should have been consulted about the commission appointment. "And I suspect several of the provinces were consulted," he said.

My question is: were some of the provinces consulted regarding the appointment of the Rowell commission?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I may say to my hon. friend that as far as I am able to recall none of the provinces were consulted as to the intention of the government to appoint the commission. The decision of the government was reached by itself after careful consideration of the whole matter and announcement regarding the intention of the government to appoint the commission was made in this house, if I remember rightly, in the middle of February. The commission itself was not appointed until August. The personnel of the commission was made known at that time. In the interval representations were made to the government from many sources as to persons who might be considered and these representations were considered. I cannot say

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HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

TUESDAY, May 3, 1938.

The house met at three o'clock.

STANDING ORDERS

FIRST REPORT OF STANDING COMMITTEE CONCURRED IN

Mr. S. W. JACOBS (Cartier) presented the first report of the standing committee on standing orders, and moved that the report be concurred in.

Mr. BENNETT: By leave of the house.

Motion agreed to.

ALASKA PACIFIC HIGHWAY

NEGOTIATIONS BY UNITED STATES WITH CANADIAN GOVERNMENT FOR CONSTRUCTION OF HIGHWAY THROUGH BRITISH COLUMBIA AND YUKON TERRITORY TO ALASKA

On the orders of the day:

Mr. H. J. BARBER (Fraser Valley): There is a matter to which I should like to draw the attention of the Prime Minister (Mr. Mackenzie King), arising out of a report in the press of this morning to the effect that—

The United States House of Representatives passed and sent to the senate to-day a bill to authorize the president to appoint a five-member commission to negotiate with representatives of the Canadian government "on the prospect of arrangements for building" a highway from the Pacific northwest to Alaska through British Columbia and the Yukon territory.

The committee is also reported to have said:

Canada's desire to aid cannot be questioned.

Can the Prime Minister make a statement to the house at this time with regard to the matter?

Right Hon. W. L. MACKENZIE KING (Prime Minister): All I can say is that I have seen the press dispatch to which the hon. member has alluded and it is the first and only intimation that I have had of the matter. I have not made any representations as to what Canada's attitude will be if the subject should come before us for consideration at the instance of the United States.

PRIVILEGE—MR. CHURCH

STATEMENTS OF FATHER GRAVEL AND ILLEGAL IMPORTATION OF ARMS INTO QUEBEC—ANSWERS TO QUESTIONS ON MAY 2

On the orders of the day:

Mr. T. L. CHURCH (Broadview): I rise to a question of privilege and to correct, under the rules of the house, a report regarding two replies by the Minister of Justice (Mr. Lapointe) to two questions I asked and placed on the order paper. I wish to call Your Honour's attention to the fact that the privileges of a member have been taken away by the answers given by the minister. In the first question I complained of a large public meeting held in Quebec city on April 6 and reported at length in the three newspapers of that city, L'Evenement and Le Soleil and another, in which the speaker referred to in the question, Reverend Father Gravel, said:

There must be a revolution. There is no good saying it can't happen here....I am for revolution. I will support a revolution that will fight for the independence of this province. Our people must unite and retake the soil which belongs to us.

A lengthy report appeared in L'Evenement of April 6. Practically the same report appears in Le Soleil of the 6th:

When a nation is as sick as this, there is only one way to save it, revolution....That is the only remedy which will save us.

Other papers, fifteen in all, had lengthy reports along the same lines, and more details.

Under standing order No. 44, material facts may be cited in order to make a question intelligible. The rule then goes on to refer to the privileges of members; it refers to misquotations. In my question I simply drew attention to a report of a large public meeting in Quebec, and in order to make the question intelligible I referred to certain facts—the reports of the meeting. I submit that I was quite within the rules of the house. I did not seek to supply any information to the house but simply to ask a question based on the reports of a meeting which became an unlawful assembly, and therefore the question as I worded it was, I submit, in order. My other

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at the moment just what these various representations were, but I would say that no single province was treated differently from any other. All were treated exactly alike. I speak subject to correction, but my recollection is that representations were made by a member of the government of Ontario as to a person who might be appointed to the commission, and the name of that person was considered along with other names which were submitted. The Hon. Mr. Rowell was subsequently appointed from Ontario.

NIAGARA FALLS BRIDGE

OFFICIAL REPORT—INQUIRY AS TO TABLING OF LETTER REFERRED TO IN DEBATE ON BILL NO. 15

On the orders of the day:

Right Hon. R. B. BENNETT (Leader of the Opposition): I had hoped, without interrupting the proceedings yesterday, to direct attention to the fact that in Hansard at page 2617 it appears that the amendment moved the other evening to a private bill respecting the construction of a bridge across the Niagara river was negatived and the section was agreed to. The fact is that the amendment was adopted, and the section as amended agreed to. I really find it difficult to understand just how that mistake should have appeared in Hansard. I point it out at once in order that it may be corrected. At the same time, I would ask the Minister of Transport (Mr. Howe) whether or not the letter he referred to the other evening was filed.

Hon. C. D. HOWE (Minister of Transport): I was out of the city yesterday, but this morning I made inquiries regarding the letter. My files indicate that the letter was sent to the committee on railways, canals and telegraph lines, but I am arranging to locate it and will undertake to lay it on the table this evening or possibly this afternoon.

Mr. SPEAKER: In reference to the question raised by the leader of the opposition (Mr. Bennett) regarding Bill No. 15, I might say that the amendment was carried and the clause too.

UNEMPLOYMENT RELIEF

MEASURE FOR ALLEVIATION OF UNEMPLOYMENT AND AGRICULTURAL DISTRESS

The house resumed from Monday, May 2, consideration in committee of Bill No. 105, to assist in the alleviation of unemployment and agricultural distress—Mr. Rogers—Mr. Sanderson in the chair.

On section 3—Undertaking of measures:

Mrs. BLACK: It has seemed to me that in the last week or two a great many speeches have been made that would not have been made if the speakers had more sense of responsibility. We in opposition have no responsibility but to criticize, or possibly offer suggestions. I had no idea of speaking on this bill, but perhaps because I am a woman and have had children I have received letters from women from one end of Canada to the other saying to me: "School days are ending; my boy is coming out of school, what am I to do with him? I have two daughters leaving school; what faces those girls? You as a woman should be able to tell me."

This is quite a responsibility to put on my shoulders, because I do not know what to do with other people's children. As I have watched the minister and listened to the criticisms showered upon him I felt that if attrition could wear a man down he would not be in the house to-day. I do not know that I have ever seen anyone look more exhausted than did the Minister of Labour (Mr. Rogers) when I spoke to him last night. He was tired, he was worn out. I have enough faith in him to believe that he is honestly and conscientiously trying to do his best.

I have watched from the gallery since 1921 government after government; I have heard the same questions asked by the various oppositions: What are you going to do? Why don't you tell us when you bring down your bills what you are going to do? No government I have ever heard of has taken the general public into its confidence until it has fully made its plans; therefore I should not expect the Minister of Labour to take us into his full confidence at the present stage. But when he is employing men to spend the amount of money that is to be voted to him —and it certainly will be voted to him by practically all hon. members of the house, whether they approve of his policy or not— I suggest that he be very careful to place the spending of that money in the hands of men who know how to deal with it. It is easy enough to give to a political supporter the spending of enormous sums of money; and I understand as well as anyone that to the victors belong the spoils. But surely among the ranks of any party there are good men, conscientious men, who in spite of their affiliations with the party in power will do what is right and what is best for the general public.

I want our boys and our girls to have a chance. In the city of Vancouver there are two women well known there who in their

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own way, small though the scope may be compared with the thousands that are out of employment, have done wonders towards helping the young people of that city. One of them is Judge Helen G. MacGill. Speaking from this side of the house, I am sorry that I must say she is a Liberal. She has been for a long time the judge of the juvenile court there. With the help of friends she organized the training of girls for housework. Each year she has exhibitions. The shopkeepers there have helped her place these girls as best they could. Mrs. MacGill organized and has done that work herself. She drew her friends of all shades of politics with her, and has done a wonderful work. The other woman—I know that the Minister of National Defence (Mr. Mackenzie) knows her—is Mrs. McKay. She organized the Arts and Crafts Association—although I believe that is not the correct name—but she has brought from all over British Columbia men and women who were immigrants or are the children of immigrants, into an organization in which they have done the work in which they or their parents were skilled in the country of their origin. Each year men and women all over British Columbia come to Vancouver for that show; thousands of people attend. Mrs. McKay has trained the women, shown them how to bring their work to public notice, and helped many who otherwise would not have been able to show their work and sell it professionally to the general public.

This may be a small thing in relation to the thousands who are out of employment, but every little helps. The constant dropping wears away the stone. If more of us did what we could in that way, and if more women and the men themselves were encouraged by the government to help, irrespective of politics, we might in time solve part of our great problem of unemployment.

Yesterday afternoon I heard one hon. member say that every child born had just as much right to a living as the birds of the air. For the last month or six weeks I believe the birds of the air have been pretty busy on the grounds in front of this building, and it has been my experience with the birds of the air that they hope to scratch gravel or pull worms; nobody is going to do that work for them. I have stood and watched the robins brace themselves and pull until they get out a nice fat worm. I have watched the robins hopping around from bush to bush and tree to tree gathering the material to make nests. The birds of the air have a right to a living, but like human beings they have to work for that living.

[Mrs. Black.]

To the minister may I say, will he do the best he can to give our young people a chance for a living, a chance to work? The young man or young woman who is brought up without the discipline of work is no good to the community, no good to himself or herself. I look around on the hon. members of this house, young and old; the successful ones, the large majority of them, came from stock which forced the children out of the nest in early life; they are the ones we look up to. There have not been many men in this house during the time I have been watching since 1921 who had everything laid before them. So I say, if we can only give our young people that chance! Road building is good; we need good roads. Last spring, after the house adjourned, my husband and I motored to California. As we travelled through the states of Washington, Oregon and California I frequently made the remark: Your worst road that I have travelled over is better than the best we have in Canada. That may have been a little harsh to Canada. When I came east again this spring, I found the roads down there marvelous. Our best crop is the tourist crop. We want to harvest that crop every year. To do so we have to have good roads, and we must have good and sanitary accommodation for the tourists who come. The tourist from the south demands more than we in the north; I know full well, because I have lived practically half my life in both countries, or a little more than half my life here. I would say to the hon. member that I chose this country; I was not born here, but I chose it, and I have never regretted my choice. It has been a good country to live in; it has been good to me and my children, but I want to make it better for those who are to come after us. I feel sure that when he speaks of roads, housing and so on the minister wants to do all he can, but on the west coast—and I know Vancouver and that coast very well, since I have been going there for forty years—there are many people with monthly incomes of $150, $200 and up to $400, though they are not always sure how long they are going to last. I ask hon. members here how those young people can raise their families of two to four and sometimes six children, and pay the taxes they would have to pay on the homes they would like to build. From my own experience I know that in the long run on that west coast it is much cheaper to rent than build. That is too bad,

12/5/38 P34506

H. S. ARKELL

Mr. SENN:

1. Is Mr. H. S. Arkell employed by the federal government at the present time?

2. If so, in what capacity, and at what salary?

3. Has he been employed by the government at any time during the last four years?

4. If so, in what capacity, for how long, what remuneration did he receive, and what expenses were paid to him?

Mr. GARDINER:

1. Yes.

2. Investigating overseas markets for Canadian farm products, salary $500 per month.

3. Yes.

4. Investigating markets for Canadian farm products and the marketing of such products. Employed November 12 to December 24, 1936, April 21, 1937, to date. Total salary received to date $6,870.42. Total expenses paid to date $5,627.73.

DOMINION-PROVINCIAL RELATIONS

REPORTED STATEMENTS OF PROFESSOR ANGUS OF ROWELL COMMISSION WITH RESPECT TO ORIENTAL SITUATION

Mr. A. W. NEILL (Comox-Alberni): I would like to ask the right hon, the Prime Minister (Mr. Mackenzie King) two questions. The first is, has his attention been called to the fact that Professor Angus, British Columbia's representative on the Rowell commission, has been making partisan speeches concerning a matter on which as one of the commission he will presently have to pass judgment and which formed part of the representations made by the province to the commission, namely the oriental situation? Secondly, if investigation proves this to be correct, will he consider the advisability of removing Professor Angus from the commission in order that the confidence of the people of British Columbia in the fairness of any judgment which the commission may render, may be restored?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I have received a complaint about a speech which was made by Professor Angus before the Ontario Medical Association in Toronto, which I assume is the speech to which my hon. friend has made reference.

Mr. NEILL: It is one of them.

Mr. MACKENZIE KING: It is the only one to which I have had my attention drawn. Upon receipt of the complaint I immediately had it brought to the attention of Professor Angus. I presume I may say that in speaking, Professor Angus was speaking as a private individual, not as a member of the commission nor were the remarks complained of made in the course of the proceedings of the commission, nor, as I understand it, with respect to any subject which comes within the scope of the commission itself. The commission has not been empowered to deal with any question of franchise. That, I believe, is the subject to which my hon. friend refers.

Mr. NEILL: That speech was only one of them, and this matter is sub judice, because the premier of British Columbia made representations.

Some hon. MEMBERS: Order.

Mr. NEILL: I am in order.

CANADA-NEW ZEALAND AIR SERVICE

REPORTED NEGOTIATIONS BETWEEN GREAT BRITAIN AND DOMINIONS AND THE UNITED STATES

On the orders of the day:

Mr. W. R. MACDONALD (Brantford City): I desire to direct a question to the Prime Minister (Mr. Mackenzie King) with regard to an associated Press dispatch which appeared the day before yesterday in the Brantford Expositor. The dispatch refers to an announcement made in the British House of Commons by Lieutenant-Colonel A. J. Muirhead, Under-Secretary of State for Air, to the effect that negotiations were under way with the dominions and the United States concerning a proposed air service across the Pacific ocean from Canada to New Zealand.

My question, therefore, is this: Has the Dominion of Canada, as one of the most important dominions concerned in such a proposal, been consulted in regard to this matter, and, if so, does the Prime Minister deem it to be in the public interest to inform the members of this house as to the present position of the negotiations?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The hon. member drew my attention just before the house assembled to the question he intended to ask; I give him and the house the following information in reply.

The question of an air service across the Pacific ocean between Canada and New Zealand has received informal and preliminary consideration on various occasions. No definite suggestions as to such a service have

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HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

THURSDAY, May 12, 1938.

The house met at three o'clock.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

DRUMHELLER, ALTA., VETERINARY INSPECTORSHIP

Mr. JOHNSTON (Bow River):

1. Was Dr. A. R. Monroe veterinarian inspector in the Drumheller district during the month of April, 1938?
2. If not, who was the inspector at that time?
3. What were his daily travelling expenses in detail during the said month?

Mr. GARDINER:

1. Yes.
2. Answered by No. 1.
3. Daily travelling expenses, April, 1938, Dr. A. R. Monroe: April 1, taxi, 33 miles, $5.70; 2nd, taxi, 19 miles, $2.85; 4th, taxi, 19 miles, $3.35; 5th, taxi, 33 miles, $5.20; 6th, taxi, 19 miles, $2.85; Calgary-Drumheller return (railroad), $4.15; meal, Drumheller, 60c; 7th, taxi, 44 miles, $6.60; hotel, $2; breakfast 55c, lunch 60c, dinner 60c, Drumheller, $1.75; phone, R. A. Lavers, Munson, 10c; phone, W. G. Finlayson, Munson, 10c; phone, A. E. Black, 10c; fare, Drumheller-Cereal return, $5.75; 8th, taxi, 15 miles, $2.25; breakfast 50c, lunch 50c, dinner 50c, Cereal, $1.50; 9th, hotel, $3; Cereal to Drumheller, taxi, 20 miles, $3; breakfast 55c, lunch 55c, dinner 60c, Drumheller, $1.70; 10th, breakfast 55c, lunch 60c, dinner 60c, Drumheller, $1.75; 11th, taxi, 39 miles, $5.85; breakfast 55c, lunch 60c, dinner 60c, Drumheller, $1.75; hotel, $4; Drumheller-Cereal return, $5.75; 12th, taxi, 15 miles, $2.25; breakfast 50c, lunch 50c, dinner 50c, Cereal, $1.50; 13th, Cereal-Drumheller, Hotel Cereal, 2 nights, $3; taxi, 5 miles, 75c; breakfast 55c, lunch 60c, dinner 60c, Drumheller, $1.75; phone P. J. Hampton, Rowley, 20c; phone, F. Sadler, Rowley, 20c; phone, H. Swallow, Rowley, 20c; 14th, taxi, 79 miles, $12.85; breakfast 55c (Drumheller), lunch 60c (Morrin), dinner 50c (Rowley), $1.65; 15th, breakfast 55c (Drumheller), hotel, $4, Drumheller-Calgary; 17th, Calgary to Drumheller return fare, $4.15; dinner, Drumheller, 65c; 18th, taxi, 80 miles, $12; breakfast 55c, lunch 60c, dinner 60c, Drumheller, $1.75; 19th, taxi, 25 miles, $3.75; breakfast 55c, lunch 60c, dinner 60c, Drumheller, $1.75; 20th, taxi, 60 miles, $10; breakfast 55c (Drumheller), lunch 50c (Rowley), dinner 60c (Drumheller), $1.65; hotel, $6, Drumheller to Calgary; 21st, Calgary to Elnora return fare, $5.05; taxi to station, 50c; 22nd, taxi, 32 miles, $5.80; 23rd, taxi, 35 miles, $6.25; 25th, taxi, 51 miles, $8.65; 26th, taxi, 32 miles, $4.80; 27th, taxi, 42 miles, $6.30; 28th, taxi, 31 miles, $5.65; 29th, taxi, 46 miles, $7.40; 30th, taxi, 32 miles, $5.55; hotel, eight nights, 26 meals, $25; lunch, Three Hills, 50c; stamps, $2; total, $225.70.

PUBLIC HEALTH POLICY

Mr. CHURCH:

1. Have any requests been received by the government from either municipal or provincial authority towards federal assistance with a view of giving aid, assistance and cooperation with any future outbreak of poliomyelitis, and what action has been taken?
2. Has the attention of the minister been called to the fear of such an outbreak this summer and fall, as expressed at the meeting of the Ontario Medical Association this week, and other bodies of public health?
3. Has any request been received by the government from any of the medical associations of the provinces asking for a national scientific investigation committee to be established by the national council of research to improve and look into alleged cures for cancer, in cooperation with the provinces or provincial medical associations?
4. Will the government consider the advisability of appointing a select committee of the house next session on national public health matters as an aid to securing a national policy on public health for Canada and in order to extend and coordinate the present functioning of the department with provincial and municipal authorities and expanding the scope, usefulness and work of the department as an urgent, social and national necessity?

Mr. RINFRET:

1. No requests received by Department of Pensions and National Health.
2. No.
3. No.
4. Yes.

D 34508

Royal Commission on Dominion-Provincial Relations

(see Memorandum "Dominion-Provincial Relations, Royal Commission on")

Re Mr. Bennett's criticisms:

1 - Problem should have been referred, not to a Royal Commission, but to a "Conference of all Canadian political parties".

Mr. Bennett has overlooked certain factors in situation:

Two stages in the problem of considering question of changes in B.N.A. Act -

(i) Survey of situation -

careful investigation on scientific and impartial basis, of existing situation -

essentially a task of examination and gathering of facts, and

of making recommendations upon the basis of information secured;

(ii) Determination of policy -

The second stage of problem which can be undertaken only upon basis of a thorough knowledge of existing situation;

Will involve consultation and co-operation between Dominion and Provinces, and will be reached only through spirit of mutual understanding, good faith and compromise;

D 34503

Mr. Bennett has failed to distinguish between these two aspects of problem and has implied the entire question should have been referred to a "constitutional conference or convention";

Feel certain that, upon reflection, Mr. Bennett will agree that government has been wise in treating separately two stages ((i) and (ii))ofprobhem;

.- Re (i) - Survey of situation -

An inquiry which in no sense decides policies or obliges government or Parliament to accept recommendations which may be made;

Essentially preliminary in character, necessitating considerable time to visit various parts of Canada, take evidence and make all necessary investigations;

Such a task would have to be undertaken in any case - to have been attempted by a large conference or convention would have entailed very great cost and needless waste of time on part of "conference";

In establishing commission of 5 under Chairmanship of the Chief Justice of Ontario, Government sought to ensure that investigations be carried out on impartial, exhaustive and scientific basis -

D 34510

Commission given free hand to appoint its own
counsel and technical advisors,
to conduct inquiry in manner its members consider
best suited to meet their grave responsibilities;

Discussion of Section (ii) may be considered unwise or unnecessary)

Re (ii) Determination of policy -

When survey of situation has been completed, then problem will have to be dealt with of how decisions are to be reached with regard to possible changes in B.N.A. Act - Surely, Mr. Bennett will agree that it is at that time that the method he has suggested will have to be considered;

Alternative methods of deciding on policy to be pursued;

(a) by a constitutional conference, as suggested by Mr. Bennett},of various parties, of Dominion and provinces;

(b) A Conference of Dominion and Provincial governments;

(c) Reference of proposals to Parliament and to provincial governments and legislatures;

When this stage of problem is reached, full consideration will be given by Government to suggestion of Mr. Bennett, together with alternative courses of procedure;

Can assure Mr. Bennett and others, that no attempt will be made to deal with results of Commission's survey or

D 34511

rush through amendments to B.N.A. Act, without ample opportunity for consideration by Provinces, as well as Parliament;

As is well known, throughout years I have been in public life, I have always insisted on importance of fullest possible co-operation with provinces in any proposed change in constitution of Canada;

2. "No Government has ever dared to appoint an irresponsible commission to change the basis of our constitution" (Mr. Bennett, Brandon, Oct. 22, 1937) (See Memo. App. E)

Royal Commission has no powers "to change the basis of our constitution -

Cannot change one word;

As mentioned (above), their task is concerned with first phase of question, namely, investigation of situation as it exists;

Order-in-Council establishing Commission expressly states purpose - "to provide for a re-examination of the economic and financial basis of Confederation, and of the distribution of legislative powers in the light of the economic and social developments of the last seventy years";

Surely Mr. Bennett will admit there is a vast difference between "examine" and "change";

D 34512

In view of Mr. Bennett's criticism, well to recall that the report of the Duncan Commission of 1926 made a very valuable contribution to the solution of certain troublesome constitutional problems -

On basis of Duncan Report, certain changes made/which served to remedy existing grievances and greatly to strengthen the ties of understanding and good-will between different parts of the Dominion;

Mr. Bennett also reported (W. Free Press, Oct. 23/37) to have claimed that never before in the history of the British peoples has a government asked a Commission to make recommendations which involve constitutional changes -

Remind Mr. Bennett of Commission, with broad powers, established in Australia to examine constitutional questions in that Dominion (reported in 1929);

(In following year 3 bills based on Commission's findings passed by Australian House of Representatives but were defeated in Senate);

3. Royal Commission "a pack of Grits."

The Chairman and Chief Justice of Ontario

"A most violent partisan"

Mr. Dafoe, author of "libellous and scurrilous attacks on public men";

D34513

Such attacks unworthy of Leader of one of the historical political parties in Canada;

Attack upon Chief Justice of Ontario constitutes a grave reflection upon the judiciary of Canada;

Am sure Mr. Bennett could not have intended this;

Mr. Rowell one of most generally respected and outstanding citizens of the Dominion;

Almost without exception, the press have deplored his attack upn Mr. Rowell;

Deeply regret, also, attacks upon other members of the Commission -

Mr. Dafoe one of outstanding journalists and publicists of to-day, not alone of Canada, but of entire world;

Known and respected throughout English-speaking world;

Few men in this country at present time have brought to the discussion of public affairs, the intellectual capacities and the desire to serve the public interest, as that which has characterized efforts of Mr. Dafoe;

As is well known, in seeking to serve what he considered to be highest interests of Canada, he has voiced the most strenuous opposition to certain policies of present Government;

D 34514

The Government has felt itself and the Dominion most fortunate in securing the services of five persons possessing such outstanding capacities and public spirit as those comprising the Commission;

There can be no better reply to Mr. Bennett that the enthusiastic approval with which, in general, the press of Canada, greeted the appointment of the Commission; (See Memo. App. F.)

4 - "Appointment of the Royal Commission.....largely a matter of buck-passing."

On the contrary, it is the most practicable, efficient and economical manner of securing an authoritative and impartial survey of existing situation;

Government in no way seeking to avoid its proper responsibilities;

In setting up Commission it has taken first essential step in dealing with constitutional problems;

Is equally prepared to meet responsibilities which will arise upon completion of inquiry;

Press of Canada has indicated nation-wide confidence, not only in personnel of Commission, but also in seeking thus to cope with difficulties of situation;

D 34515

Re Mr. Woodsworth's criticism:

1 - "Commission is going to make a leisurely and exhaustive study of things we already know about."

Progress already made by Commission belies any implication of loss of time, or of "leisurely investigation";

Commission has, in fact, undertaken its task with utmost despatch possible -

(Commission appointed, August 14, 1937 - impossible to do so earlier due to Coronation and Imperial Conference, and difficulty of securing desired personnel;

Work of organization began almost immediately thereafter;

Approximately one month after appointment of Commission, Chairman and Secretary conferred with Western Premiers;

It was early indicated that public hearings would begin as soon as submissions were ready -

Public hearing of Manitoba case began November 29th - were to have begun earlier, but postponed at request of Manitoba Government;

Since then inquiry has proceeded with utmost despatch commensurate with character of undertaking;)

D34516

Mr. Woodsworth refers to inquiry as "things we already know about" - implies he was in possession of all facts already gathered by Commission;

If so, he might have done the Government and country a service by putting such information at the disposal of the Administration -

Certainly the Government was unaware any such clear and authoritative discussion of those aspects of situation already heard by the Commission;

2 - "In the meantime, the Government is going to turn aside any attempt to bring up the questions of unemployment insurance,"etc.-

In the light of recent events, Mr. Woodsworth's criticism proven groundless;

3 - "Such a study should have been carried out by a Committee of the House of Commons";

Believe there will be general agreement, not only in House of Commons, but also in Senate, that such a proposal is impracticable -

Demands on members and senators during Session already onerous and exacting;

D34517

Could not possibly deal adequately with problem during one session, and if extended over several sessions, inquiry would lose much of its value and remedial measures postponed;

In 1935, as Mr. Woodsworth will recall, a Committee of the House of Commons set up to consider question of Amendment of B.N.A. Act -

Invitation sent to each province to submit its views;

On basis of provinces' replies, official report (page xii), states:

"In no case did the authorities of these provinces signify any desire to present their views to your Committee, either in writing or orally";

General feeling expressed by provinces that the subject of inquiry much too involved to be dealt with in such a manner;

Committee itself stated its unwillingness, in view of these considerations, to make any recommendations.

General Considerations re Royal Commission:

In establishing Commission, Government has sought to deal with an all-important national problem in the most impartial and effective manner possible -

D 34518

Terms of reference made very broad in order to have all relevant facts at disposal of Government and Parliament;

General recognition, by press and individuals in all parts of Canada, of good faith and wisdom of Government in setting up Commission, and in choice of personnel - (See memo. App.F.)

Factors making unity more difficult

Forces at work in Canada which tend to create misunderstanding, discord and sectionalism -

Factors of geography, racial origin, economic interest tend to create different outlook in different parts of Dominion;

Problem of statesmanship in Canada to-day:

To seek to eliminate causes of friction and disunity, and to re-affirm our common faith in Canada as a great and growing nation;

Let us not forget that if Canada is to command the respect of other countries, and play the part which her position warrants in Commonwealth and world affairs, it will be because her people are united by a common outlook and purpose;

Need, at present time, of re-affirmation of the ideals and principles of the early statesmen who sought, on a basis of understanding and mutual interest, to build a great nation out of a number of young and struggling colonies;

D34519

Early Canadian statesmen sought unified nation:

Sir John Macdonald, and his associates, in their great services at the time of Confederation, sought to lay the foundations of a strong and united Dominion;

Sir Wilfrid Laurier, strove, with the utmost patience and courage, to preserve and strengthen ties which bind together people of the Dominion; sought also to defend rights of provinces within allotted jurisdiction;

Few, if any, Canadians have had a clearer vision of the real meaning of Confederation;

Changed conditions since Confederation:

Since time of Sir Wilfrid, and still more of Sir John Macdonald, social and economic developments have created new conditions with regard to public administration, as of all else, and placed strains and stresses on the structure of Confederation which make adjustments imperative;

Canada will solve new problems:

At time of Confederation, and in succeeding years, leaders of our public life "in the provinces and at Ottawa, were equal to the great tasks by which all alike were confronted". They met them one by one, sooner or later, in a spirit of moderation and toleration; where necessary, forgiving and forgetting the past, and looking always to the future. We

D 34520

shall meet our problems in a like way; and we, also, shall succeed" - (Mr. King - radio speech, July 19, 1937).

In this spirit, Government has set up Royal Commission to

"re-examine the economic and financial basis of Confederation, and the distribution of legislative powers in the light of economic and social developments of the past seventy years";

It will, I am sure, be the profound hope of all Canadians that this may prove to be but the first step towards securing necessary adjustments in the structure of Canadian government "to enable it the more effectively to serve provincial and national needs, and to promote and preserve Canadian unity".

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"K" Speeches D 34521

taken with respect to cream separators. I suppose, like most of us, the hon. gentleman has received a communication asking if it would be possible to have that done. I think the government would be the first to realize that it is desirable that there should be no possible thought of unfairness with respect to a matter of this kind. I have no opinion to express with respect to the merits of it at all. I only know—and I fancy many other hon. members of the house are in the same situation— that I was advised as to what was the position, and wondered whether or not it would be possible for these Canadian producers to have an opportunity to present their evidence. The report could then be brought back to the house with the additional evidence, because in the report there is a recommendation that deals with cream separators.

It seems to me quite clear, however, that this motion must pass in the first instance. Then when the motion for concurrence is made it would be proper for that order to be discharged for the moment and for the report to be remitted for one sitting of the committee, or whatever may be thought desirable, to enable the evidence of Canadian producers to be given as to the cost of production of cream separators.

Mr. MACKENZIE KING: With the concluding words of the right hon. leader of the opposition (Mr. Bennett) I am in full accord. The motion should be adopted now. When we are discussing concurrence in the report the house can decide what it may wish to do by way of having the report further considered.

Motion agreed to.

ELECTIONS AND FRANCHISE

QUESTION OF CONSIDERATION THIS SESSION OF FINAL REPORT OF SPECIAL COMMITTEE PRESENTED APRIL 6, 1937

On orders of the day:

Mr. A. W. NEILL (Comox-Alberni): I should like to ask the Prime Minister (Mr. Mackenzie King) if he would be prepared to move a resolution in connection with the report of the franchise committee, similar to the motion that has just been adopted in regard to the report concerning farm implements. The attendant circumstances appear to me to be exactly the same, including, if I am not mistaken, a promise made across the floor of the house that we would be given an opportunity to debate the report this session.

Right Hon. W. L. MACKENZIE KING (Prime Minister): May I say to my hon. friend that the government intend to bring down a bill dealing with the question of the franchise, and on that bill there will be ample opportunity for the discussion my hon. friend has in mind. I can assure my hon. friend there is no desire in any way to restrict the discussion on franchise matters at this session.

Mr. NEILL: That is not exactly the same thing. If the report was discussed in the house it might be anticipated that it would result in some modification of the proposed bill, but if the bill is brought down the legislation is there and the government will see it through. The undertaking, as I recall it, was that the report would be discussed in the house, and not a bill founded upon it.

Mr. MACKENZIE KING: The bill to be introduced will be based upon the recommendations made by the committee last session, and the bill will be sent to a committee where its provisions can be considered. The committee will be at liberty to discuss all that is to be found in the previous report.

Mr. NEILL: Then the difference will be between a discussion in this house and a discussion in a small committee, which is not exactly the same thing.

Mr. MACKENZIE KING: There will be both; there will be a discussion in the committee and also in this house.

DIVERSION OF WATER

INQUIRY AS TO ANSWER TO QUESTION RESPECTING DIVERSION FROM HUDSON BAY WATERSHED

On the orders of the day:

Mr. J. R. MacNICOL (Davenport): I should like to ask the Prime Minister (Mr. Mackenzie King) if I am to have an answer to the question I asked on February 3 in reference to the diversion of Albany river water. I note that the question is no longer on the order paper. Neither have I had any answer, but in the white book submitted the other day I did find a letter dated January 27, according to which the government apparently has consented to the violation of the Albany river water, and I should like to know if that is the government policy.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I can assure my hon. friend that I did not intentionally overlook answering any question of his. He has just used the expression that the government consented to the "violation" of river

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waters. Does he mean the diversion of some waters? The violation of waters is a new phrase. I must confess that I do not know what particular point has been overlooked in my hon: friend's previous question. I thought everything had been answered as satisfactorily as it could be answered. If my hon. friend would put another question on the order paper which will meet the exact point he has in mind I shall endeavour to see that it is promptly answered.

CANADIAN WHEAT BOARD

AVAILABILITY OF WEEKLY CERTIFIED REPORTS MADE UNDER THE STATUTE

On the orders of the day:

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, I should like to offer a suggestion to the Minister of Trade and Commerce (Mr. Euler), in view of the fact that the reports called for by the Canadian Wheat Board Act, which are made to him every week, for the purposes of a return would be very voluminous and very difficult to prepare. It would serve a useful purpose and probably meet the requirements of us all if the minister would bring the originals, without filing them as sessional papers, but making them available for inspection in the office of the clerk of sessional papers. This would obviate the necessity of much copying, and would enable us to get the information sought in time to be of use in connection with measures which will necessarily have to be considered during the session.

Hon. W. D. EULER (Minister of Trade and Commerce): Mr. Speaker, I shall be glad to give consideration to the suggestion made by the leader of the opposition (Mr. Bennett). I should like to know whether he means that the reports for the past year should be submitted.

Mr. BENNETT: The statute provides that the board shall send to the minister every week certain reports certified by the auditors. Obviously we have a right to see those documents, and it would seem to me to be much easier if the originals were merely placed in the custody of the clerk of sessional papers, so that they could be inspected by all members of the house. I meant not only this year, but 1936 as well.

Mr. EULER: Reports are received by the minister each week, but I am not so sure it is the intention of the act that they shall be made available to all members of the house. However I am perfectly willing to consider the suggestion.

INTERNATIONAL LABOUR OFFICE

QUESTION AS TO RATIFICATION OF CONVENTIONS AND RECOMMENDATIONS RESPECTING MARINE MATTERS

On the orders of the day:

Mr. ANGUS MacINNIS (Vancouver East): Mr. Speaker, before the orders of the day are proceeded with I should like to ask a question of the Minister of Transport (Mr. Howe). In October, 1936, a special conference of the International Labour Office dealt with marine matters, and at that time certain conventions and recommendations were made. Has the government ratified any of the recommendations or conventions, or is it the intention of the government in the near future to do so?

Hon. C. D. HOWE (Minister of Transport): Mr. Speaker, I may say that the conventions and recommendations to which the hon. member has referred are being studied by officers of my department, and I assume some decision will be arrived at shortly.

SASKATCHEWAN SCHOOLS

INQUIRY AS TO ALLOCATION OF RELIEF FUNDS AS EMERGENCY GRANTS

On the orders of the day:

Mr. A. M. EDWARDS (Waterloo South): Mr. Speaker, I should like to ask a question of the Minister of Finance (Mr. Dunning) based on a telegram and several communications I have received. Probably if I read the telegram it will be self-explanatory. It is addressed to me, and is in these words:

> Canadian Teachers Federation is appealing to the federal members on behalf of Saskatchewan schools. Teachers are unpaid for months; equipment and supplies are inadequate; hundreds of children are being deprived of educational opportunities. Galt local secondary school teachers' federation requests your co-operation in securing emergency grants.

I appreciate the distribution of the relief funds in the manner in which it is done, namely through the provincial authorities, but I should like to ask the minister if there is not some plan by which some of this money could be diverted for this particular cause, or some suggestion made which would have the desired effect.

Hon. CHARLES A. DUNNING (Minister of Finance): Mr. Speaker, I think all hon. members have received circular letters respecting the plight of school teachers in Saskatchewan. In answer to the hon. member I can say only that assistance which has been given to provincial governments under the extraordinary conditions which have prevailed

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57		Electoral Corruption. Speeches in Parliament	Jan.-Apr. 1938	D 34523 - D 34538	
57		Foreign Policy. Speeches in Parliament	May 1938	D 34539 - D 34720	
57		Germany. Speeches in Parliament	Feb. 1938	D 34721 - D 34722	
57		Governor General. Speeches in Parliament	1938	D 34723 - D 34725	
57		Imperial Conference, 1937. Speeches in Parliament	Jan. 1938	D 34726 - D 34729	
57		Italo-Ethiopian Conflict. Speeches in Parliament	Mar. 1938	D 34730 - D 34733	
57		Immigration. Speeches in Parliament	Feb.-Mar. 1938	D 34734 - D 34754	
57		King George VI: Coronation of. Speeches in Parliament	Feb. 1938	D 34755 - D 34758	
57		Lapointe, Rt. Hon. Ernest. Speeches in Parliament	Feb. 1938	D 34759 - D 34760	
57		League of Nations. Speeches in Parliament	Feb. 1938	D 34761 - D 34766	

has made that change. Those who are familiar with the history of the early days of our confederation will remember that at that time the nations of the world were arming. Germany in particular was arming, for the war of 1870 was not far off and France and the other countries of Europe were doing likewise. With a coast line both east and west and with trade to protect we are endeavouring by some united action to attain a given end.

I do hope the Prime Minister will find it possible to make a statement that will not induce the people to conclude that when their taxes are paid they can be made available only to providing work for those who support the government of the day. I do hope that that difficulty, which is a very real one in many communities, will disappear and that moneys voted by parliament for the defence of Canada will not be utilized for purely political partisan purposes.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, the right hon. Leader of the Opposition (Mr. Bennett) has just expressed the hope that I would make a statement to the effect that moneys appropriated by parliament for the defence of Canada shall not be used, directly or indirectly, for political partisan purposes. I am prepared to go much further than my right hon. friend desires. My right hon. friend's hope had reference to moneys voted for the defence of Canada. I would say that the government would deplore moneys appropriated by parliament being used, directly or indirectly, for political partisan purposes, no matter for what purpose they have been appropriated.

Mr. BENNETT: Splendid.

Mr. MACKENZIE KING: I assume my right hon. friend will say that in those circumstances we should be prepared to support the amendment moved by the hon. member for Yale (Mr. Stirling). I would be prepared to support the amendment if it were not an amendment to the motion to go into committee of supply and therefore in the nature of a want of confidence motion in the administration. I know that the view is held by the authorities that there may be occasions on which the government need not accept as a want of confidence motion, a motion moved as an amendment to the motion to go into committee of supply.

Mr. BENNETT: It was done by my right hon. friend's own government.

Mr. MACKENZIE KING: Yes, on one occasion, but it gave rise to so much misunderstanding thereafter that I have thought it would be desirable at the moment to make perfectly clear just when that course might be followed without the possibility of its purpose being misconstrued; in other words when it would be appropriate.

Bourinot in his Parliamentary Procedure has the following at page 424:

> An amendment moved to the motion to go into committee of supply (or ways and means) does not necessarily involve want of confidence in the administration. When such an amendment simply affirms a general principle, or sets forth a public grievance, and does not directly or impliedly challenge the conduct or policy of the government, it is not, in a parliamentary sense, a motion of want of confidence, and consequently cases often occur of the government agreeing to the passage of such motions.

I would say that we can only judge as to whether this amendment does impliedly attack the government by the speech made by the hon. member who moved it. I think hon. members will agree that the hon. gentleman's speech was in the nature of a direct attack upon the Minister of National Defence (Mr. Mackenzie), an attack upon his attitude in discussing defence estimates at a by-election in Victoria; and if the government were to accept this amendment to the motion to go into supply, having regard to the speech which the hon. member for Yale (Mr. Stirling) has just made, it would be regarded as an expression of want of confidence in the government and in the minister in particular. In those circumstances I do not think the government can accept the amendment of my hon. friend moved at it is an amendment to the motion for the house to go into committee of supply. On the other hand, I have no hesitation whatever in saying that apart from the implication referred to, the government is wholly in accord with the substance of the amendment and the principle as set forth in the amendment, namely, that moneys appropriated by parliament for any purpose whatsoever should not directly or indirectly be made to serve political partisan ends.

My right hon. friend (Mr. Bennett) says that the taxpayers will resent very strongly the idea that public moneys should be used for the purpose of serving political partisan ends. Well, he has good reason to know that that is true because in the last campaign, as I recall it, he did not confine his urging of public expenditures to one particular coast but started at one coast and went clear across the country from coast to coast advocating all along the way the expenditures of public moneys for purposes that would serve political partisan ends. And he got his answer direct from the electorate. They made it very plain

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that they strongly resented the leader of a political party seeking to win power by promising large expenditures of public moneys in the several constituencies in which he was seeking to elect his candidates.

What has been the position in Victoria? Holding the view that the electorate does resent the use of public moneys for political partisan ends, the electors of Victoria quite evidently did not regard the Minister of National Defence in what he was saying as seeking in any way to bribe the electorate. They understood perfectly well that he was defending one of the policies of the government, a policy which, in view of the attitude taken by the supporters of one of the candidates in that election, required to be defended at the instance of the minister. It must not be forgotten that in the by-election at Victoria there were three candidates. There was not only the Liberal candidate, but there was the candidate of the Cooperative Commonwealth Federation and the candidate of the Conservative party, and it appeared from the results, as we assumed at the time, that the candidate of the Cooperative Commonwealth Federation was a much stronger candidate than that of the Conservative party.

Mr. BENNETT: He did not get more votes.

Mr. MACKENZIE KING: Oh yes, he did. My right hon. friend does not like to admit it, but he did.

Mr. BENNETT: Oh yes; that is right.

Mr. MACKENZIE KING: And that lends point to what I am saying at the moment. The government realized in fighting the by-election at Victoria that it had to make perfectly clear what its position was in regard to expenditures on defence. The Cooperative Commonwealth Federation members in this house had moved a want of confidence motion against the administration on the score of its defence expenditures. This apart from all else made it necessary for the minister to make the explanation in detail which he did.

May I say that I agree very largely with what the hon. member for Yale has said, and also with what the right hon. leader of the opposition has said, when they urged that matters of defence and matters that relate to foreign policy should not become unnecessarily controversial if that can be avoided, or be made too much an occasion for discussion in political campaigns. I wish we could make it a general rule that that view would be observed. Unfortunately it is only too true that there has scarcely been a by-election or a general election in some of the provinces of this dominion in which the question of defence has not been made a very live issue in the campaign, and the government has had to put forward in the clearest terms its policy and the reasons underlying it.

The hon. member (Mr. Stirling) has spoken about the difference between disarmament and rearmament. I agree with him that there was a period of disarmament which unquestionably had its influence upon the policies of the government. He says that it influenced the conduct of his government, and I am prepared to accept that statement; but I am not prepared to accept the view that the government of which he was a member was influenced by both policies. He cannot have it both ways, and say that they were actuated by a policy of disarmament, and then also say that they were actuated by a policy of rearmament.

Mr. BENNETT: Certainly, when disarmament was abandoned.

Mr. MACKENZIE KING: The leader of the opposition comes to the rescue and says when the policy of disarmament was abandoned, and I suppose in so doing he has in mind the building to which he has referred, the large public service building which he had intended should be used for the purposes of the Royal Canadian Mounted Police. The large departmental building which is now occupied by the justice department as well as by some of the officials of the Royal Canadian Mounted Police was to have been the headquarters of the Royal Canadian Mounted Police. It is true I took exception to that building being used for any such purpose, and when we came into office the house will have recognized that the government, instead of having that large departmental building used in part as a barracks, because police were to be housed there as well as the building being used for offices for officials of the department—

Mr. BENNETT: They were not to be housed there.

Mr. MACKENZIE KING: Yes; the plans so indicate.

Mr. BENNETT: Just a few of them, for the purpose of safeguarding.

Mr. MACKENZIE KING: They had their drill rooms; the whole place was constructed as a Royal Canadian Mounted Police headquarters, and it was emphasizing the strength of the police. Now may I point this out

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to my hon. friend? He is quite right when he says that when I was talking about his policy in that connection I described it as one of the symptoms of dictatorship, and I did so for this reason: The police have to do with the maintenance of law and order within the confines of the country. They are not part of the defence forces of the nation, as we understand the militia and the air and naval services to be. They are part of the police maintaining law and order within the confines of the country itself, and I had the feeling—I may have been wrong but I still think I was right—that if my right hon. friend were to get into power we would see the Royal Canadian Mounted Police in this country magnified out of all proportion to the service which it could be expected to render within Canada itself.

As to what he might have done as regards the defence forces generally, that is not for me to say, but I do not think he had primarily in mind the matter of defence when he used a large proportion of the moneys appropriated for unemployment relief to construct barracks at different places, and particularly the large and elaborate barracks which was put up in the city of Calgary. However, that belongs to the past, and I have no desire to revive that question at the present time.

I wish to say in conclusion—

Mr. STIRLING: May I ask a question?

Mr. MACKENZIE KING: Certainly.

Mr. STIRLING: I do not understand the right hon. gentleman's allusion to my having advocated a policy both of disarmament and rearmament. I was most clear, I think, in pointing out that all the estimates prepared prior to those of 1936, and consequently those of our administration, were prepared in an atmosphere of disarmament, and all the subsequent ones in an atmosphere of rearmament. How then does he prove that I argued both ways?

Mr. MACKENZIE KING: He does not. I am drawing attention to this fact: I have said that my hon. friend said that the policy of the government while he was a member of it was actuated by disarmament, and I contend that if that was the case, he cannot say that this building which is now being used for the justice department was put up for the purposes of the Royal Canadian Mounted Police in consequence of some rearming policy that had subsequently succeeded that of disarmament. Nor can he say that the barracks in Calgary, or the other expenditures for military purposes made by his government were for rearmament purposes because he has just said that it was 1936 before the policies based on an atmosphere of rearmament came in.

Mr. BENNETT: Oh no. It was before that, when Germany withdrew, when the Prime Minister of Great Britain made it apparent that disarmament had failed, and Sir George Perley and the Hon. Mr. Maurice Dupré returned. That was in 1935, or at the end of 1934, and the appropriation was made for the barracks at Calgary on the rearmament basis.

Mr. MACKENZIE KING: I will not go further into the controversy, but I would direct the attention of my right hon. friend to this fact that neither he nor his Minister of National Defence said anything in the general campaign to indicate that these expenditures were for rearmament purposes.

Mr. BENNETT: They did, with reference to Calgary, because it had been planned for many years that there should be one in the west.

Mr. MACKENZIE KING: Well, we will leave the matter at that point. However, unless my hon. friend who has moved the motion feels that his purpose has been served by the discussion which has taken place, and is prepared to withdraw the motion, I would ask the members on this side and those who are prepared to support the government to vote the amendment down because of it being in the nature of a want of confidence motion.

Mr. BENNETT: On a question of privilege, I felt I was right, but the Prime Minister spoke with such certainty that I sent for the record. Mr. Mayhew had 9,493 votes; Mr. McKelvie had 7,654 and Mr. Gordon had 6,550. He was the third candidate.

Mr. MACKENZIE KING: Second in the previous by-election.

Mr. BENNETT: In the previous election Mr. Gordon was second, but the Conservative was first. The Prime Minister said that I was mistaken as to that.

Mr. MACKENZIE KING: I accept the correction at once, but my right hon. friend's memory was as treacherous as mine, because when I said the last election he agreed with me.

Mr. BENNETT: That was a question, because I felt so certain.

Mr. M. J. COLDWELL (Rosetown-Biggar): I was at Victoria during the by-election and consequently I know of the type of campaign

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that was conducted there by the supporters of the government. The minister has denied that he was in any way implicated in the promises and insinuations made and I accept his statement, but I would nevertheless point out that the canvassers on the government side invariably endeavoured to persuade the electors that it would be very much better to have a Liberal member returned to this parliament because he could speak for Victoria when these large expenditures were about to be made. That, it seems to me, is on all fours with the type of campaigning which was carried on in Montreal where responsible ministers of the crown made the statement that the hole on Dorchester street would be filled by a railway, which though owned by the government is managed by an independent board. That kind of campaigning reflects not only upon the government, but upon the entire institution of parliament.

The Prime Minister (Mr. Mackenzie King) referred to the fact that it was necessary to defend the government's position owing to the attacks that were made last year upon the estimates by the group with which I am associated. Last year our attack was centred largely around the point of view that the government, which could not find money for public works to alleviate unemployment, could find money for large military expenditures; and at Victoria, last autumn, our attack upon the defence proposals was centred very largely around the point that the Dominion of Canada was at that time permitting the export in vast quantities of scrap iron, nickel, copper, and other basic war materials to the nation which was clearly indicated by the government speakers as being the potential enemy of Canada in the future, or the country from which we might sometime expect an attack. The nation was never named; but it was clear to anyone who heard, for example, the Reverend Clem. Davis, to whom reference has been made, speaking over the air, that that was the inference the electors should take from the statements of Liberal speakers. And it was very largely, as the records will show, on the grounds I have indicated that we attacked the defence proposals which were being advocated by the minister and the Liberal party.

In that by-election, as in previous general elections and by-elections, certain specific promises were made on behalf of the government. In Victoria the people were told to vote for the Liberal candidate, not only for the defence of the Pacific coast, but for the institution of unemployment insurance. "Vote for Mayhew and unemployment insurance" was the slogan of speakers throughout the city during the by-election. To-day we seem to be a long way from the enactment of an unemployment insurance measure.

While I am speaking of the Victoria by-election, may I refer to some others also? I have referred to the one in Montreal. Out in East Edmonton the same kind of campaigning was carried on. National control of currency and credit, old age pensions at fifty-eight, I think it was, or was it sixty?

An hon. MEMBER: Fifty-eight.

Mr. COLDWELL: Yes, at fifty-eight and so on. These promises were made at election time, and this was the type of campaign carried on in connection with defence expenditures, not perhaps by the minister, or by prominent and responsible Liberals, if they deny it, but at any rate by the canvassers who went from door to door endeavouring to persuade those who were not in possession of the facts to vote for the Liberal party.

I am therefore going to support the amendment moved by the hon. member for Yale (Mr. Stirling), because I believe a good purpose is being served in bringing this matter to the attention of parliament and the people of Canada. It seems to me that we should endeavour to conduct our election campaigns on a rather higher plane than they have been conducted during recent months. I was at Victoria. The group with which I am connected lost there, but we are nevertheless proud of the type of campaign which our candidate, Professor King Gordon, conducted in that by-election.

Mr. G. G. McGEER (Vancouver-Burrard): The amendment before the house involves, first, the question whether or not the defence works being carried on in and around the city of Victoria at the time of the recent by-elections were used for the purpose of securing Liberal preferment in that election. The charge is clear-cut and well defined, namely, that the man who got employment in that work had first to secure a Liberal ticket. It has now been changed a little bit from the charge that was made in the by-election itself. It is now said that you had to get a membership ticket from the Liberal party before you could get the red ticket which permitted entry into the various areas where defence works were being developed.

The investigation which was carried on during the by-election disclosed that every man working in Victoria and vicinity had to obtain that red ticket before the contractor was permitted to employ him. It was not

church, but I also know of good work done by others. I maintain, Mr. Speaker, that there is no stigma attaching to any member of this parliament, no matter on which side of the house he sits, in connection with party funds. But if corruption were rampant I would be the first one to hold up both hands for the amendment.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, I should like to congratulate the hon. member for Peace River (Mr. Pelletier) upon his courage in bringing this resolution before the house. I think it is unfortunate that so far, since his speech, the debate has tended to become a purely party affair.

Mr. BRADETTE: Oh, no. You make promises too.

Mr. WOODSWORTH: The hon. gentleman is not going to divert me by a suggestion of that kind from the few words I have to say. I would hope that the great Liberal party would have some better answer than merely to hurl charges at the Social Credit group, little as I agree with the theories of that group. But I would like to bring the house back, if I may, to the resolution now before it.

No one can sit in this house as I have done for some sixteen years without hearing a good many charges of political corruption. No one can go through a number of campaigns east and west without being fairly sure that vast sums of money are being spent in elections. The trouble is that it is extremely difficult to secure definite proof, and most of us are not in a position to carry out the court actions which would be necessary. But two things are apparent. First of all, very large sums of money have been spent in elections, and extremely large sums in certain recent by-elections. Further than that, under the present elections act we have no means of ascertaining whence these large sums come. Some years ago when that act was being revised some of us tried to have inserted an amendment under which we would have a record of the sums given by local people and also the sums given to the central campaign funds, but the government would not accept an amendment along that line.

It is only a few days ago, as the hon. member for Peace River has pointed out, that the leader of the opposition (Mr. Bennett) made some very serious statements. It is true he did not make any very definite charges, but he made some very serious statements. I would point out to the house that he is in a somewhat different position from that occupied by the ordinary member of the house. He is a recognized official of the house, and when he makes a charge in the house it cannot lightly be set aside. As has been said by the Minister of Transport (Mr. Howe), he said either too much or too little. The impression that there is something radically wrong in the conduct of elections has gone abroad from one end of this dominion to the other. In my own city the Free Press, which is generally acknowledged to be a Liberal organ carried a cartoon representing the two leaders as the kettle and the pot, and the legend was, "The pot calls the kettle black." That is rather a cynical way of dealing with the matter. I do not think that charges should be made in this house by the leader of the official opposition without some investigation being made of them.

I recognize that even though this matter should be referred to a committee, it might be very difficult to secure all the evidence desired. I presume members of the government may say that they are not going to allow us to set up a committee that might go on a fishing expedition or something of the kind. I know there are limitations to the work a committee can accomplish. At the same time I feel that it is in the interests of clean government in this country that charges of this kind should not be allowed to pass unchallenged. Unless democracy can work in an atmosphere of something like reasonable freedom, democracy becomes a veritable sham. An impression is abroad throughout the country that to-day it is money that rules in elections as in a good many other fields. I think, Mr. Speaker, that when charges as serious as this, even though they are not specific, are made, they should be investigated by this house. I have therefore very great pleasure in supporting the motion of the hon. member for Peace River.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, the hon. member who has just taken his seat (Mr. Woodsworth) expressed regret that the discussion which has taken place this afternoon should have partaken of a partisan nature. If he had that regret I must say I wish he had been wise enough to advise those around him as to the consequences of bringing in the motion on the subject to which it relates in the form in which it is. Just an hour or so ago I moved that the house resolve itself into committee of supply in order that the government might obtain the wherewithal to carry on the business of government. The hon. member for Peace River (Mr. Pelletier) has moved an amendment to that motion, which is to the effect that the house shall not go into supply but shall do something else. What that something else is I shall remind

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the house in a few moments. But what would be the effect of the amendment were it to be carried? The effect would simply be that the government would be defeated, no supply could be voted and these matters would end for a time at least. It is a motion of want of confidence in the administration, and as such it is necessary that the administration oppose it so as to make possible its right to govern in this country, and to have the loyal support of its following in this house.

Had hon. gentlemen opposite desired a discussion in a manner which would not involve a vote of a want of confidence, there being no charge of any kind against the administration, they might have given notice of a motion in the regular way upon which the subject matter of the resolution might have been fully discussed. There would then have been perfect freedom on the part of all to discuss the matter regardless of their relationship to the government or otherwise. It is necessary, however, for me to point out clearly that the motion in the form in which it has been presented is a want of confidence motion in the administration, and if it were to carry, the government would be defeated. It is a want of confidence motion based on what? On nothing whatever in the way of substance.

May I remind the house what the hon. member said about his own amendment? I shall read the amendment first:

> This house is of the opinion that charges of levies in connection with Canadian National Railways contracts as well as statements concerning electoral corruption should be referred to a select committee of this house with power to send for papers, persons and witnesses and to take evidence under oath and to report to this house.

After he had read his motion, he asked over and over again: Is it not desirable that we should remove these shadows which are on the horizon? Is it not necessary that we should remove the shadow which is over this house? Is it not necessary that we should do away with the stigma that has been placed upon this parliament? Are we not here for the purpose of preserving the honour of this parliament, of saving it from dishonour? Let me ask my hon. friends who have spoken on the other side of this house: Who have created this shadow? Who have spoken words which have cast reflection upon this parliament, other than the hon. member who moved this resolution, the hon. member who seconded it, and I regret to say also, the leader of the opposition (Mr. Bennett)? It is a new alliance that we have, this Conservative-Social Credit alliance, which has

taken also into its fold the leader of the Cooperative Commonwealth Federation (Mr. Woodsworth). These gentlemen have been spending their time since this parliament opened to see how far they can go in manufacturing shadows—

An hon. MEMBER: That is all.

Mr. MACKENZIE KING: —shadows which, in their attempt to discredit the institutions of parliament, will discredit themselves more than anyone else. It is impossible to deprecate too strongly the kind of suggestion which has been made by hon. gentlemen opposite. They have not preferred a single specific charge of any kind. If they have preferred such a charge I should like them to get up and repeat it.

An hon. MEMBER: And risk their seats.

Mr. MACKENZIE KING: There is not a member of this house—neither the leader of the opposition, the mover of the amendment, the seconder of the amendment, nor the leader of the Cooperative Commonwealth Federation group—who has had the courage to stand up in this house and say that he has a specific charge to make against any member of this government or of this house or against any one of those who have been carrying on the public business of this country. I say that, until a specific charge is made, the duty of this parliament is to go on with its regular work and not permit itself to be diverted from the business of the country by shadows which are the creation of minds too full of darkness to bring forth the truth they talk so much about.

What is the kind of language which we have been obliged to listen to this afternoon? Let me refer to what we heard from the hon. member for Lethbridge (Mr. Blackmore) who seconded the amendment. He talked about an octopus—about some general feeling throughout Canada that somewhere or other there was an octopus whose long, hidden, treacherous tentacles were clandestinely getting a grip on the whole country. I wonder if that is patriotic language? I wonder if that is language calculated to create pride and esteem in the breasts of young Canadians, who he says need good examples in all these matters. The effort to besmirch parliament and to dishonour the names of men in public life is to my mind the most contemptible of all possible actions. I say that hon. members who have nothing specific in the way of charges to bring before this house had better remain silent when it comes to seeking to discredit others and not seek to malign the institution of which they themselves happen to be members.

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My hon. friend who moved this amendment said that when I spoke previously with regard to the subject matter of electoral corruption I read a prepared statement, and he emphasized two or three times that the statement was a prepared one. It was prepared, and designedly so, and for the reason that I am going to give my hon. friend. Had I made a statement of my own my hon. friend might have been the first to say, "We are listening to the Prime Minister making his own statement on this matter. We know that he is concerned in these matters, and we therefore ask you to take his statement with a grain of salt." I requested the clerk of this house to give me a statement as to the procedure which the parliament of Canada, and in particular the House of Commons, should adopt with respect to any charges of electoral corruption, a statement that I might read to all hon. members, setting forth the position beyond possibility of contradiction or controversy. I then read to this house what the laws of this country, the laws of this parliament, have set forth as the method of dealing with questions of this kind, and referred to the rules and regulations of the House of Commons in dealing with such matters.

This is not the first time in the history of Canada that vague and general charges of electoral corruption have been made. They have been made ever since there has been a parliament, and they will continue to be made as long as we have men who are prepared to besmirch the institutions with which they are associated. But in order to protect honourable men who wish to keep themselves free from that kind of thing, parliament itself has made laws which will seek to protect its own members. These laws are part of the laws of the country to-day. They prescribe the methods which must be followed in dealing with questions of this kind. The hon. member for Peace River (Mr. Pelletier) says he does not care anything about laws; he is not interested in them. Well, we are. There are far too many people in this country to-day who are asserting the very doctrine which my hon. friend has asserted, that they do not care anything about laws, that they are not going to be governed by laws. It is just that kind of thing that this government is going to stop, if we can possibly do it, and regain in our country a proper respect for law. The hon. member for Cochrane (Mr. Bradette), who spoke a few moments ago, properly pointed out that those who adopt this fashion have not only forgotten respect for law but have forgotten respect for fair and honourable methods of procedure, to an extent which a few years ago would not have been countenanced for one minute. Never before in the history of Canada, until it was done by the party to which my hon. friend who moved this resolution belongs, did any party come forward and openly offer to pay five, ten, fifteen, twenty, twenty-five dollars a month to those whose support it sought; nothing of that kind ever occurred before in the history of this dominion. And if we are gradually slipping down to a point where we are beginning to talk about corruption from one end of Canada to the other, and an octopus which has its tentacles all over this country, it is due to that very thing, which has started a movement for corrupting the electorate such as this country has never known heretofore.

Let me say to my hon. friends that if the laws are not adequate to deal with the question of corruption in electoral campaigns or of corruption in any other place or way or form, if there are hon. members who can bring forward suggestions which will help to make our laws better than they are, this present administration will be only too willing to work with them to the full in seeking to give these suggestions, if they are at all workable, a place on our statutes. We are only too anxious to see that our electoral laws are made as strong as they possibly can be to prevent anything in the nature of corruption. The government intends, in pursuance of its promise at the last session, to deal with the franchise and with the electoral laws again this year, so there will be an opportunity for all hon. members to come forward with any suggestions which they may have, any concrete, practical proposals which they may care to make. The government will be glad to consider any such proposals. I here and now invite hon. members, instead of wasting their time in doing what they can to defame the institution of parliament and democratic government in this country, to come along with practical suggestions whereby we can prevent in the future anything of the kind which they are imagining to-day has taken place in the past, or which may have actually taken place in the past.

What then is the method of proceeding with matters of this kind? It is well known. If anyone has a charge to make, let him make it in the form of a specific charge, not in the form of general allegations. What does the amendment say?

This house is of the opinion that charges of levies in connection with Canadian National Railways contracts as well as statements concerning electoral corruption should be referred to a select committee of this house—

Since when have we begun to refer statements on different matters to special committees of this house? We would have

time for nothing else were we to start that sort of thing. The hon. gentleman refers to charges of levies in connection with the Canadian National Railways. Where and by whom have the charges been made? Did the leader of the opposition make a charge? Not a bit of it. He made a general statement. The hon. member for Winnipeg North Centre suggests that the position of the leader of the opposition is one of exceptional significance and importance in this house. It is, and for that very reason my right hon. friend should have been the first to see that no general allegations fell from his lips, but that a specific statement was made in the nature of a charge if he wished to have the subject investigated. May I say to the right hon. gentleman and to every member of this house here and now that if he or any hon. member will make a specific charge with respect to corruption and will say that he has reasonable ground for believing that he can bring forward evidence to substantiate that charge, this government will give him a committee immediately to have the charge investigated. I say that not only to the leader of the opposition but to every member of this house; and further, I say that until hon. members are prepared to make specific charges they should cease to make allegations which they are not brave enough to back up or have not sufficient knowledge to substantiate in any shape or form.

We are not here as a government to fight shadows. My hon. friend says, "Let us remove these shadows on the horizon; let us remove the shadow which overclouds this house." I say, give us something of substance and we will have it investigated; but we will not spend our time fighting shadows manufactured by hon. gentlemen opposite.

And now may I mention one other matter—probably it was an oversight on the part of the hon. member for Peace River. There are certain customs which are well understood with respect to the conduct of business in this house, customs which enable debate to proceed with more in the way of information than would otherwise be possible for those participating. One of these customs is that where an amendment is to be moved on going into supply the administration should be given some notice of it, so that at least there may be an opportunity, when the house is considering the question, to have citations and references specifically quoted, that statements made in the course of debate may be substantiated. The hon. member has moved this amendment without saying a word to the government in advance about his intentions in the matter. I happened to hear a rumour that the leader of the opposition had been talking last night in the corridor with the hon. member who seconded the amendment, and they were heard to say that the hon. member for Peace River would bring something forward to-day. Knowing pretty well what that something might be, I assumed that this was the kind of motion we were likely to have from him. In the few hurried moments at my disposal I sought to recall incidents in this house in previous years when the Conservative party, while in opposition, and usually beginning at the third session of parliament, started something in the nature of scandal. I therefore looked up Hansard to find out what took place during one of the sessions when Sir Wilfrid Laurier was prime minister and I found in the third session of the tenth parliament the record of exactly the same sort of thing that we have at the present moment. Everything was brought forward in much the same way. The stage was set in the first instance by having someone come along with a general charge, a general statement alleging among other things graft on the part of some ministers of the crown. That is the kind of thing that is meant by levies on the Canadian National Railways—talk of graft. At that time the very same remark was made that fell from the lips of the Minister of Transport (Mr. Howe) the other evening—that the hon. gentleman making the general statement had said either too much or too little—and the then member for Labelle, who was sensitive in these matters of political honour, moved in this house one day that either what had been said should be put in the form of a substantial charge or that the words should be withdrawn. I had expected that this would be the form of motion that we should have had from my hon. friend to-day, namely, that either a substantial charge should be made or that the words should be withdrawn. But he has not put his motion in that form. He has gone a step farther, and as if a charge had already been made has come forward and asked for a committee to be appointed immediately to investigate the matter.

Let me draw my hon. friend's attention to what was said that many years ago on the occasion to which I have referred. I am not going to mention the names of those who participated, those who had to do with making general charges at the time, because I do not think that it reflected credit upon them then, and now that they are gone I do not wish to discredit their names further. The

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statement was made by one hon. member that he was going to discuss certain things including graft. Then the hon. member stated further, pretty much as the leader of the opposition has done on this occasion, that he had "data" and "material" at his disposal with respect to charges. The motion that was presented to the chair by the then member for Labelle was:

That such a statement, undefined as it is, with regard to the parties concerned, reflects on the honour of the house and of the government;

That the hon. member be therefore invited, either to name the ministers and members of the house to whom he was referring—

On such-and-such a date.

—and to specify his charges against them, or to withdraw his accusation.

That unless the hon. member complies with that request and adopts one of these two courses, he stands censured by this house.

The matter had been pretty fully discussed on a previous occasion and his honour the Speaker was obliged, because of the previous discussion, to rule that it could not be discussed again and for that reason the Speaker ruled the motion out of order, and was sustained in his ruling when it was challenged. But the purpose of the motion was to clear the record as quickly as possible of any charge of the kind, in the one way in which parliament where a specific charge is made has always dealt with such matters.

I wish now to read to the house what Sir Wilfrid Laurier, speaking in this house with respect to that motion, had to say about the method to be adopted in dealing with general questions of political corruption, graft and the like.

Mr. BENNETT: What date was that?

Mr. MACKENZIE KING: April 3, 1907. Sir Wilfrid Laurier said:

If the object of the hon. member for Labelle is to clear the atmosphere of the house, there are cases and cases showing how this is to be done. The house has affirmed, and it is also the rule of the house which has come to us from the mother of parliaments, that the conduct or standing of any member of this house cannot be impugned except upon cause being shown and until a member rises in his place in the house and says: I have reason to believe and I can prove such and such a thing against a member. Otherwise there is no occasion to go into this general inquisition which is proposed by the hon. member for Labelle. If, at a later period, the hon. member for Labelle or anybody else thinks there is in this house any member who ought not to be a member of it, who has disgraced himself, or whose conduct ought to be investigated, it is open to him to demand such an investigation, but the house, I hope, will not depart from the sound traditions which have come to us from England and according to which there could be no inquisition into any man's conduct or standing except on charges made specifically. If, unfortunately, there are members of this house who are not fit to be associated with gentlemen, who are not fit to be members of this house, whose conduct ought to be investigated, it must be the painful duty of the house to make such an investigation—

There is a noticeable difference here from the language used by the hon. member in proposing the motion, also from the words used by the hon. member for Winnipeg North Centre (Mr. Woodsworth). The hon. member said that it was a pleasure to him to introduce the amendment—not a painful duty, but a pleasure. Well, it is a poor form of pleasure.

Mr. WOODSWORTH: Mr. Speaker, as a matter of privilege, I did not state that it was a pleasure for me to introduce the resolution. I did not introduce the resolution; I had nothing to do with the form of it.

Mr. MACKENZIE KING: But my hon friend said he had pleasure in supporting it.

Mr. WOODSWORTH: Yes, I had pleasure in supporting it.

Mr. MACKENZIE KING: Well, I should have thought it would be a painful duty, not a pleasure.

Mr. PELLETIER: I simply wish to say the expression is unfortunate.

Mr. MACKENZIE KING: To continue with Sir Wilfrid Laurier's remarks:

—but only under the safeguard which has been provided by the house. I think the common sense of the house will not allow a departure from what is a well known law of parliament, or from the rules which would be applied in England, if cases of this kind were to arise, and therefore it seems to me that we have only to maintain the traditions and rules of the house and of parliamentary government. If there are cases which arise and which call for the application of disciplinary measures, I am sure, from experience that we have had not very far back, the house will be equal to the occasion every time.

Now that has been the practice which has been followed in dealing with matters of this kind at all times, as the older members of the house well know, in this parliament from confederation to the present time. It is the practice which is followed at Westminster to-day. It is, moreover, the practice to which the present administration is going to adhere. And may I say that there is a very special reason, a new reason, a strong reason, why to-day it is all-important that we should follow this practice. That reason is this, that there is, I regret to say, an effort in our

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country coming from two directions, supposed to be opposed to each other but having much in common—

Miss MACPHAIL: The Liberal and Conservative parties.

Mr. MACKENZIE KING: No, not the Liberal and Conservative parties, but the communist and fascist parties, each of which desires to do away with the parliamentary system of political parties having free discussion on the floor of parliament and to substitute for it dictatorship. And the method which they are adopting to bring this about is to besmirch as much as they can the institution of parliament, and the names of men in public life, to make general charges, insinuations, allegations and the like, with a view to creating from end to end of the country the impression that democratic institutions have failed and that they with their dictatorships should take their place. I say, Mr. Speaker, that we are not going to lend ourselves to anything of that kind. We in this house, we on this side of the house at all events, intend to stand by parliamentary institutions, parliamentary methods of government, parliamentary procedure, to do all that we can to defend democracy and to save our parliamentary system from being defamed by those who are unworthy of having any association with it.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, it shows to what low level debate may descend when the Prime Minister of Canada (Mr. Mackenzie King) will stand in the chamber of which he is supposed to be the leader and repeat a conversation alleged to have taken place between two members in the corridor. Nothing could more clearly illustrate the depth to which we have fallen in this chamber.

Mr. MACKENZIE KING: I was giving the house the only notice I had.

Mr. BENNETT: Last evening when the house rose I had a conversation with the hon. member for Lethbridge (Mr. Blackmore) and I am going to repeat it in order that there may be no misunderstanding. I pointed out to him that it was not sound parliamentary practice to attack the judiciary; I told him the motion he was making with respect to remission of sentences was an unsound method of approaching the problem, and I suggested that if he desired to throw the weight of his entire parliamentary body to the support of his position a petition should be prepared, signed by them all and sent to the proper quarters. I did more than that; I pointed out to him that it was a private prosecution, not one by the attorney general of Alberta, who declined to make it, and I left it at that. And he said, "I intend to come back to it, and if I have to speak to you I hope you will have no objection to my asking you about it, in the light of your experience." As far as my memory serves me, even the words "in connection with this matter" were not mentioned. Am I right as to that?

Mr. BLACKMORE: Mr. Speaker, I bear testimony that that is correct.

Mr. BENNETT: It was not even mentioned. Now we are told in the house that the Prime Minister had notice that some discussion of this kind was to take place this afternoon because someone eavesdropping heard something which did not occur. Then he talks about besmirching the honour of parliament and about shadows! Well, the shadow was falling, it is true; the lights were going out at that time, and possibly that is the shadow he had in mind. That is the first matter to which I direct attention.

If there has been a besmirching of the honour of parliament and if the reputation of parliament has been lowered in the public mind it had its origin, as everyone knows, in the Beauharnois scandal. There is no one in this country who does not know that. The man on the street knows, the young man and the young woman on the street know that this power company contributed a million dollars to the Liberal campaign fund in 1930.

Mr. MACKENZIE KING: That is not true.

Mr. BENNETT: That was found as a matter of record.

Mr. MACKENZIE KING: It is absolutely untrue.

Mr. BENNETT: The right hon. gentleman should know—

Mr. MACKENZIE KING: If my right hon. friend wants to debate scandals we will talk about the Pacific scandal and a few others.

Mr. BENNETT: We will not talk about the Pacific scandal; we will talk about something that happened in our day and of which the right hon. gentleman says he has knowledge. He says it is not true. His Minister of National Defence (Mr. Mackenzie) was one of the members of that committee who signed the report.

Mr. MACKENZIE (Vancouver): No.

Mr. BENNETT: He agreed to the report. He made certain exceptions after the report came out.

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Mr. MACKENZIE (Vancouver): No. On a point of order, Mr. Speaker, my right hon. friend will find that Mr. Gordon moved the adoption of the report and I demurred.

Mr. BENNETT: That is a correct statement. Mr. Gordon pointed out that in the committee the hon. gentleman had demurred. Of course it is obvious he would have to demur in view of the attitude taken by his party. Everyone knows that in that incident we have the origin of the present attitude of the public towards this House of Commons. I did point out that the treasurer of the Liberal party was one who received $200,000 from Beauharnois, and I read that the other day in the house.

Mr. McLEAN (Melfort): What about Mr. Aird?

Mr. BENNETT: That is what I read the other day; that is the record. And I pointed out that it is not sound practice that one should occupy a position where he has to vote on matters affecting, for instance, the export of power under a private act, and be at the same time the treasurer of the Liberal party. That is what I said, and I repeat it now. Let there be no misunderstanding with respect to that.

Mr. MACKENZIE KING: May I say to my right hon. friend that the gentleman he refers to is not the treasurer of the Liberal party.

Mr. BENNETT: Well, he was a few months ago.

Mr. MACKENZIE KING: No, he has not been at all. The Liberal party has a committee which handles its finances, no single individual is the treasurer of it.

Mr. BENNETT: Mr. Speaker, I can only repeat that it was given out at a meeting which took place in this city before the election of 1935, and at which Mr. Massey was present, that the Hon. Donat Raymond was treasurer of the Liberal party. That statement I am now told is untrue. But he appeared as such, not long since.

I went further; I pointed out that a member of the senate, who was head of the Federal Liberal organization, was not the man who should be in a position of having to vote upon matters, when he was responsible in part for the collection of campaign funds.

Mr. MACKENZIE KING: He is not.

Mr. BENNETT: He in part was.

Mr. MACKENZIE KING: He is not.

Mr. BENNETT: And does it, as he will tell my right hon. friend if he asks him—and has done it; that is more of it. Let there be no misunderstanding about the matter. He has done it. We have two members of parliament in the senate occupying the positions I mentioned, coupled with the fact, as was stated a few days ago, that these two gentlemen met the cabinet to discuss the physical organization of the Liberal party. I said that, also, was a bad principle.

I say again that if there was anything that originated the present attitude of mind of the public towards parliament, or towards this House of Commons, we find it of course in the Beauharnois scandal, and everyone in Canada is aware of this. Out of that there has grown up the impression, which may or may not be sound—I pointed out that it is an impression—that campaign funds are often gathered in large sums from large power and other projects.

In Ontario to-day a campaign is being carried on with respect to funds which are supposed to have originated from this same Beauharnois, in connection with the local election, in which Mr. Burgess Smith was treasurer of the Liberal party and connected with the power interests as well. The specific corruption which my right hon. friend mentioned a minute ago was in connection with a few sums of $20,000 or $25,000. In this case we have $200,000 at a lick.

I said the other day, and I desire to make it clear to-day, that I have nothing to withdraw. I made no statement with respect to any member of this chamber. I was very careful not to make any statement with respect to any member in this chamber. For whatever my weaknesses, I at least know that if one were going to deal with that, he would deal with it as Israel Tarte dealt with it, and as others have done; He would stand in his place and make the statement with respect to the hon. member of the house in question.

I did not refer to any hon. member. I was interrupted when I was making my statement with respect to corruption and I say here again that the country is being destroyed by electoral corruption. I was talking not of federal elections alone. I was talking also about the provincial election that we had in Ontario. I was talking from investigations which I myself have made, which have no reference to this house or parliament. I was talking about conditions which have grown up by which large sums of money have been gathered together by making levies upon those who receive positions, upon those who have contracts, and upon others, which debauch the

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national life of Canada. I made no reference to any hon. member of the house. I believe it will be found that I have as high regard for the Commons House of Parliament as any man in it. I at least can face responsibility for anything connected with Beauharnois—which has been attributed to me—I had at least the common sense to say, "Not one dollar; I would sooner be defeated than take a cent of it."

Let us go a step further. I can readily understand that a new member of the house —and the hon. member for Peace River (Mr. Pelletier) is a new member—would deal with the question as though it were a matter affecting this chamber, rather than one affecting the method by which campaign funds are gathered together. This afternoon the hon. member for Lethbridge referred to the returns made on expenditures in elections. I have taken the trouble to look to some extent into returns made by members of the house. I have tried to find out what it cost them to run their elections. Is there a man within sound of my voice who will say that this in any sense indicates the money that was spent in his constituency?

Mr. WOODSWORTH: Mr. Speaker, the right hon. gentleman challenges me, as a member of the house, to speak. So far as I am concerned, to the best of my knowledge my returns indicate the amounts spent in my constituency.

Mr. BENNETT: Quite so, and I thank the hon. member for directing my attention to that fact. I was speaking about expenditures of which he would have no knowledge, made in ways over which he would have no control. The whole problem is how to deal with that matter.

Mr. DUNNING: Hear, hear.

Mr. BENNETT: I have given some little attention to that problem, and have considered how it might be dealt with. In England and in Australia they have seen fit to put limitations upon amounts which might be expended. In Australia, where they have much the same conditions as we have talked about this afternoon, they impose compulsory voting, so as to lessen improper expenditure.

I know, too, our statute provides that if a member who has not made returns takes his seat in the house, he is liable to penalty of $500 a day. There are hon. members who have sat here and who have voted, but who, according to the report of the returning officer, have made no return. What are we going to do about a situation of that kind? Well, somebody would have to bring action against him, and thereby incur the odium of bringing such action. Can we not deal with it in some other way?

When the elections act comes before the house for consideration I propose to offer certain observations and to make certain suggestions with respect to amendments, by which we would endeavour to cure the conditions to which I have referred, for it is a canker eating at the very life of the country. We all know that England went through that period. Hon. members will recall that history credits Walpole with saying that every man has his price. Hon. members will recall how the matter was dealt with. It was a long time, in England, before they attained to that excellence in the conduct of elections which now prevails in that country. Has anyone who has any interest in the expenditure of public moneys taken the trouble to ascertain where the money came from which was provided in the recent by-elections? Where did it come from? Did it come off the trees? Did it come out of the air? Who put it up, and why?

These are questions which come up periodically. It was to a matter of that kind to which I was directing attention the other day when the Minister of Transport (Mr. Howe) interrupted me and stated that he had to do with a number of contracts for the Canadian National railways, and stated that he knew nothing of this. Well, I did not suggest that he did. He suggests that he had no knowledge of it. Well, will my worst critic say or suggest that I said he had? What I did say, in answer to his statement, was that I was prepared to show that levies were being made on contractors—and that is an entirely different matter. It has not to do with the honour of the house. It has not to do with the respectability of individuals, unless you bring home to them the knowledge of it.

I have no reason for suggesting that the Minister of Transport had any knowledge of such a condition, and I have not said that he had such knowledge. An effort has been made to make it appear that what I said was that individuals were responsible for this. That is not what I said, nor was it inferred. What I did say was that those who were in charge of the raising of campaign funds were getting funds in that way. We do not have to leave this city, apparently, to find it out. I am sure there is not within sound of my voice a member who, if he takes the trouble

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to inquire, will not find that those who sell goods or have contracts are being asked for contributions. I said the other day that I am not hypocrite enough for a single minute to deny that contributions are made to the campaign funds of political parties. Of course they are, and we all know they are. What is more, this is done very often with the best of motives.

Sir Joseph Flavelle has said that he had contributed to political parties from his youth. When he earned his first dollar his mother suggested that part of it should go to the church and part to his party. He said, "I do not know but that the Right Hon. Mackenzie King was assisted by my contributions when he was running in Waterloo." He made that clear in the public statement he made the other day when addressing the shareholders of the Canadian Bank of Commerce. He said, "Although I think I am a Tory"—I do not know whether he used the word "Tory"—"I did that."

I happen to know that one of the leading contributors to the Liberal party, now no more, said that he believed it was quite proper that rich men should make contributions in order to enable those who were not of their political faith to be able to live in the communities decently and maintain their positions. As a matter of fact that gentleman was one of the contributors to the Asquith fund. What is more, if the right hon. gentleman would only take the trouble to think for a moment he would realize that there are presents and gifts made to men who are not regarded as being in favourable financial circumstances to enable them to maintain their position. Hon. members know that quite often purses are presented to public men. Personally I think that is wrong, but it is done. Reference was made to that on one occasion in the house.

That is the point I was endeavouring to make the other day. I repeat it and I withdraw no word of what I said. It must follow that there are hon. members who know just as well as I that their friends are making contributions to political campaign funds. I was making clear the difference which exists between the contribution that a man makes and an enforced contribution, which I said was a levy. If I say to a contractor, "You have to pay ten per cent, or even one per cent," I am putting him in a position which I think is manifestly unfair. For instance, if you have men who do business with the departments and who are entitled to sums of money, whether for rebates or for refunds of overpaid customs duties or otherwise, it is neither right nor proper that they should be approached with the suggestion that they should contribute part of that money to a campaign fund.

I mentioned these things the other day and if the Minister of Transport (Mr. Howe) had not interrupted as he did, on the assumption that there was some reflection upon him, which in a moment he knew was not so, this statement would not have been made. But it is a statement that stands; that is all. If the government desires to have the statement investigated, let them do so. But I do not think it comes with very good grace, after the record in connection with Beauharnois, for the Prime Minister of this country to rise in his place in the house and talk as he did this afternoon.

Mr. MACKENZIE KING: I rise to a point of order. I should like to know at once whether my right hon. friend is reflecting in any way, directly or indirectly, upon my integrity.

Mr. BENNETT: I do not know whether it is called integrity. The right hon. gentleman was the Prime Minister of this country when that episode took place. The record speaks for itself; let there be no misunderstanding about that.

Mr. MARTIN: Shame.

Mr. BENNETT: You may call "shame" as much as you like, but the fact is that you are the man who should be shamed because your leader took you into the valley of humiliation.

Mr. MARTIN: I am proud of it.

Mr. BENNETT: I would expect the hon. gentleman to be proud of going into the valley of humiliation.

Mr. BRADETTE: How about buying out the Conservative party?

Mr. BENNETT: Let there be no misunderstanding. The records are there and we can send and get them. I say it ill becomes the Prime Minister of this country to make the observations he has made to-day. I did not reflect upon the honour of any member of the house and let him stand in his place who says I did.

Mr. MACKENZIE KING: I say you did.

Mr. BENNETT: Does the right hon. Prime Minister say that I reflected upon the honour of a member of the house? What member?

Mr. MACKENZIE KING: Every member.

Mr. BENNETT: I am glad the right hon. gentleman is so universal in his observation because he denies the effect of universal observations. Is it a reflection upon the

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honour of every member of the house that I direct attention to one of the crying evils of our day? Is it a reflection upon the honour of every member of the house that I point out that corruption is a canker which is eating the very life of this country, just as it is in the case of other countries? Do I offer an apology when the right hon. gentleman says that I reflected upon the honour of every member of the house? The singular thing is that he is the only one who seems to think so.

Mr. MARTIN: We all do.

Mr. BENNETT: How delightful.

Mr. MARTIN: Shameful.

Mr. BENNETT: I repeat—and I want there to be no misunderstanding about it—that no one word of what I said the other day do I withdraw or apologise for. It was a statement of solemn truth known to many people. But I did not reflect upon the conduct of any member of the house. When I have occasion to do so, I shall do so in terms which will lead to no misunderstanding.

It is also erroneous on the part of the Prime Minister to say that the only methods of dealing with these matters are those indicated in the speech which he made the other day. He referred to the Controverted Elections Act and other methods, but has he forgotten the West Huron election? Has he forgotten the inquiry with respect to the Brockville election? Does he not remember that the committee on privileges and elections dealt with the matter of ballots on different weights of paper being substituted for correctly initialled and prepared ballots? That is the evidence which was established, not in the courts but in a commitee of this house.

Mr. MACKENZIE KING: Certainly.

Mr. BENNETT: These matters were brought up in the house with respect to the conduct of that election and with respect to charges of graft similar to those to which he is now referring, having taken place in 1907. I wonder if he has read the subsequent proceedings that took place in connection with many of the matters which were mentioned? It is not for me to traverse at this time that long record. There are men from western Canada who know what happened. What is more, there are people who were made bankrupt and ruined financially because of the outcome of those very transactions. All this is known. Every time I hear people talk about irrigation in western Canada I realize, as most men do, what happened in that connection.

I wonder why it is that we are unwilling to spend a little time in going over the political history of our country. Many members of the house know—I do not say all of them—that they are assisted in the conduct of their elections from some central fund. More than that, they know that that fund is collected by somebody before the election takes place. I remember one of the leading ministers on the Liberal side saying to me in a personal conversation that the difficulty about holding an election at that particular time was the fact that they had no money. Those who take the time to read the speech of the Prime Minister in connection with the Beauharnois scandal and the valley of humiliation will understand fully what I mean. He pointed out the difficulty in the conduct of parties and elections and organizations without money.

Those are the facts to which I was directing and to which I still direct attention. If these matters affected this house alone, the problem would be simpler, but I was also dealing with provincial matters over which this house would have no jurisdiction. That is the reason why I did not endeavour in any sense to specify particular transactions to which reference could be made. Those are matters with which the provinces themselves must deal. This house will have before it the elections act and I trust that an endeavour will be made so to safeguard the sanctity of the franchise as not to allow corrupt forces and influences to prevent the free and untrammelled will of the people from being expressed at the polls. That is the purpose which I had in mind when I directed attention to the matter.

I am not greatly concerned, at my age, about so many things. I have seen, I have known, I have encountered the accumulated money of my opponents to defeat me, and what is more I have seen it used on a tremendous scale with respect to one matter only that I shall mention, and that was when Alberta was not allowed to have its own natural resources. All one has to do is to look at the records of those days and one has a very clear appreciation of the situation. I speak whereof I know with respect to these matters, and I say the time has come when we must endeavour to the best of our ability to provide ways and means that will at least do something to curb these scandalous practices.

The right hon. gentleman (Mr. Mackenzie King) complained very bitterly because one of the members of this chamber said that corruption was like an octopus. The right hon. gentleman said that it was a bad thing for the people of this country to have to

acts, and the export of power. Here may I say at once that I believe my right hon. friend went out of his way to do something he was not in the least called upon to do. He said he proposed to join these two topics in what he had to say, and then proceeded to talk about political corruption in Canada. His statement was that he wanted to end that corruption. Well, for five years he had the elections and franchise acts under his control. Furthermore, he put through legislation with respect alike to the franchise and elections. Why did he not at that time put into the legislation those provisions so necessary to prevent corruption, if it was possible to do anything more than was done?

Mr. BENNETT: It is there.

Mr. MACKENZIE KING: My right hon. friend comes along today and speaks as though there were some sinister connection between the desire of the government to amend the franchise and elections acts and the other subject he has mentioned. He knows very well that there is no connection whatsoever between the two subjects. He knows, further, that so far as the franchise act is concerned this House of Commons was committed at the last session of parliament to bring in legislation in accordance with certain recommendations of a committee, and in the light of what it thought was needed properly to amend the act. We are now fulfilling a promise made at the previous session.

My right hon. friend would have the country believe that this has something to do with the export of power, something which was not even thought of at the time the government was dealing with the franchise measure. He makes the observation that while out in British Columbia at the time of the recent by-election he heard a clergyman say, or that someone else had heard a clergyman say that he had been paid by the Liberal party to talk over the radio. Well, now that we are talking about things we have heard, may I say to the right hon. gentleman I heard from a number of sources that the Tory party thought they had a good chance to win the seat, until the right hon. gentleman came along and made a speech in which he introduced the trade issue. He said, "This is the issue, and you must decide the by-election upon it." After he had been heard, his supporters threw up their hands and said, "The thing is lost; the other party will carry the day." And that was exactly what happened. I do not know who paid my right hon. friend to go out there to make the speech, but I do know he went all the way from Halifax to Victoria and, by himself, succeeded in losing the seat for his party. There is just as much justification to talk about political corruption in the payment of franchises by the Liberal party in the Victoria by-election as there is justification in talking corruption as respects what my right hon. friend said when he himself tried to preach to the electorate in Victoria.

I do not think that we need to take any lessons from the Tory party with respect to the management of elections and payment to party funds. It is something new to hear that doctrine expressed from the other side of the house. My right hon. friend knows that there is no one in this parliament more ready to join him or any other hon. member in seeking to bring about such reform as will make political corruption as impossible as it can be made than myself. I will welcome and the government will welcome anything that can be done to make it impossible for any man or any party to seek to gain political advantage in that way.

When my right hon. friend talks about the effect of promises and their influence on political campaigns, even in connection with by-elections, he must realize that it takes a long time to untrain the minds of the people with the respect to the value of promises. I have in my hand Hansard of 1930. I well remember that just after my right hon. friend came into power it took me a couple of hours to read the promises which he had made from coast to coast during the elections just concluded. He referred to something being said about a station in Montreal and to one or two other things. I should like to quote from an article which my right hon. friend wrote, signed and had published in MacLean's magazine in 1930 under the heading, "The Election Issues as I See Them." Speaking of stations, here is what he had to say about transportation, one of the many subjects he dealt with in that article:

> We pledge ourselves to the improvement of the whole scheme of Canadian transportation northward by the completion of the Hudson Bay route, and the construction of such branches as may be necessary to render it most readily available to every part of Canada; to the Pacific slope by a Peace river outlet, and east and west by the development of the St. Lawrence waterways, and we pledge ourselves to aid existing traffic channels and to increase port facilities on the Great Lakes, Hudson Bay and the Atlantic and Pacific oceans, and to the establishment of a national highway system.

That was only one pledge out of 300 or more of the same order. They were not made in one by-election campaign; they were made in a general election in every constituency in Canada. My right hon. friend had better go

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back to Sunday school for a while before he begins to lecture this House of Commons on election promises.

Mr. BENNETT: Every one of those was carried out.

Mr. MACKENZIE KING: Those who make promises sometimes find it difficult to carry them out. I do not believe in making promises myself. I agree with my right hon. friend when he says that we should discourage that sort of thing as much as possible, but I say that he is the last one who should try to teach anyone that particular lesson.

My right hon. friend appeared to be critical of the government with regard to the action taken in connection with the export of power. Has the action we have taken been of a character to deprive parliament of control? He says that whatever is to be done must be done by an act of parliament, an act that will pass the Commons, an act that will pass the Senate and an act that will be assented to by His Excellency the Governor General. He is going to get his act and it will help in making effective the control of this parliament with respect to the export of electrical power.

May I say that I think it ill becomes him to bring into a debate on this subject in the manner he did to-night the names of any members of another house.

Mr. BENNETT: It was as officers of the Liberal association.

Mr. MACKENZIE KING: If I wished to do so I might have pointed to my right hon. friend's deskmates who sat on either side of him in past years, and who while members of this House of Commons were treasurers and organizers of his party.

Mr. BENNETT: No.

Mr. MACKENZIE KING: Yes. Organizers and treasurers of his party. And referring to the Senate, what about Senator McRae?

Mr. BENNETT: He was not in the Senate; he was not appointed until after. He declined to have anything to do with the matter.

Mr. MACKENZIE KING: I should like to know since when it has become a crime, political or otherwise for an honest, honourable man to hold the position of treasurer of a political party? I should like to know since when it has been made a crime, political or otherwise, for a gentleman to give his time as president of a party association?

Mr. BENNETT: That is not what was said.

Mr. MACKENZIE KING: That was the insinuation.

Mr. BENNETT: There was no insinuation.

Mr. MACKENZIE KING: I resent it very strongly. I say that it was unworthy of my right hon. friend to make the references he did. I believe that on reflection he will regret having done so. Every one who has had to do with politics knows that no political party can be managed without some of its members performing the duty of treasurers. The fact that a man is made treasurer of a political party is usually a mark of confidence which his fellow men have in his integrity and honesty. My right hon. friend knows that the position of president of the National Liberal Federation, a body which commands the confidence of young and old alike from one coast to the other, is one of the highest offices of honour and trust a man can hold in this country. It is an office of trust and responsibility, and the fact that a man holds such an office should commend him highly to the favour and regard of his fellow men.

Let me return to what I was saying about the export of power. If this government were seeking to deprive parliament of its control over the export of power, then we might be challenged as to our reasons for so doing, but the action we have taken has had the effect of reserving the question for a fuller measure of control by parliament.

I shall say only a word about the export of power as the whole matter will come up in full discussion when the bill is introduced. On April 17 last, an application was received from Montreal Light, Heat and Power Consolidated asking for a licence to export a certain quantity of electrical energy. Some of my colleagues and myself were leaving at that time for the imperial conference, and speaking on behalf of the government I stated that it would be impossible for us at that time even to consider the application. The law of the country as it stands gives to the government the right to issue licences for the export of power. The executive has to take the responsibility for granting or refusing to grant a licence, but the authority is there. We would have been taking no new authority to ourselves had we granted a licence to export power. As I have said I took the position that it was impossible to consider the application and the grounds for granting or refusing to grant a licence until the entire government had had a chance to review the whole situation, declined, on behalf of my colleagues and

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Canadian Foreign Policy

STATEMENT OF CANADA'S POSITION

With respect to External Affairs

BY THE

RIGHT HON. W. L. MACKENZIE KING
Prime Minister and Secretary of State for External Affairs

HOUSE OF COMMONS, OTTAWA, MAY 24, 1938

OTTAWA
J. O. PATENAUDE, I.S.O.
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1938

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HOUSE OF COMMONS, OTTAWA, MAY 24, 1938

AS hon. members of the house are aware, I had intended to make a statement on external affairs at about the time of the Easter recess. One circumstance or another has rendered it inconvenient or inadvisable to make that statement until to-day.

In view of the very serious condition of affairs in Europe and the grave unrest that exists in many parts of the world, I am not going to attempt this afternoon to rely upon my memory for what I have to say. Rather I shall follow somewhat closely what I intended to say in a statement which I had prepared several weeks ago. It may be that the statement will be the more significant in the light of the events of the last few weeks. I shall endeavour in what I say to be as concise and at the same time as comprehensive as possible. By that I mean I shall endeavour not to omit any of the subjects which I believe hon. members will wish to consider in discussing foreign policy or, better, external affairs. I use the words "external affairs," because our relations with different parts of the British Empire are affairs which lie beyond the dominion; they could hardly be called foreign affairs, but they are external affairs, while our relations with other countries come under the heading of foreign affairs. I shall endeavour, as I say, to anticipate what may be in the minds of hon. members in the way of ques-

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tions as to the attitude and policy of the government with respect to situations that have arisen in which Canada may be expected to have some interest or to take some part.

THE WORLD SITUATION

It may be desirable at the outset to make some observations of a general character in view of the concern which events abroad have caused in all our minds. We look out upon a disturbed and seemingly chaotic world. Bitter and destructive wars are being waged in two continents. Force is openly glorified. Solemn pledges are disregarded. Armaments are mounting to fantastic heights. A war of propaganda is filling the air. We ask ourselves, how, within twenty years after a war to end war, is the war spirit so strong in many quarters? Why, after a war to make the world safe for democracy, has dictatorship attained such acceptance and momentum?

It is not possible to give a short answer to such questions. It is clear that no one factor and no single country can be held responsible. The fact is the great war never completely ended; the world is still suffering from its consequences. The effects of four years of world struggle and destruction and convulsion did not end in 1918. The results of a great war are usually entirely different from the intentions and the objectives of any of the peoples who embark upon it.

Peace or Conflict?

For a time after the war it appeared that a stable world might shortly be attained. A genuine passion for peace spread through all the countries engaged in the war, the losers as well as the nominal victors. In great part this new will to peace found embodiment in the League of Nations, but it found expression in many other movements as well. No one who visited Europe in the middle twenties could doubt the strength or the genuineness of that desire. But meanwhile other forces had been at work which in time overcame this will to peace in many quarters. Over a great part of Europe, except the democratic states fronting on the Atlantic, political and social revolutions were in

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progress. Countries which had not been fortunate enough to work out political freedom and economic progress by gradual effort found themselves compelled to face these belated tasks through revolution. The war had broken down the accepted social structure, the habitual conventions and restraints. The new controls were established by violence, by dictatorship of a class, dictatorship of an individual. New men, with new ambitions and new methods, were thrown up in the conflict; masters of violence and propaganda were given free hand. Inevitably the revolutions and class conflicts which have dominated the internal affairs of three countries out of four in central, eastern and southern Europe found reflection in their foreign relations as well. The new religions of race or class or social doctrine were as explosive, as expansive, as intolerant as Islam was a thousand years ago. The world was called upon to subscribe to their new creeds of communism or fascism or other isms.

The peace settlement had left problems and grievances which these explosive forces turned to account. It solved some territorial grievances, some nationalist aspirations, but it created new problems. Some countries or minorities when given freedom denied that freedom to others. Some countries which had lost territory or prestige were stirred up to plan for vindication and revenge. Some of the victors could not forget their fear or their pride. The fact that the earthquake of the war had disturbed the existing balance of world power, had given America and Asia new power relatively to western Europe, further complicated the organization of peace.

I do not believe these forces would have reached the explosion point if economic depression had not swept the world in 1929 and the years that followed. Depression sharpened every problem, shook the individual's security, increased the tension of international intercourse, provided the unemployed and discontented recruits for the new gospels. That depression, at least in its magnitude, was also a delayed consequence of the war, the war which left a crushing burden of debts and reparations, which broke down international credit and currency arrangements which created new customs boundaries and new vested economic interests.

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Lost Opportunities.

It may be that if the world had the last ten years to live over again the present breakdown might have been averted. A realistic settlement of war debts and reparations might have been effected. Trade barriers might have been reduced. Some would say the league should have attempted more strenuously to put down force by force, notably in Manchuria in 1931, while others would say the trouble lay in the very attempt to use collective force to maintain the Versailles settlement. Perhaps if any single cause and time might be isolated, it would most reasonably be held to be the failure, during the disarmament discussions in the early thirties, to recognize the futility of maintaining against Germany the one-sided policy of disarmament prescribed by the treaty of Versailles, the failure to make moderate concessions to a democratic regime in Germany, which later were grasped and far exceeded by a dictatorial regime.

It is a dark outlook, but not one that calls for despair. Some measure of internal stability survives even in states that have suffered many shocks. It may be years, however, before freedom and tolerance revive. The equilibrium of military force, which might have been secured at a moderate height five years ago, will be secured at a much higher level. Where resort to arms appears to be inevitable, every effort should and, I believe, will be made to circumscribe the area of conflict. The reversion to pre-war or pre-modern age standards of internal and external conduct has not materially affected the western or north Atlantic world. No country in which democracy was firmly established has given up its ideal and its practice of liberty at home, its ideal and its practice of peace abroad, even if that peace has had to be assured by new outlays for defence.

CANADA'S FOREIGN POLICY

The question is asked, What is Canada's foreign or external policy in such a world? In some quarters it is contended that Canada has no foreign policy, a contention which on analysis usually turns out to mean that the Canadian government does

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not make weekly announcements about other countries' foreign policies. Too often it is assumed that foreign policy is something that must be made in Geneva, or in London, or in Moscow, according to the centre of the speaker's interests, and that Canada should line up in support of or opposition to other countries' foreign policies.

May I refer to some observations on this subject which I made at a conference in England some years ago. I intend to embody in what I have to say quotations from speeches made at Imperial Conferences in Great Britain and at Geneva, and some references to statements of policy made in this house at different times in the past. I do that lest it be assumed that what I am setting forth at this time is set forth in the light of conditions as we see them and know them to be to-day. I prefer rather that what has been set forth in the past as a statement of our position should be made clear at this time, particularly as I have had reason to say with pride and satisfaction that our foreign policy has remained to the present what it has been in the past.

This statement was made at the Imperial Conference of 1923:

> Foreign policy I conceive as simply the sum of those dealings or relationships or policies which the government of one country carries on with other countries. It is in large part an extension of domestic policy. It depends upon the balance of social and political forces, upon the industrial organization, upon the whole background of the people's life . . . Foreign affairs nowadays have to do largely with economic questions, trade or tariff, oil or railway concessions, international debts, migration, fishery or power or navigation rights in boundary waters. They are largely neighbours' disputes, arising naturally most frequently with the countries with which there is most intercourse. The question whether a certain matter in dispute will lead to friction, or even to war, is frequently not so much a question of the character of the specific issue, as of the spirit and traditions and supposed general interests of the countries concerned.

No two countries have the same neighbours, the same relationships; no two countries can have the same questions to deal with, the same policies for their solution. Argentina and Finland, China and Switzerland, have widely different preoccupations. There are of course world movements, trade, cultural, military, which affect every country, affect all countries increasingly, but they affect no two countries alike or in the same degree. And so

even in times of world disturbance, the policies of no two countries can be alike, provided they are rooted in their own interests or the ideals in which their interests are sublimated, and are not merely echoes of the policies of other countries.

Various aspects of external relations.

So far as Canada is concerned, the question of foreign or external policy is at once extremely simple and extremely complex. Our direct and individual relations with other countries are important; they involve difficulties and differences of opinion; but the issues are issues within our knowledge and competence, issues for which we can find our own solution. Our indirect relations, as a member of the League of Nations, as a member of the British Commonwealth of Nations, present issues of a more varied and complicated character.

Our direct relations with other countries are increasingly important. In large measure they are relations with one or other members of the British Commonwealth of Nations. Questions which arise with these communities are frequently difficult, frequently involve, particularly in trade matters, conflicts of opinion between different sections or interests in our own country; but the frank and friendly attitude which exists, the understanding based on similar political and social and ethical standards and ways of life, ensure a settlement.

In large measure also our external relations consist of our relations with our great neighbour. These relations are so intimate and continuous that some people in Canada seem to imagine they are not foreign relations at all, that they do not constitute foreign policy at all; they unconsciously assume that foreign policy should mean to us the relations and issues involved in some other country's foreign policy, or that our foreign policy should mean only relations with distant countries with which we have little contact and connection.

These relations with the United States, which constitute and always will constitute by far the most important part of our foreign policy in the strict sense, have not always been easy to carry on. Real differences of interest arise from time to time; these differences are expressed with an openness and frankness

that leave nothing concealed; constitutional divisions of authority complicate agreement. Within our memory a good deal of friction has existed, exclusive trade policies and pin-pricking attitudes have roused resentment. But that attitude has largely disappeared. On both sides of the border there is a realization of common ideals and common interests, a genuine friendliness and increasing understanding, which facilitate agreement on most issues that arise and make it no serious calamity if for the moment agreement is not reached on others.

Incidentally, I may say from my experience, and I am sure the right hon. the leader of the opposition would say the same from his experience, the existence of a Canadian legation at Washington and a United States legation at Ottawa have greatly aided in the growth of this understanding and the prompt and effective consideration of questions that arose. It is one of our national assets—and we need all our assets to offset some of our liabilities—that we have a good neighbour—a neighbour which any free country in the continent of Europe or elsewhere would thank its stars to have.

I need not refer to our increasingly close relations with other lands in Europe, particularly France, and in Latin America and Asia. They are largely, but not wholly, relations of trade. Here I might point out that the increasing intervention of the state in business in many countries abroad, the growth of exchange controls, of quota regulations, of state monopolies, make it increasingly difficult for the business man to do business in the old way, require the intervention of his government with the government of the other country to ensure a reasonably fair and definite opportunity to carry on business.

Our foreign policy—one of peace and friendliness.

The Secretary of State of the United States, in the significant address which he delivered a few weeks ago on the foreign policy of the United States, declared:

> **The primary objectives of our foreign policy are the maintenance of the peace of our country, and the promotion of the economic, the social and the moral welfare of our people.**

Within our more limited range of activity, we could, I think, say much the same thing. Our foreign and external policy is a policy of peace and friendliness, a policy of trying to look after our own interests and to understand the position of other governments with which we have dealings. It is a policy which takes account of our political connections and traditions, our geographical position, the limited numbers and the racial composition of our people, our stage in economic development, our own internal preoccupations and necessities—in short, a policy based on the Canadian situation. It is not and cannot be under these conditions a spectacular head-line policy; it is simply the sum of the countless daily dealings with other countries, the general resultant of an effort to act decently on every issue or incident that arises, and a hope of receiving the same treatment from others.

Canada, it is hardly necessary to say, cherishes no design of aggression or expansion or revenge. We have no ancient grudges, no envy for others' possessions, no ambition for controlling others' destinies. We know and the world knows that we have neither the power nor the will to attack any other land for our own ends.

Nor are we inclined to organize or join in crusades in other continents. We are a part of the modern world. We cannot help but be affected in some measure by the policies and actions of other countries. We cannot be indifferent to the fate of democratic institutions, the suffering of unfortunate minorities elsewhere. But we must keep a sense of perspective. Resolutions or speeches on affairs in Austria or Spain or Santo Domingo may afford an emotional outlet, but they do not give our country any power to shape the destiny of other peoples. We have a tremendous task at home. Our eleven million people are trying to develop half a continent, to find a decent livelihood, to build up a distinctive national life. We have neither the power nor the knowledge to settle the destinies of countries thousands of miles away. We are no more likely of our own motion to intervene in Europe than Sweden or Bulgaria or Switzerland is to intervene in America. It is sometimes forgotten that in Canada itself we have an area as large as Europe, with problems of communication, of development, of adjust-

ment of sectional and cultural groups quite as difficult to deal with as many of the problems of adjustment which the different parts of Europe are facing, and which constitute a great part of European "foreign affairs". We are not asking and will not receive any help from outside in meeting these difficulties, and we are unlikely to have any surplus of statesmanship or good fortune to bestow elsewhere.

Need to safeguard possibilities of attack.

If we are unlikely of our own motion to take part in wars of conquest or wars of crusade, it is equally unlikely that at the moment, with the world as it is to-day, any other country will single out Canada for attack. The talk which one sometimes hears of aggressor countries planning to invade Canada and seize these tempting resources of ours is, to say the least, premature. It ignores our neighbours and our lack of neighbours; it ignores the strategic and transportation difficulties of transoceanic invasion; it ignores the vital fact that every aggressor has not only potential objects of its ambition many thousands of miles nearer which would be the object of any attack, but potential and actual rivals near at hand whom it could not disregard by launching fantastic expeditions across half the world. The truth of this is recognized in every country. At present danger of attack upon Canada is minor in degree and second-hand in origin. It is against chance shots that we need immediately to defend ourselves. What may develop no one can say.

Thus while it is well we should see our country and its security as viewed from other lands we should also have a clear vision of how dangers that threaten in other parts of the world may expand under circumstances which lie beyond any control of our own, and be prepared to meet any situation which may arise in a world of the character that our world is to-day.

CANADA AND THE LEAGUE OF NATIONS

If we are not likely to be directly involved in a conflict, are we likely to be drawn into European conflicts indirectly, for

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example, through our connection with the league? That is an important question which I think many Canadians are asking at the moment. I have pointed out that so far as we ourselves are concerned, being a country by ourselves, if we were confined to looking after ourselves we have little to fear. But we have other associations and out of those associations arise obligations. The question naturally arises as to what, in determining our attitude, the significance of those associations may be.

We are a member of the League of Nations which was founded for the purpose of advancing international co-operation and world peace. From the beginning, wide differences of opinion have existed as to the means by which those ends were to be sought and achieved. Successive Canadian governments have supported one of those views. In this house in June, 1936, and at the assembly of the league in September of that year, I restated that view. Developments since that time have only served to confirm the soundness of the position then taken.

Briefly, the Canadian government believes that the only feasible and constructive basis of league activity under present conditions is to develop all its possibilities of conciliation, all its possibilities of co-operation in agreed tasks, all its possibilities of shaping and focusing world opinion. As indicated in a statement made on behalf of the present government in October, 1935, we are convinced of the value and necessity of the league "as an indispensable agency for organizing and strengthening the forces of good will in the world, and for effecting the essential adjustment of conflicting national aims." As Lord Curzon declared at the first session of the council of the league, which has just held its hundredth session:

> The League of Nations is the expression of a universal desire for a saner method of regulating the affairs of mankind.

That desire, that need, continues. In some way we must adjust our international relations to the economic forces, the scientific inventions which have made all nations neighbours, adjust our theories and practices of national sovereignty to the requirements of world co-operation. It is not a task which can

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be performed in a day. It is not an end which can be attained by shutting our eyes to facts, by assuming that nations are ready to-day to resign their sovereign right of decision to a world superstate. We must build on what exists, must extend the habit of co-operation in steadily wider fields, must seek to remove the causes of friction and fear.

Sanctions recognized as leading to war.

Equally definite is our belief that at the present juncture of world affairs it is not possible to make the league an international war office, an instrument of force, military or economic.

As I said at Geneva in 1936:

> There is a general unwillingness of peoples to incur obligations which they realize they may not be able in time of crisis to fulfill, obligations to use force and to use it at any place, any time, in circumstances unforeseen, and in disputes over whose origin or whose development they have had little or no control. This difficulty of automatic intervention increases rather than decreases when conflicts tend to become struggles between classes, between economic systems, between social philosophies, and, in some instances, between religious faiths, as well as between states.

In recent years the peoples have become more aware of the difficulty of localizing and restricting a war once it has begun. They have come to realize that the consequences of wars are different from either their real or their alleged objects, that war is war regardless of the labels and the slogans devised at the outset. They have become more aware of the horrors and suffering involved for any people at war from indiscriminate air and gas attack. They have become aware of the strain on national unity and social order a long struggle may involve. They have become aware of the uncertainty, the very grave uncertainty, whether in any country engaged in a long war individual liberties can be maintained. They realize more clearly the difficulty of putting on economic sanctions unless the countries doing so possess overwhelming force and are firmly bound to apply military sanctions if the occasion arises, and prepared to exchange firm and explicit territorial and military guarantees among each other in advance.

In Mr. Eden's words in the British House of Commons last December:

There are two possible forms of sanctions, the ineffective, which are not worth putting on, and the effective, which mean the risk, if not the certainty, of war.

After stating:

I say deliberately that nobody could contemplate any action of that kind in the far east unless they are convinced that they have overwhelming force to back their policy.

Mr. Eden continues:

Do right hon. gentlemen opposite really think that the League of Nations to-day, with only two great naval powers in it, ourselves and France, have got that overwhelming force?

In other words, Mr. Eden recognized that a league which fell far short of the universality contemplated by its founders, could not hope to carry out the role of universal policeman.

No automatic commitments.

In the statement at Geneva from which I have quoted, I made it as clear as possible that Canada could not accept the theory of automatic commitment to the application of force, economic or military.

The covenant as originally drafted provided alternatively for peace by conciliation and peace by collective coercion.

In its original conception the covenant was predicated upon the practically universal acceptance of its provisions. Without this assumption, the latter alternative of seeking peace by collective coercion, embodied in articles 10, 16 and 17, would not have found place. It was recognized that formal amendment of the covenant by the removal of those articles was not possible in view of the difficulty in securing action by the requisite two-thirds of the members even on amendments on which there is general agreement in principle. Nor was it necessary:

The powers and duties of the league—

I quote now from what I said at Geneva.

—develop by usage and experience as well as by explicit amendment. What its members will and will not do can be read more clearly from what they have done and not done than from the text of the convenant. What is now called for is to register in the light of actual facts the position which has developed during sixteen years of league history by the interpretations given and the action taken or not taken as occasion for decision arose.

It is a fact, as has been indicated by representatives of the Scandinavian countries and other members of the league, that many provisions of the covenant have not been observed, or have been applied unequally or ineffectively. The pledge of reduction of armaments in article 8 has not been honoured. The provisions for the revision of treaties "which have become inapplicable," contained in article 19, and which were in form and fact an essential complement to the provisions of article 10 for the maintenance of the territorial status quo, have not yet been applied. The sanctions provisions of article 16 were tacitly recognized at an early stage as unworkable in their entirety, and were modified by the assembly resolutions of 1921. Modified, or unmodified, sanctions against an aggressor have never been tried when the conflict took place in Asia or America. Applied once in an Afro-European conflict, they failed and were abandoned because of general unwillingness under the conditions of the day to press force to the point of war.

Realities of situation.

It has been alleged by some strong advocates of the collective coercion theory in Canada that Canada is responsible for wrecking this conception of the league. That view is part and parcel of the exaggerated idea of Canada's power and duty and the unwillingness to face the realities as to the attitudes of other states that underlies the advocacy of the 100 per cent sanctions doctrine. The influence of any small state at Geneva is definitely limited, except occasionally when it acts in the direction of one or another of the great powers' wishes. Every member of the league, whether from Europe, or from South America, or from Asia, has its own approach to the problems of the league, its own views of its interest or the league's interest. The Canadian government did not cause those countries to take the action or lack of action they have taken. It did in some measure realize what that course of action was likely to be. It was

apparent years ago that in the opinion of many of the countries most influential in the league, the covenant was intended to be a one-way street, operating toward Europe, not from Europe. Chaco and Manchuria only confirmed that analysis. Ten years ago, the Canadian government, in a communication to the government of the United States on the relation between the covenant and the Kellogg pact, declared:

> It is plain that the full realization of the ideal of joint economic or military pressure upon an outlaw power, upon which some of the founders of the league set great store, will require either an approach to the universality of the league contemplated when the covenant was being drawn, or an adjustment of the old rules of neutrality to meet the new conditions of cooperative defence.

Not all the forecasts we and others made in 1928 have required as little alteration as that one.

As relatively little attention has been given the matter in Canada—itself a significant fact—it may be worth while to refer to the latest occasion on which the varying views of members of the league on this question of sanctions were set forth.

Question of sanctions reviewed by League.

The whole question was reviewed in the January meeting of the council, this year, and in the proceedings of the committee of twenty-eight in January and February. This committee, it will be recalled, was appointed by the 1936 assembly to explore the whole question of the application or reform of the covenant. Every phase of that question—the problem of universality, co-operation with non-member states, regional or continental organization of the league, methods of amending or interpreting the covenant, article 10 (territorial integrity), 11, 12, 13, 14 (intervention in disputes), 16 and 17 (sanctions), and separation of the covenant from the peace treaties, were studied by special rapporteurs.

The first question, the possibility of securing the participation of all states in the league, was surveyed in a report by Lord Cranborne, who envisaged three types of league, (1) a coercive league, (2) a non-coercive league, and (3) an intermediate league,

in which any members would retain the right to apply sanctions in cases where they considered it advisable. This report on universality was the only one which was formally before the committee on January 31 and February 1, but the discussion covered the whole range of the covenant and particularly the question of article 16; it was impossible to consider whether it was desirable to bring all states into the league without considering what changes would be necessary to accomplish that end, and whether such changes were desirable or practicable.

The discussion brought out radically different points of view, but on one point there was little dissent—namely, that article 16 had never been enforced in its entirety and only once partly attempted; that there was no proposal in any quarter to apply it in the conflicts now waging, and that member states are not now prepared to regard the provisions of article 10 and article 16 as binding. The delegates of Sweden declared:

> The league in practice has ceased to be a coercive league. . . . By the force of events, without any amendments to the covenant, the practice has been established according to which members of the league do not consider themselves bound to undertake coercive action against an aggressor state.

That position was not seriously challenged. There was, however, wide difference of opinion as to whether a coercive league was or was not desirable, and whether or not the existing practice should be translated into amendments to the text of the covenant. Mr. Paul Boncour admitted there was some ground for the fear of certain small powers that the great powers which had shown little zeal for article 16 might demand its strict observance in conflicts in which they themselves were concerned. Some small states also appeared desirous of maintaining the possibility of sanctions being used in their support, though not ready to pledge their use when others were in need.

Broadly speaking, the U.S.S.R., France, Spain, China, Iran (or Persia), Czechoslovakia, Mexico, Colombia, New Zealand, indicated they were convinced that ultimately, if not now, sanctions might be workable, and that it would be a mistake to take article 10 and article 16 out of the covenant in response to what might prove a temporary difficulty. Sweden, and in other

connections the other Scandinavian states, Holland, Belgium, Switzerland, emphasized the danger of the present ambiguous position. Sweden and Holland proposed that article 16 be formally recognized as being at present optional and not obligatory in character. Poland indicated definite qualifications. Chile urged the removal of all sanctions to facilitate the entry or return of all countries to the league.

Canadian position regarding sanctions.

The Canadian government, through its representative on the committee, indicated its belief in the necessity of attaining substantial universality for the effective working of the league. It did not consider, however, that it was now possible to obtain universality by putting through formal amendments to the covenant. Some members of the league had indicated they were not prepared to consent to the explicit changes in the sanctions article necessary if some great countries were to enter. On the other hand, some countries outside the league had indicated their unwillingness to enter or re-enter the league, whether organized on a coercion or on a conciliation basis. The Canadian government therefore believed it desirable to keep the league operating as effectively as possible within the scope which experience had shown to be practicable, and to seek at a more opportune time such formal adjustments as may be required to secure the cooperation of all states which are prepared to renounce aggression and to cooperate in the peaceful settlement of international problems. Meanwhile, it was stated, the position of the Canadian government as to sanctions and the sanctions articles remained as set forth by the Prime Minister in the assembly in September, 1936. As has been indicated, no one in the recent discussion at Geneva ventured to hold that the sanctions articles were now in force. It would have taken considerable hardihood to make such a contention in view of the absolute refusal of league members, great and small, to invoke sanctions in the present conflict between Japan and China.

In fact, the present situation as to the interpretation of the sanctions articles was well summed up by the representative of Belgium in the committee of twenty-eight:

To-day in a grave conflict, the anxiety is to avoid procedures that might lead to the application of article 16, because account is taken of the obstacles that would be met with in its application.

At the same time, the possibility must be taken into account, that, in the phrase of another speaker, the article may be resurrected, or, as it has been put elsewhere, may be taken out of cold storage when it suits the interests of some of the members that now completely ignore its existence.

To avoid any possibility of ambiguity or misunderstanding, it is therefore desirable to repeat that the position indicated in the assembly of 1936 and in this house earlier in the same year remains the position of the Canadian government. We recognize the honesty and the idealism of those who call for a universal and automatic application of sanctions. We do not consider that it would make for honesty or decency or good will among nations to attempt an in-and-out interpretation of the covenant, based on the varying interests of some of the members of the league. So far as the Canadian government is concerned, the sanctions articles have ceased to have effect by general practice and consent, and cannot be revived by any state or group of states at will.

CANADA AND THE BRITISH COMMONWEALTH

Now may I pass to the question of our relationship to the foreign policy of other members of the British commonwealth of nations, and particularly the United Kingdom. The task of the United Kingdom in the field of foreign affairs has been an extraordinarily difficult one of late years. Its own position has been modified by shifts in the balance of power throughout the world and the invention of weapons of war which have ended its own insularity, and introduced new factors into the Mediterranean area. As one of the great powers, it has had to consider not only its own protection, but the maintenance of peace throughout the world and particularly on the continent of Europe. There may be differences of opinion as to the wisdom of some of the policies adopted to secure these ends in the twenty years since the war, but I think there can be little ques-

tion of the unremitting care and anxiety which those responsible for the foreign policy of Britain have devoted to their task, or of their strong and determined effort to establish peace and maintain respect for solemn pledges and the principles of law.

No course of action adopted by the United Kingdom in foreign affairs can fail to have repercussions, great or small, upon Canada and the other members of the commonwealth of nations. The problem of adjustment this fact presents is one of the most difficult and complicated that faces Canada and other parts of the commonwealth as well. A number of courses have been urged or practised. It may be helpful to review these briefly. I believe that all of them have been mentioned in this house in the course of discussions on defence matters and other questions. They have been mentioned by one or another member who has been prepared to support the point of view he urged.

Various courses of action proposed.

One attitude that has been proposed is to say that we will accept any policy adopted by the British Government of the day, and give it our support, regardless of our own views and interests, and regardless of consequences.

It is only necessary to spell out the implications of this view to make it clear that even its exponents would hesitate to adopt it in all cases. The goal of United Kingdom policy may remain the same, but the paths by which that goal is sought vary widely. The view which I have mentioned would involve being prepared to follow every variation in the trend of British policy due to changing situations on the continent, changing party fortunes or changing ideas of national advantage. It would mean one year following a Conservative government, next year a Labour government; one year leaning toward collective security, next year perhaps toward isolation.

A second course would be to say that we will accept the policy of Great Britain whenever she acts through the league and in accordance with the covenant.

It was held in some quarters some years ago that the fact that all parts of the commonwealth were members of the league and that Great Britain would not go to war except under a league decision and in accordance with a covenant binding all parts equally and automatically, had conveniently and permanently solved the question of intracommonwealth war relations. Experience has shown that no such automatic solution is afforded by the league, that it does not operate automatically, and that the question whether an attempt is to be made to set its sanctions or war provisions in action depends in last analysis on whether influential European members of the League wish to invoke these provisions.

A third course that might be advocated is to say we will advise Great Britain as to what course she should follow, so that we will not be involved in the consequences of a policy we thought wrong. I believe that position has been stated many times in this house.

This attitude has more to be said in its favour. Occasions arise where consultation is both necessary and possible, and where it will be open to each government and sometimes necessary for each government to indicate its attitude. The difficulty, however, is that a United Kingdom government, for example, must be responsible to its own people for its actions. The direct and main responsibility for its policy must rest with its own parliament. They are closer to the danger point, and must bear the main brunt of any misjudgment or failure. They might be prepared to take advice which fell in with their own views; but otherwise they would find it difficult to do so unless the adviser could guarantee them against the consequences. It could not be anticipated that Canada and South Africa, Australia, New Zealand and Ireland would always advise the same way. The necessity of the United Kingdom consulting certain other powers in Europe would not be affected. The danger would arise of intervening in controversies between the government and the opposition in Westminster. In many cases, there is not time or opportunity for such consultation or advice. A policy is not adopted at one stroke; it is the sum of

many actions, accumulating decisions on what often appear points of detail, ordinary routine. Daily and sometimes hourly new situations must be faced, conversations held, decisions taken.

Again, it has been urged that we should say we will declare here and now our neutrality in any future conflict, decline to take part under any circumstances in any conflict in which the United Kingdom may be engaged.

I stated the government's position on this proposal last session in the following terms. I have stated it in similar terms in other sessions:

> This would amount to tying the hands of parliament regardless of the circumstances of the war or the participants, what interests of Canada may or may not be involved. Over and over again we have laid down the principle that so far as participation by Canada in war is concerned, it will be for our parliament to decide. Having taken that attitude in respect to participation, I think we might well take a similar attitude with respect to neutrality. At the present time there are no commitments, so far as Canada is concerned, to participate in any war. Equally there are no commitments . . . whereby we agree to remain neutral under all circumstances. The policy of the government with respect to participation and neutrality is that parliament will decide what is to be done.

That position has not been changed. To make such a declaration would be unjustified by the policies of British governments. It would be an unwise encouragement to potential aggressors.

Parliament will decide.

Finally, we may take the position that parliament will decide upon our course when and if the emergency arises, in the light of all the circumstances at the time. In the meantime we should endeavour to keep informed upon the situation, to keep in touch with the United Kingdom and other countries striving for peace, to carry through a reasonable and effective defence program of our own, to support any constructive program of conciliation and removal of economic barriers to peace, and to strive in our own relations to build up friendships which will serve our need and the need of others.

I made a statement at Geneva in September, 1936, in the presence of British ministers and representatives of other

nations, which later, on January 25, 1937, I declared was "a statement of the present administration's policy and the policy which the present administration intends to follow as long as it remains in office." It was as follows:

> The nations of the British commonwealth are held together by ties of friendship, by similar political institutions, and by common attachment to democratic ideals, rather than by commitments to join together in war. The Canadian parliament reserves to itself the right to declare, in the light of the circumstances existing at the time, to what extent, if at all, Canada will participate in conflicts in which other members of the commonwealth may be engaged.
>
> The Canadian House of Commons by unanimous resolution has made the adoption of undertakings to apply either military or economic sanctions subject to the approval of parliament.
>
> What I have said and quoted—
>
> I am still quoting what I said at Geneva two years ago.
>
> —does not mean that in no circumstances would the Canadian people be prepared to share in an action against an aggressor; there have been no absolute commitments either for or against participation in war or other forms of force. It does mean that any decision on the part of Canada to participate in war will have to be taken by the parliament or people of Canada in the light of all existing circumstances; circumstances of the day as they exist in Canada, as well as in the areas involved.

Impossible to forecast issues.

It will be argued, it has been argued, that it is not satisfactory to postpone decision until the eve or the fact of an outbreak of war, that under such circumstances calm decision will not be possible, that the decision should be made in advance.

I do not agree with that view. In the first place it would be impossible to frame to-day the questions which might have to be decided later. Many "inevitable" wars have never happened. The opponents of one year may be the friends of the next. It is impossible to forecast what the issues abroad, the alignments abroad, the situations at home, may be in a year or five years from now. In Mr. Hull's address on foreign policy on March 17, to which I have already referred, after indicating his country's firm adherence to the faithful observance of international agreements, the settlement of international issues by

peaceful negotiation, the scrupulous observance of the rights of others, and the maintenance of international law and order, he continued:

> There is one thing that we cannot do. And that is, to prepare and place before every government of the world a detailed chart of the course of policy and action which this country will or will not pursue under any particular set of circumstances. No man, no nation, can possibly foresee all the circumstances that may arise. Moreover, to attempt to make such a detailed chart of future action would merely result in impairing our effectiveness in working for the one objective toward which we constantly strive and on which, I am certain, there is not a vestige of disagreement among the people of our country—the establishment of durable peace.

In Mr. Chamberlain's speech of March 24, referring to suggestions of assurances to France regarding Czechoslovakia, or assurances of military assistance direct to Czechoslovakia, Mr. Chamberlain declared:

> From a consideration of these two alternatives it clearly emerges that under either of them the decision as to whether or not this country should find itself involved in war would be automatically removed from the discretion of His Majesty's government, and the suggested guarantee would apply irrespective of circumstances by which it was brought into operation, and over which His Majesty's government might not have been able to exercise any control.

Again, it should be plain to everyone, it is explicitly recognized by some of those who urge a decision now, that to force an issue like this upon the country would bring out deep and in some cases fundamental differences of opinion, would lead to a further strain upon the unity of a country already strained by economic depression and other consequences of the last war and its aftermath. To invite this risk on a hypothetical question would be as great a disservice to Canada as any government could render.

It must be recognized that this policy is not wholly satisfactory, not free from difficulties, not a completely logical position. Like many other policies it is not an ideal solution; it is only the best of the available solutions. That, however, is not the fault of the policy. It is the inevitable outcome of the present stage in the relations between the several parts of the British commonwealth. It is inherent in the contradiction between the recog-

nized independent responsibility of the several members of the commonwealth, "equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs," to quote the declaration of the Imperial Conference of 1926, and the possibility that war proclaimed by the King as regards part of his dominions may involve other parts in the conflict. In other words, we have worked out a satisfactory and enduring solution of the relations between the several members of the British commonwealth in peace time; we have not yet worked out a completely logical solution of the position in war time.

CANADA AND THE SINO-JAPANESE WAR.

Now may I turn briefly to some more specific comments on developments abroad, and first, the Sino-Japanese conflict. The terrible war now raging on the soil of China has aroused intense interest and concern in Canada. It is a conflict of great moment for the future of the Pacific and of the relations between the countries that border on the Pacific. It is a clash between two ancient and distinctive though allied civilizations, in which all the powers of destruction and terror which western civilization has made available to the whole world are being employed. Canada has many close ties with both countries—cultural and church and trade associations. The immediate tragedies have stirred deep feeling. Similar conflicts, with similar losses of life, have been waged in Asia over many thousands of years, but to-day the telegraph and the camera and motion pictures have brought home to millions on this continent a direct and poignant knowledge of the suffering and the horrors such a conflict involves, both for the tens of thousands who die in battle and for the tens of millions who are driven from their homes to wander and to starve. A distinguished Chinese visitor to Canada recently stated that he did not wish to dwell upon charges of atrocities in the conflict. It is true that, once the die is cast and war is entered upon, the difference between a humanely conducted war and an inhumanely conducted one may not be very great, though it will still be significant. Some armies may show greater arrogance, greater callousness in battle,

greater recklessness as to attack on civilians, but with airplanes and bombs and gasses available, no modern war can be anything but mass slaughter, mass destruction, mass suicide.

It is natural that many Canadians have asked what they could do, what the government and parliament could do, in the face of this calamity.

So far as the government's action is concerned, Canada has a direct interest as a member of the League of Nations and as a signatory of the nine-power treaty. The covenant of the League of Nations provides under article 10 that the members of the league agree to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the league. Article 11 provides that any war or threat of war is a matter of concern to the whole league, which shall take any action that may be deemed wise and effectual to safeguard the peace of nations. Articles 12 to 15 of the covenant providing for means of peaceful settlement of disputes between members of the league, and article 16 providing for sanctions in the event of a member of the league resorting to war, do not directly apply, as Japan is not now a member of the league. Article 17, however, provides that in the event of a dispute between a member of the league and a state which is not a member, the non-member shall be invited to accept the obligations of membership. If it does not accept and resorts to war against a member of the league, the provisions of article 16 shall be applicable against it.

China's appeal to the League.

On September 12, 1937, the Chinese government appealed to the league under articles 10, 11 and 17. The assembly was then in session, with Senator Dandurand, Mr. Ilsley and Mr. Massey representing Canada. The council referred the question direct to a far eastern advisory committee of twenty-two members which had been set up in 1933 to deal with the previous Manchurian conflict. Canada is a member of that committee. On September 27 the advisory committee, which included the United States, passed a resolution, which was accepted the following day by the assembly, condemning airplane bombing of open

towns and cities in China by Japanese aircraft. On October 1 a sub-committee was set up, on which Canada was not represented. Four days later the sub-committee brought in two reports, the first setting forth the facts of the present situation in China, and declaring that the action by Japan was a breach of its treaty obligations and could not be justified. The second report expressed moral support for China, recommended that members of the league should consider how far they could individually extend aid to China, and further recommended that the signatories of the nine-power treaty should be asked to examine the situation. The report and resolutions were adopted by the assembly on October 6 with the approval of all members represented except Siam and Poland, which abstained.

It must frankly be recognized that the league's treatment of the situation has not proved of very material benefit to China. The question whether the sanctions provisions of article 16 should be invoked was studiously avoided. The plain facts were, first, that with more than half the great powers outside, there was not the concentration of potential force within the league that had been contemplated when the covenant was framed, and, second, that given the unrest and the threats to peace in the Mediterranean and central Europe, the European countries that were in the league were not prepared to weaken their own position at home by taking steps which might involve having to despatch a large and possibly still inadequate part of their forces to the other side of the earth.

The league assembly, as has been noted, proposed that the question be further considered by the signatories of the so-called nine-power treaty. That treaty was one of the series of interrelated treaties and agreements signed at Washington in the winter of 1921–22, with the object of bringing about stability and security in the far east. It was signed for the United Kingdom and Canada, Australia, New Zealand, The Netherlands, Portugal, and Japan and China, and was later accepted by other powers. The contracting parties undertook to respect the independence and territorial integrity of China, to seek to maintain the open door in China and refrain from seeking for special privileges, or spheres of influence. Article 7 provided that when

in the opinion of any signatory a situation arose involving the application of the treaty, there should be "full and frank communication between the contracting powers concerned." In view of some misunderstanding on the subject, it is necessary to remember that this treaty, unlike the covenant, included no provision for sanctions against a signatory which broke its pledges. It bound each party to refrain from aggression and intrigue, it provided for consultation if peace was threatened, but it did not involve joint action against a violator.

The Brussels Conference.

The conference met in Brussels early in November, on an invitation by the Belgian government issued at the request of the British government and with the approval of the government of the United States, for the purpose "of examining, in accordance with article 7, the situation in the far east and to consider friendly peaceable methods for hastening the end of the regrettable conflict now taking place there." All the countries which signed or adhered to the treaty were represented, with the all-important exception of Japan. Earnest and repeated efforts were made to bring the warring parties into consultation. The services of the other signatories, or alternatively of a small group of states, were offered in an effort to suspend hostilities and work out a lasting settlement. Japan refused to take part, declared she was acting in self-defence and that the conflict therefore lay outside the scope of the treaty, and that a solution could be attained only by efforts between the two parties directly concerned. The conference found itself at an impasse. The members of the conference, with Italy definitely opposing and the three Scandinavian countries, while sympathetic, abstaining from voting on account of their limited direct interest, declared their right and interest to intervene in the issue, their condemnation of force and breaking of pledges, their rejection of the view that direct negotiation between the two parties could achieve a settlement, and their readiness to continue further efforts for suspension of hostilities and negotiation. They then adjourned at the call of the chairman. In the circumstances,

nothing more was possible; it was probably worth while holding the conference to determine whether more was possible. Canada concurred in the action taken. It did not think less could be done; it did not urge the great powers represented to do more.

There is another phase of this question about which a good deal has been said in Canada. I have received a good many communications protesting against the shipment to Japan of munitions and of raw materials available for war purposes. Many of those communications reveal a common inspiration from sources more concerned with the welfare of certain other countries and systems than with Canada's welfare. But many are genuine, based on an honest hatred of war, disgust at atrocities, unwillingness to see profit made out of others' misery. Those views I respect. I think we all share the feelings that lie behind them. But they are also based on erroneous ideas as to the facts both of Canada's position and the position of other countries, and erroneous assumption as to what action by Canada alone would effect.

CANADA AND THE SPANISH CONFLICT.

Perhaps before I give the facts with regard to shipments of munitions and the like I had better touch on the other conflict, the civil war in Spain, because what I have to say with regard to the shipment of munitions has a direct bearing on both. In Spain, the conflict is in form at least a civil war, not a war between independent states. It is not the first conflict that has marked the history of that unhappy country. The transition from mediaeval feudalism to a modern social order has been a slow process, marked by more than one civil war, more than one armed revolt. The conflict which began in July, 1936, has been particularly destructive because of the nature of modern weapons of warfare, and because of the intervention of outside governments in the struggle, the Italian and German governments directly assisting the insurgents and the Soviet government assisting the government. There was imminent danger of the conflict spreading into a war of isms, of class conflict and of conflict of national strategic interests. On the initiative of the

governments of France and Great Britain, a non-intervention committee of twenty-seven European states was formed to endeavour to prevent or restrict outside participation in that war. The committee has not succeeded in preventing continued extensive participation by outside states, all members of the committee. Its critics in England and France contend that it was unfair to put an unrecognized insurgent force on a par with a recognized government, that the committee has merely furnished a veil, an excuse for shutting one's eyes to a flagrant invasion of Spain with plane, tank, and heavy artillery, and that a serious danger exists of a threat to British and French communications in the Mediterranean and on the Atlantic coast. Its sponsors contend that it has lessened the amount of such intervention, that it has prevented an open break which would have led inevitably to a general European war, and that whatever the outcome and whatever the assistance received, no Spanish government, when firmly in power, will tolerate outside control.

Control of export of munitions and of recruiting.

Canada of course did not take part in the establishment or the work of this European committee, nor did any other non-European country. But when the United Kingdom, the United States and other countries had prohibited the export of munitions to Spain, the possibility arose that orders for munitions might be diverted to Canada, and in order that the efforts to localize the conflict in Spain might not be frustrated in this manner, an order in council prohibiting such imports was passed in July last, under the authority of the amendment made last year to the Customs Act.

Similarly, in order to prevent Canada from being drawn into this European struggle by the recruiting of Canadians for service in Spain, an order in council was passed in July, applying the Foreign Enlistment Act to the Spanish conflict, as had previously been done in the United Kingdom and administratively in the United States, and early in August the issue of passports to Canadian nationals proposing to go to Spain for the purpose of participating in the conflict was prohibited.

As there is some misunderstanding on the subject of both these measures, it may be advisable to refer briefly to their scope and subsequent application. The purpose of both measures was to prevent Canada from being drawn into foreign conflicts by the actions either of manufacturers of munitions or of organizers of recruiting.

The provision for the control of exports was based upon the reports of a Geneva committee, and an examination of the practice of other countries. An amendment to the Customs Act, which took the place of an old section which was comprehensive but not adapted to present conditions, empowered the governor in council to set up a system of permits or licences for the export of munitions or food or raw materials; to provide publicity for exports or imports of munitions; to register persons engaged in manufacturing or exporting munitions, and to prohibit the exportation of munitions or war materials. Under this authorization a system of permits was subsequently set up to regulate the export of arms and munitions, the definition of which was based substantially on the recommendation of a League of Nations committee.

No exports of munitions to any country can be made without a permit, and statistics of such exports are made public by the enforcing agency, the Department of National Revenue, every month. The licence system, it will be noted, applies to arms and munitions only. Further, the discretionary power given the government to prohibit exports, has, as I have already indicated, been applied to exports of munitions in the case of Spain. The prohibition in this case does not apply to raw materials or any other class of goods—solely to arms and munitions as defined. The power thus given has not been applied by Canada, or any other country, as regards either munitions or any other materials, in the case of the Sino-Japanese conflict.

The Foreign Enlistment Act of last session, which took the place of an old act of the parliament of the United Kingdom extending to Canada, made it unlawful for a Canadian national to enlist anywhere for service against a friendly state, or for any person within Canada to induce any other person to enlist.

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This act contains many collateral provisions and empowers the governor in council to provide for its application to a civil war, and to facilitate these purposes by passport control.

An organized campaign for recruiting Canadians and foreigners living in Canada was under way, and a substantial number of persons had left Canada and proceeded to Spain. Since August no passports for Spain have been issued to Canadian nationals, though a small number of Canadians and of foreigners have made their way to that country by indirect routes.

CONCERNING CANADIAN EXPORTS OF ARMS AND MUNITIONS

I now come to a consideration of the shipment of munitions. First, as to Canadian exports. Arms and munitions are not made in Canada in any appreciable degree, and our export trade in this field is still more negligible. So far as exports to Japan are concerned, I am informed that the only shipment has been a single plane ordered before the war; to China, a few planes ordered since the war.

It is, however, the trade in raw materials and particularly in non-ferrous metals, against which complaint is mainly directed. Our exports of lead, zinc, aluminum and nickel to Japan are substantial, and take a leading place in the list of our exports to that country. They have increased since the war broke out, though in some cases they are again declining. The exchange restrictions introduced by the Japanese government before the war, in the endeavour to conserve its declining gold supply, have given that government a power of discrimination, and altered the proportions of the commodities imported into Japan. To China, our exports of these commodities are much smaller.

It has been contended in some quarters that Canada's supplies and Canada's supplies alone are vital to the continuance of Japan's war effort, and that it is our duty as it is within our power, to take action to end this effort. Let us first get the facts in perspective.

Our total exports to Japan have increased rapidly, but they are still far below the total of 1929. The recent increase in

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that trade is part of the general improvement in exports as a result of the industrial revival of recent years. Our exports to all countries are much nearer the high water mark than our exports to Japan:

	Canadian exports to Japan	Canadian exports to all countries
1929	$ 37,504,692	$1,182,412,313
1932	11,995,887	493,808,841
1935	14,915,577	729,293,800
1937	25,851,829	1,110,192,151

In our exports, as in our production, and in fact in the revival of prosperity and stability in Canada, minerals have come to hold a relatively greater place in recent years as the result of new discoveries mainly in the pre-Cambrian shield. We are now among the world's important producers and exporters of gold, silver, platinum, copper, lead and zinc, as we long were of nickel. In many cases, as is generally known, these are joint products, lead or copper or zinc being found in the same veins with silver or gold, and recovered in the same operations.

So far as our exports of lead, zinc, aluminum, copper and nickel are concerned, there is nothing special in our shipments to Japan. Of nickel, in the last two years we exported ninety-eight millions in all, of which only five millions were to Japan; of aluminum twenty-five millions, of which five millions were to Japan; of lead, twenty-one millions, of which seven were to Japan; zinc, twenty-two, of which two were to Japan; of copper, over ninety-one millions, of which less than one million was to Japan. Incidentally, over 75 per cent of all these exports went to the British Empire and the United States less than 10 per cent to Japan, Italy, and Germany, and the balance to other foreign countries. It is true we are the largest exporters of nickel to Japan as to most other countries, and important suppliers of aluminum and zinc. But it also is true that of iron and steel and scrap, and of copper, we supply only an insignificant fraction. One single country's exports of iron and steel and scrap alone are three times in value our total exports of all goods whatever to Japan. It is also true that of the oil, coal,

cotton and rubber which are equally necessary for mechanical operations, whether in war or in peace, we supply nothing whatever, nor of the wool necessary to clothe the armies in the field.

Proposals as to embargo.

Some misconception exists regarding certain figures given out at Brussels by the Chinese delegation to the conference, showing the percentage of certain materials—oil, coal, cotton, rubber, wool, iron, aluminum, antimony, manganese, tungsten, chrome, copper, zinc, tin, etc., exported in 1936 to Japan, with the object of showing that an embargo on exports would be effective if imposed by all parts of the British commonwealth, the United States, France, Holland and a few other countries. Canada was said to have supplied 71.7 per cent of Japan's imports of aluminum, 97 per cent of the copper and 34.5 per cent of the zinc. It may be pointed out first that the figures referred to 1936, a period of peace; that only three items were listed affecting Canada, and that as regards copper, the statistics were highly erroneous, the percentage from Canada being one-half of one per cent instead of 97 per cent. These misconceptions formed the basis of much of the demand for a Canadian embargo on raw materials.

Having noted the facts in some perspective, the implications that are drawn may next be considered. In the first place, it is erroneous to assume that metals such as lead, zinc and nickel are used only for armament purposes; quite the contrary is the case; the vast bulk of these three metals is used for industrial purposes, though it is of course true that when a country is at war, the industrial uses will be rationed and restricted. In any case, an embargo would be economically futile. It must be evident to anyone familiar with foreign trade that no system of administrative control which we could devise in peace time could hope to prevent Canadian nickel, lead, zinc, copper, aluminum, scrap-iron, and the rest, sold to purchasers in third countries, from reaching Japan. Once these commodities leave Canadian territory and enter into the commerce of another country, this parliament has not and cannot have any further control over them.

It is equally evident that, except in the case of nickel, of which Canada produces about 90 per cent of the world's annual production, this country has no monopoly, nor even an approach to a monopoly of production. There are, with respect to all these commodities, including nickel, other producing countries, alternative sources of supply, to which Japan, or any nation desiring to place an order, could easily turn. In addition to other sources of production, there are—and this aspect of the question is frequently overlooked—enormous stocks of all these metals readily available, stocks far more than sufficient to fill any possible Japanese demand. It is clear, therefore, that an embargo on the export to Japan of nickel, lead, copper, zinc, aluminum, and other commodities necessary to the production of war supplies, on Canada's part alone, would not achieve the ends proposed.

As to concerted action for that purpose, there is no present prospect of such a policy being adopted. No proposal for an embargo either on munitions or on war materials was made either by the league assembly or by the Brussels conference. No country has placed an embargo on shipments to Japan or to China. In the circumstances it would appear there is nothing in Canada's position which would make isolated action on our part either necessary or effective. It has been stated that New Zealand has placed an embargo on exports to Japan. This is not correct. Last year a New Zealand labour union refused to load scrap-iron on a vessel sailing to Japan. The New Zealand government induced the union to abandon this action. Later, the government prohibited the export of scrap-iron to any country. No embargo has been imposed on the export of wool or any other commodity to any country.

CANADA AND THE NATIONS OF EUROPE

I have spoken of the conflict in the orient and of the civil war in Spain. But Spain is not the only troubled area in Europe. There are few countries on the continent that are not undergoing a social and political revolution. In some, the revolutionary forces of the left or of the right have already attained

power more autocratic than the regimes they have displaced; in others, the struggle still continues; and even in those countries that still seek progress by ordered freedom, the repercussions of the upheavals elsewhere spread fear and confusion. No country, however distant and however preoccupied by its own problems, can be unconcerned with the revival of violence, intolerance and disregard of the rights of weaker states. To countries in the whirlpool or on its verge the situation is particularly disturbing and of overwhelming import. It is not surprising that in democracies such as Britain and France the imminence of these threats to national and social and individual security, and the close association and sympathy of groups in each country with one or other of the forces and theories warring in central and eastern Europe, have led to a wide and violent conflict of opinion as to the policy that should be adopted to meet these new conditions. There are many shades and variations of opinion, but two main tendencies have developed.

In the opinion of one group, Armageddon has already come, the forces of light and darkness are irrevocably swinging into battle line for the final test of destiny. Europe and liberty, it is contended, can be saved only if the democracies firmly and unitedly call a halt here and now. The other widespread attitude is to recognize the situation as dangerous, but to insist that the policy of dividing Europe or the world into two antagonistic camps, organizing a holy alliance against fascism, would be still more dangerous, and is neither possible nor necessary. There is no warrant, it is urged, for fighting a preventive war or for seeking to form a hard and fast alliance against the authoritarian states. If such an alliance could be formed, it would only drive the fascist countries into firmer alliance and put any possibility of peaceful settlement out of the question. The wiser policy, it is urged, is to try to bring all Europe back to sanity, to emphasize and strengthen the points of agreement, not of difference, to seek to adjust each specific difficulty in turn. In what I have just been saying I am not stating my own views, I am stating the views which I believe are contending against each other in Europe to-day.

I am sure that every government in Great Britain since the war, and certainly not least the present government, has striven for peace. Differences of opinion may exist as to the wisdom of the policies adopted toward that end at different times. Governments may have failed to appreciate the strength and trend of changing forces, but taken broadly they have shown a realism and a patience that few if any other countries can equal.

I do not consider we are called upon to pass judgment or to take sides in United Kingdom discussions. Inevitably the rise of such contentious issues, such party cleavages, lead to efforts to secure or to claim the support of Canada or Australia or South Africa or New Zealand for one or other view. Statements appear in the British press that "the dominions" demand this or that, that Australia supports the government or that New Zealand supports the opposition view. So far as the Canadian government is concerned, it does not consider that it is in the interest either of Canada or of the commonwealth to tender advice as to what policy the United Kingdom should adopt week by week, or become involved in British political disputes. We have expressed no opinion on that policy, and no one in London is authorized or warranted in interpreting us as doing so.

Incidentally, may I say that the time has come to cease speaking of "the dominions" as if they were some peculiar half-fledged type of community, and all alike in their interests and views. Such a usage leads to confusion at best, and to alibis and misrepresentation at worst. South Africa is South Africa, New Zealand is New Zealand, Australia is Australia and Canada is Canada, and it will help to good understanding if that elementary fact is borne in mind.

Canada's position clear.

We have made clear our own policy as regards the league. We have indicated our own attitude toward the frequent demands that we should thrust ourselves into the European picture, take sides in the struggle of ideologies, make commitments in advance. We have equally made it clear that we are opposed

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to making in advance proclamations of neutrality or abstention that would be used to encourage aggressive designs. We shall try to maintain old ties and old friendships and at the same time be ready to enter into friendly relations with every country that will reciprocate. We shall try to keep in mind the difficulties and dangers that other countries are facing, but we shall not assume that it is our duty or within our power to work out their problems for them, to make over their social structure or their political ideas or their racial attitudes. In seeking within our own country, which constitutes half a continent, to build up a genuine democracy, to promote sound social relationships, to develop a tolerance and readiness to work together in achieving unity and furthering and maintaining the ties with the other members of the commonwealth, and the most friendly relations with our immediate neighbour and with all other countries, we shall be doing the task that lies to our hands, our Canadian task.

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CANADIAN FOREIGN POLICY

Statement of Canada's Position with respect to External Affairs

by the Rt. Hon. W. L. Mackenzie King

House of Commons, Ottawa, May 24, 1938

THE WORLD SITUATION

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Lost Opportunities

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Need to safeguard possibilities of attack

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No automatic commitments

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Les constructeurs de ponts

DISCOURS PRONONCÉ PAR

LE TRÈS HONORABLE W. L. MACKENZIE KING, M.P.
Premier ministre du Canada

LORS DE L'INAUGURATION
DU PONT INTERNATIONAL DES MILLE-ILES, À IVY-LEA (ONTARIO)
ET COLLIN'S LANDING (NEW-YORK).

18 août 1938.

OTTAWA
J.-O. PATENAUDE, O.S.I.
IMPRIMEUR DE SA TRÈS EXCELLENTE MAJESTÉ LE ROI
1938

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Les constructeurs de ponts

DISCOURS PRONONCÉ PAR

LE TRÈS HONORABLE W. L. MACKENZIE KING, M.P.
Premier ministre du Canada

LORS DE L'INAUGURATION
DU PONT INTERNATIONAL DES MILLE-ILES, À IVY-LEA (ONTARIO)
ET COLLIN'S LANDING (NEW-YORK).

18 août 1938.

J'avais souhaité que le Dominion du Canada, en cette occasion, fut représenté par le Gouverneur général, le très honorable Lord Tweedsmuir. Son Excellence se promettait depuis des mois d'assister à ces cérémonies. Les dernières paroles qu'il m'adressa lors de son départ, la veille de la prorogation de notre Parlement, furent celles-ci: " Nous nous retrouverons à Ivy-Lea ". Je sais à quel point il doit aujourd'hui être contrarié d'avoir été forcé de différer le moment de son retour.

Le plus vif regret de Lord Tweedsmuir sera de ne pouvoir, dans cette atmosphère inoubliable, resserrer les liens de l'amitié qu'il a pour vous, monsieur le Président, et célébrer avec vous cette autre amitié qui existe de si longue date entre le peuple des Etats-Unis et le peuple du Canada. Le fait que Lord Tweedsmuir foule actuellement le sol anglais suffit à nous rappeler, dans une sphère plus large, les excellentes relations qui existent entre les Etats-Unis et toutes les nations du Commonwealth britannique.

Je veux dire à M. Russell Wright, au président de la Commission du pont des Mille-Iles, aux autres membres ainsi qu'à mon ami M. George T. Fulford, combien j'ai moi-même apprécié leur cordiale

invitation et combien je prise l'honneur d'assister à la cérémonie de cet après-midi. Moi aussi, je puis me flatter de jouir, depuis plusieurs années, de l'amitié du Président Roosevelt. Comme lui, j'ai cherché toutes les occasions de réunir dans un même sentiment d'amitié et de bienveillance réciproque, non seulement les peuples anglophones, mais tous les peuples du globe. Je me réjouis de pouvoir me joindre aujourd'hui au Président pour signaler aux autres nations ainsi qu'à mes propres concitoyens la haute portée de cet événement et tout ce que symbolise cette nouvelle construction dont l'ouverture au public constitue la raison d'être de cet immense rassemblement international.

Témoignage de reconnaissance au Président Roosevelt pour ses visites au Canada

Au nom du Gouvernement et du peuple canadiens, je tiens à dire au Président Roosevelt combien nous sommes heureux et honorés qu'il ait pu encore une fois nous rendre visite et accepter un grade honorifique de l'une de nos principales universités. Je me permets également, au nom de tous les Canadiens, de remercier tout particulièrement le Président de l'allocution qu'il a prononcée ce matin à l'Université Queen's. Son discours remplira de joie les cœurs de ceux qui sont vraiment épris de justice, de liberté et de paix. En trois ans, c'est la troisième visite officielle du Président des Etats-Unis au Canada. C'est avec un sentiment de fierté et de vive satisfaction que nous nous rappelons celle qu'il fit à la vieille citadelle de Québec le 31 juillet 1936. Le 30 septembre de l'an dernier, avant de s'embarquer pour une croisière sur le Pacifique, il en faisait une autre, très courte, à la province de l'extrême ouest du Dominion, honorant de sa présence la magnifique capitale de la Colombie-Britannique, Victoria. En se rendant ce matin à Kingston pour recueillir un parchemin de docteur en droit de l'Université Queen's, il a honoré une autre de nos villes historiques qui, il y a un siècle, passait pour la citadelle du Haut-Canada. Ce furent là des visites officielles, faites en un temps de responsabilités écrasantes, alors qu'il exerçait les plus onéreuses fonctions d'Etat.

J'évoque avec plaisir d'autres visites, dépourvues de tout caractère officiel. Les riverains de l'Atlantique, encore plus que ceux du Pacifique, ont souhaité régulièrement la bienvenue au Président Roosevelt. Depuis nombre d'années, pendant les mois d'été, le Président passe ses vacances sur l'île de Campobello, au large de la côte du Nouveau-Brunswick. Ses visites, tant personnelles qu'officielles, nous prouvent la place que tient dans son cœur—comme dans le nôtre d'ailleurs—la politique de bon voisinage. Le Gouvernement et le peuple du Canada sont profondément reconnaissants au chef du gouvernement des Etats-Unis de ses nombreuses expressions d'amitié et de bienveillance internationales à leur égard. L'univers, dévoré d'inquiétude, aurait raison de s'associer à ce témoignage de gratitude.

Importance des universités du Canada et des Etats-Unis au point de vue international

En présentant ses hommages au chef du gouvernement des Etats-Unis, l'Université Queen's a pu en même temps payer un tribut d'estime et d'amitié durable à nos voisins eux-mêmes. Les Canadiens seront tout particulièrement enchantés de cet hommage, présenté par une université de traditions académiques aussi éprouvées que vénérables et qui a donné à notre pays, dans le double domaine des professions et de la politique, tant de ses fils les plus dévoués à la chose publique.

Je crois bon de signaler ici que l'échange de professeurs et d'étudiants par les universités des deux pays a largement profité aux deux peuples. J'ai l'espoir que cette fraternité du savoir contribuera à accentuer encore l'harmonie qui règne entre eux.

L'on ne m'en voudra pas, j'espère, de dire que la cérémonie de ce matin m'a remémoré très vivement tout ce que je dois aux universités des Etats-Unis pour les études et recherches post-universitaires qu'elles m'ont donné l'avantage de poursuivre. Bien loin de l'atténuer, les années n'ont fait qu'accroître le sentiment de ma reconnaissance pour les horizons qui m'ont ainsi été ouverts. J'éprouve un plaisir particulièrement sensible à évoquer mes rapports univer-

sitaires avec Harvard qui est aussi l'*Alma Mater* du Président; c'est là, lors d'un événement semblable à celui qui nous réunissait ce matin, que j'ai eu le plaisir de connaître M. Roosevelt et de nouer avec lui une amitié qui ne fut pas sans influencer la vie politique de nos pays respectifs.

La Tamise et le Saint-Laurent

Je prends maintenant la liberté de parler de la cérémonie de cet après-midi et d'en souligner la signification. On ne peut s'empêcher de ressentir un certain contentement à voir achevée une entreprise publique importante. Je m'unis à l'assistance pour offrir les félicitations les plus chaleureuses à tous ceux qui ont contribué à la conception, à la construction et au parachèvement du pont international des Mille-Iles.

En mai de l'an dernier, lorsque j'assistais, à Londres, au couronnement de Leurs Majestés le Roi George et la Reine Elizabeth, l'on m'a fait l'honneur de m'inviter à inaugurer le pont de Chelsea, sur la Tamise. Je songeais naturellement aux gloires de ce fleuve historique dont les rives, en plus d'offrir à tous un spectacle champêtre réjouissant, s'enorgueillissent de villes fameuses telles qu'Oxford et Londres. Je me suis rappelé alors que les eaux de la Tamise furent les témoins des glorieuses revendications de la liberté qui a valu à la race britannique un rang si élevé dans le monde. Je me suis souvenu également que ces affinités spirituelles constituent une partie du patrimoine du Commonwealth britannique.

Tout cela me revient à l'esprit au moment où je cherche à définir la signification de la fête d'aujourd'hui. Seulement, au lieu de la Tamise, c'est le Saint-Laurent qui occupe maintenant nos pensées. Ce dernier, non plus, n'est pas sans histoire et cette histoire, tous les peuples de notre continent peuvent à juste titre en être fiers. Notre fleuve possède aussi de grandes beautés naturelles. Dites-moi s'il se trouve sur notre planète un autre pays doté d'une entrée aussi majestueuse, aux charmes aussi variés et aux proportions aussi gigantesques? Le Saint-Laurent à son tour a vu s'élever, sur ses rives,

villes, capitales et universités. Ses eaux, comme celles de la Tamise, furent le théâtre de bien des luttes qui ont contribué à raffermir la liberté.

Symboles d'unité nationale et d'amitié internationale

Voilà donc des points de ressemblance loin d'être dénués de sens. Mais il y a, en même temps, des différences qui sont de nature à frapper davantage le monde contemporain. De sa source jusqu'à la mer, la Tamise n'arrose qu'un seul Etat. Ses eaux sont essentiellement nationales, tandis que celles du Saint-Laurent sont, dans une grande mesure, internationales. Elles séparent ce qu'elles unissent. Les possibilités de conflit entre les deux pays ne sont pas amoindries du fait que leur frontière est tracée en partie par une immense voie navigable se déployant sur une distance de mille milles depuis l'intérieur du continent jusqu'à la mer. Sur la majeure partie de ce parcours, ce sont des rivières et des lacs qui marquent la frontière internationale du Canada et des Etats-Unis.

Le pont de Chelsea met en relief et rehausse l'héritage commercial et culturel commun aux habitants des deux rives de la Tamise; un seul peuple dans un même pays. Notre pont des Mille-Iles met en relief et, nous n'avons aucune raison d'en douter, rehaussera au cours des années, l'héritage commercial et culturel commun aux habitants des deux rives du Saint-Laurent; mais ce sont deux peuples au lieu d'un. Le pont de Chelsea se dresse comme un symbole d'unité nationale, celui-ci comme un symbole d'amitié internationale. C'est un lien de plus ajouté aux nombreux liens unissant deux peuples qui rivalisent, non pas par des querelles et par des armements, mais par leur zèle pour la paix et leur esprit de conciliation. C'est sur un pont, symbole d'amitié et de bienveillance internationales, que nous célébrons, encore une fois, la paix plus que séculaire qui règne entre les Etats-Unis et le Canada. Quand nous songeons que ce sont des délimitations de frontières qui mettent la paix en péril dans d'autres parties du globe, force nous est de conclure que la manifestation à laquelle nous prenons part comporte un certain enseignement pour les autres nations.

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La communauté de traditions ne constitue pas une garantie suffisante de paix

D'aucuns peuvent croire que nous devons cette réalisation à des traditions communes, ou que la différence marquée qui existe entre nos frontières et celles qui séparent les Etats sur d'autres continents est l'œuvre du hasard. Il est vrai que nous pouvons revendiquer notre part de la culture de deux vieilles civilisations. Les noms de Champlain et de Frontenac, de Marquette et de LaSalle ne nous appartiennent guère plus qu'à vous et aucune plume n'a mieux su faire revivre leurs exploits que celle de votre historien Francis Parkman. En outre, jusqu'en 1776, l'histoire et le patrimoine du Commonwealth britannique dont je viens de parler étaient autant l'apanage des treize Colonies que le nôtre.

Ces traditions communes n'ont pourtant pas suffi à nous assurer la paix. La Guerre de Sept ans, la Guerre de l'Indépendance américaine, la Guerre de 1812, la Rébellion canadienne de 1837-1838 ont toutes eu le Saint-Laurent et les Grands Lacs pour théâtre de conflits importants. Les ancêtres de ceux qui sont rassemblés ici pour se réjouir de ce qu'on ait trouvé un moyen nouveau de servir leurs communs intérêts et de cimenter leur amitié étaient, à ces époques agitées de notre histoire, des frères ennemis qui se faisaient la guerre, tantôt dans un même pays, tantôt des deux côtés de la frontière.

La nature humaine est généralement la même partout. En somme, nos populations ne diffèrent pas sensiblement, quant à l'origine, de celles de l'Europe. Elles sont même en très grande partie composées d'éléments européens. L'un et l'autre pays ont leurs propres problèmes de race, de religion et de classe; chacun a sa large part de disputes politiques. Nous semblons néanmoins avoir trouvé le meilleur moyen d'obtenir et de maintenir la paix.

L'art de jeter des ponts entre nations

Le meilleur moyen, voilà ce qu'illustre cette route internationale. L'entreprise est gigantesque, mais elle est faite de lopins de terre ferme et d'une série de ponts. Là où la terre ferme a manqué et où,

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par conséquent, la route s'arrêtait, on a jeté des ponts qui sont des constructions imposantes joignant l'utile à l'agréable.

De même, dans le domaine international, nous avons appris à aplanir nos difficultés en recourant à l'art d'ériger des ponts. Un pont est en vérité le plus frappant symbole d'unité et de rapports amicaux. Depuis l'antiquité jusqu'à nos jours, les ponts ont servi à relier deux endroits isolés l'un de l'autre. Leur seul aspect suggère les difficultés vaincues, les obstacles surmontés ainsi qu'un élargissement de la voie du progrès dans la paix. Soit qu'ils aient eu à tremper l'acier et à tailler la pierre, soit qu'ils aient eu à trancher dans les réalités intangibles du domaine spirituel, les peuples de notre continent ont été la plupart du temps des constructeurs de ponts vraiment dignes de ce nom. En politique comme dans les entreprises de voirie, c'est une grande chose, monsieur le Président, que de savoir jeter un pont.

Puisque nous en sommes sur l'art de jeter des ponts entre nations, je tiens à dire un mot de deux œuvres qui s'identifient avec le Saint-Laurent et les Grands Lacs. Ce sont deux monuments de collaboration et de bienveillance internationales. Le premier est le Traité Rush-Bagot de 1817; le second est la Commission des Eaux limitrophes instituée en 1909.

Le Traité Rush-Bagot, ou un moyen d'éviter la course aux armements

Avant et pendant la Guerre de 1812 surgirent des citadelles et des arsenaux. Des chantiers maritimes furent aménagés, et des navires armés firent leur apparition dans les eaux du Saint-Laurent et des Grands Lacs. Des forts ennemis se défiaient d'une rive à l'autre. C'était là le prélude d'une course aux armements et si personne n'était intervenu, au lieu de célébrer aujourd'hui un centenaire de paix, c'est le bilan d'un siècle de méfiance, d'inimitié et de haine qu'il nous faudrait dresser. Pendant la Guerre de 1812, les chantiers maritimes de Kingston construisirent jusqu'à vingt navires armés, dont l'un, le *St. Lawrence*, jaugeait plus, et portait plus de

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canons, que le *Victory* de Nelson à la bataille de Trafalgar. Moins de trois ans après la fin de la guerre, nous avions heureusement pris la résolution d'invoquer la Raison plutôt que la Force et de substituer à tout vestige de mauvaise entente une bonne entente qui soit durable et capable de braver les années. En vertu du Traité Rush-Bagot, l'ensemble de la force armée des Grands Lacs, du Saint-Laurent et du lac Champlain ne devait pas dépasser 6 navires armés, jaugeant au plus cent tonnes chacun et portant un canon à projectile de dix-huit livres.

Le premier du mois, j'avais l'honneur de présider à une nouvelle inauguration de l'imposant fort de Kingston, récemment restauré. Son nom est le Fort Henry. Lui aussi doit beaucoup de sa taille et de sa solidité à la Guerre de 1812 et à la crainte d'une invasion du Canada par son puissant voisin. Le Fort Henry a été reconstruit, non pour repousser, mais pour inviter les invasions des Etats-Unis.

Le Traité Rush-Bagot était un arrangement à base d'abnégation et, comme tel, offrait un moyen d'abolir les armements rivaux. L'application en était restreinte au Saint-Laurent et aux Lacs. En réalité, elle a eu pour effet de mettre fin à tout armement sur une frontière internationale qui va de l'Atlantique au Pacifique. Ce document important constitue la mesure la plus efficace qui ait été prise pour doter nos deux pays d'une paix durable.

La Commission des Eaux limitrophes, ou le couronnement d'une œuvre

La décision de ne plus nous armer l'un contre l'autre a été prise, je le répète, il y a plus d'un siècle. De nos jours, nous avons consacré cette décision en jetant d'autres ponts d'amitié et de concorde internationales. La Commission des Eaux limitrophes est de beaucoup le plus important de ces traits d'union. Elle a été instituée pour juger tous les différends susceptibles de se produire le long d'une frontière de quatre mille milles. Depuis un quart de siècle qu'elle fonctionne, la Commission a réglé plusieurs questions qui auraient bien pu s'envenimer. Ce rapprochement pacifique est d'autant plus

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significatif qu'il a permis aux Etats-Unis et au Canada de régler toutes leurs difficultés de frontières par la méthode et les procédés d'une discussion raisonnée, alors que, pendant ce temps, les pays européens et asiatiques redoublaient les fortifications de leurs frontières.

La tâche des constructeurs de ponts

Un mot pour conclure. L'effort international pour la paix, dont j'ai parlé et qui est si admirablement symbolisé par nos ponts internationaux, est né spontanément de notre commune détermination de vivre côte-à-côte en amis et en bons voisins. Ce sont là des actes de foi dans l'intelligence et la bonne volonté de l'homme. Ils évoquent pour nous un précieux héritage culturel et politique que nous entendons tous deux préserver et développer.

Nous savons tous combien nombreux et dangereux sont les défis portés à un ordre international fondé sur le droit. Quiconque analyse notre monde troublé et désaxé ne peut être que frappé par la force avec laquelle l'anarchie internationale cherche à s'imposer et à bouleverser l'ordre établi que nous considérons maintenant comme essentiel à notre civilisation. La tâche du constructeur de ponts n'est pas terminée. Je crois interpréter fidèlement le sentiment des deux pays en disant que, non seulement nous sommes déterminés à maintenir nos relations de bon voisinage avec les avantages d'une vie libre, ce qui est un héritage d'un prix inestimable, mais que nous espérons ardemment en constater les bienfaits dans le monde entier. Pour atteindre ce but, nous sommes prêts à construire d'autres ponts et à jeter sur les eaux troublées de notre époque les travées de l'amitié et de la liberté.

D 34588

I. Introductory

Begin with observations of a general character.

The present state of the world:

disturbed and seemingly chaotic,

wars, etc.

How has war spirit become so strong:

Great War never faded - other forces at work;

political and social revolutions,

new religions - new creeds - "isms",

problem left by Peace settlement,

economic depression,

lost opportunities.

Outlook dark - no need to despair.

D 34589

II. Canada's Foreign Policy

What it is, and Factors affecting.

Contention: Canada no foreign policy.

Analysis of -
no weekly announcement re foreign policy.

Nature of foreign policy -
Statement Imperial Conference 1923
course of action necessarily different.

Canada's foreign policy - simple, complex;

direct, indirect relations.

(a) **Direct Relations:**

1. With Members British Commonwealth
pros and cons - High Commissioner.

2. With United States
not thought of as foreign -
most important of all Legations.

3. Relations with countries in Europe: France,
Latin America,
Asia.
Largely trade and immigration.
State intervention in business.

(b) **Indirect:**

League of Nations,
British Empire.

3 loyalties.

D 34590

Direct Relations.

Foreign Policy defined:

1. As respects Great Britain - by P.M. Statement.

2. As respects United States - by Secretary of State Hull - Statement.

3. As respects Canada -

a policy that will serve to maintain unity at home, and friendly relations with all nations;

in other words, avoid ill-will, further good-will at home and abroad.

A policy based on the Canadian situation.

D 34591

Factors which affect our foreign relations:

1. Attitude towards other nations:

   No design of aggression;

   no ancient grudges;

   no desire to organize crusades in other lands;

   part of modern world;

   must keep sense of perspective.

2. Tremendous task at home.

   half a continent - our people.

3. Attitude of other nations towards Canada.

   More immediate objections.

4. Membership in League of Nations.

5. Parts of British Commonwealth of Nations.

D 34592

III. Canada and the League of Nations.

If not directly likely to be involved in conflict

Are we likely to be drawn into European conflict through the League?

Purpose of League -

Advance international co-operation and world peace.

Difference of opinion

how ends to be sought.

Canadian Government view:

Statement H. of C. and League 1936. Curzon.

(1) Develop possibilities of

conciliation,
co-operation,
world opinion.

Time required,
face realities.

D 34593

(2) Not possible to make League an International War Office.

An instrument of force - economic or military.

Statement - Geneva, 1936.

Unwillingness of people to incur unknown obligations.

Peoples have become aware of difficulties, consequences, horrors, strain, uncertainties

especially re sanctions.

Eden - 2 forms.

Non-universal League cannot be universal policeman.

(3) Definte Statement:

Canada cannot accept theory of automatic commitment

to application of force - economic or military.
Statement at Geneva clear.

Grounds for Canada's position:

Original draft covenant -
Peace by conciliation,
" " coercion,
predicated on universality.

Formal amendment not possible,
" " " necessary.

(Statement at Geneva)

D: 34594

Allegation - Canada responsible for

Wrecking collective coercion conception of League.

Collective security may mean:

collective conciliation,

" coercion.

- Exaggerated idea Canada's power and duty.

Unwillingness to face realities.

1. Influence any State at Geneva - limited.

2. Every member its own approach to problems.

3. Canadian Government did not cause other countries course of action -

did realize what likely to be,

did recognize one-way street,

did state view, 10 years ago, what was necessary.

Re: Kellogg Pact.

D34595

Views of League Members on latest occasion.

Question of sanctions reviewed by Council - January this year.

Committee of 28 - January & February.

Phases studied.
Report by Lord Cranborne.

Agreement - Article 16:

(1) never been enforced in entirety,

(2) only once partially attempted,

(3) No proposal apply in present wars,

(4) Member States not prepared to regard provisions of Articles 10 and 16 as binding.

(Declaration by Sweden).

Differences of view as to a coercive League.

Canadian Government's position:(as stated

Belief in universality,

but not necessary to make amendments

keep League operating -
scope practicable.

(Statement - Geneva 1936)

D 34596

Important make Clear Canada's position.

Absolute refusal to invoke sanctions in Sino-Japanese war.

Statement by Representative of Belgium in Committee 28.

In case of resurrection, - or out of cold storage.

Repeat position that stated at Geneva, 1936.

Not result of any recent happenings.

Sanctions articles have ceased to have effect by general practice and consemt, and cannot be revived by any State or group of States at will.

D 34597

IV. Canada and the Nations of the British Commonwealth, Especially United Kingdom.

Canada's relationship to their Foreign Policy.

Nature of task of United Kingdom in Foreign Affairs:

Extremely difficult;
Its own position;
Its position as a great power;
No difference of opinion re care and effort.

Repercussions of course of action of United Kingdom upon Canada.

Problem of adjustments occasioned by most difficult courses of action urged or practiced.

1. Accept British Policy

   implications of.

2. Accept British policy where in accord with League policy:

   view that intra-Commonwealth war relations solved;

   League does not act automatically

3. Advise Great Britain course she should follow:

   Britain's responsibilities her own people -

   difficulties and consequences.

D34598

4. Declare our neutrality here and now.

Tie hands of Parliament

parallel to participation in war;

Statement Session 1937;

unjustified toward Britain;

encouragement to potential aggressors.

5. Take position Parliament will decide when and if emergency arises.

Meanwhile, mind our own business,

and keep informed;

defence programme.

Further good-will toward all,

removed barriers to trade -

conciliation.

Statement at Geneva, 1936

= Canada's attitude and policy

D 34599

Re: Argument not Satisfactory to Postpone Decision:

Outweighed by dangers in raising discussion and reaching decisions on issues impossible to forecast.

Hull and Chamberlain's statements.

Policy not wholly satisfactory.

= with solution of relations peace time

" " " war "

not yet worked out.

Force an issue on country lead to further strain.

Explanation of Position taken on grounds of public policy.

Re: debates in House of Common:

Re: broadcasting.

D 3460

V. Canada and the Sino-Japanese Conflict.

Nature of conflict in China.

Canada's ties with China and Japan.
Tragedies brought home by telegraph, cinemas, etc.

Canada's interest and action in confliet.

Arising out of
(1) relations with British Commonwealth;
(2) League of Nations;
(3) Nine Power Treaty.

Re: Relation to Covenant of League.

Articles of.

Action of League:

Sept.- Assembly, Council, Advisory Committee resolution of, re airplane bombing accepted by Assembly.

Oct. - Sub-committee set-up
2 reports:
(1) Facts in present situation; breach of Treaty obligations by Japan.
(2) Expressed moral support for China;
9 Power signatories to examine situation.

Report and Resolution adopted by Assembly.

Result of League's treatment of situation not helpful.

Question of sanctions studiously avoided.

Reasons for - plain facts.

D34601

Re: Relations to 9 Power Treaty.

Purpose and provisions of Treaty different from Covenant.

The Brussels Conference - Nov. 1937.

Purpose of.

Countries represented.

Efforts of.

Japan's attitude.

Conference at an impasse -

declaration of

Italy's attitude,

attitude of 3 Scandinavian countries.

Worth holding Conference to see if more possible.

Canada concurred in action taken.

D 34602

VI. Canada and Spain.

Nature of conflict in Spain.

Dangers of.

Non-intervention Committee - 27 European Nations.

Origin and work of.
Criticisms con and pro.

Canada's relation to Committee.

Re: Export munitions -
Order in Council July 1937,
Amendment Customs Act.

Recruiting Canadians -
Foreign Enlistment Act,
issue passports prohibited August.

Provision for control of Exports.

Basis and terms of.

System of permits for regulating exports.

Licence system re arms and munitions only.

Application only to Spain, not Sino-Japanese

Foreign Enlistment Act - Session 1937.

Terms and effect of.

D 3460

VII. Canada and Central Europe.

Nature of European situation.

Explanation of wide and violent conflict of opinion.

The two main tendencies developed:

1. Armageddon already come - therefore fight at once.

Germany and Italy committed to programme of conquest and domination.

Mediterranean a Roman Lake.

Middle and Eastern Europe to come under German domination.

Small powers to be brought to heel.

France's turn - Then England's.

Face Fascism 3 sides.
Communications with East threatened.
Communication French Africa cut off.

Europe and Liberty to be saved only by:

Democracies calling a halt.

Britain, France and Russia, with U.S. and smaller nations, under a new League or Covenant.

Serve notice re further aggression:

Spain;
Czecho-Slovakia.

General staffs concerted action.

Action to be taken today - or fight come later.

II. Recognize situation as dangerous - Seek to meet it by adjustments.

Insist policy dividing Europe or World into 2 antagonistic camps still more dangerous.

Exponents say -
Action by Germany reasonable adjustment;
Dictators programme not destiny;
No warrant to fight a preventive war;
" " for alliance against authoritarian states.

If alliance formed, would strengthen other alliance.

Wiser policy - bring Europe back to sanity, - adjustments one by one.

Opposing contentions correspond opposing parties views.

(See Spender re forcing government into war).

British Governments sought peace.

Canada not called upon to pass judgment or to take sides.

D 34604

Government's View:

(1) Not in interest of Canada or Commonwealth

(a) to tender advice;

(b) to become involved in British political disputes

(2) Re: "Dominions":

Canada has made clear her policies.

Canada must try to perform her own tasks - not assume it our duty or power to solve those of others.

Each country work out its own salvation.

Take task lies to our hands -

the Canadian task.

D 34605

Foreign Policy

D34606

General observations: - a picture of the world situation.

A disturbed and seemingly chaotic world.

Wars on the Continents.

Force glorified.

Pledges disregarded.

Armaments mounting.

Propaganda everywhere.

How has war spirit become so strong? How has dictatorship gained such ascendancy?

No one factor responsible.

No one country responsible.

The Great War never completely ended.

Effects and consequences being felt.

New will to peace found expression in a League -

but only temporary.

Other forces at work.

(a) Political and social revolutions in progress.

War had broken down accepted social structures,

conventions and restraints.

New controls established by violence,

dictatorship of a class;

dictatorship of an individual.

New men, with new ambitions, and new methods

thrown up a war.

D34607

Masters of violence and propaganda given free hand.

New religions of race,
or class,
or social doctrine,
all explosive,
expansive,
intolerant.

World called upon to subscribe to
new creeds of communism,
fascism,
or other "isms".

(b) <u>The peace settlement left problems, grievances, and created new problems,</u> which explosive forces exploited.

Some given freedom - denied freedom to others.

Some lost territory or prestige - stirred up to plan for vindication or revenge.

Some victors could not forget their fear or pride.

(c) <u>Economic depression which swept world in 1929 and years following</u> -

Itself a delayed consequence of war.

Sharpened every problem.

Shook security of individual.

Increased tension international intercourse.

Provided unemployed and recruits for new gospel.

D 34608

Depression outcome of crushing burden of debts
and reparations;
broke down international credit and currency
arrangements;
created new customs barriers, new vest economic
interests.

(d) Opportunities of improving conditions in last 10 years lost

No realistic settlement of war debts and reparations.

Trade barriers increased, not reduced.

League ineffective - some would say by force
in Manchuria in 1931,
in Checho,
in Ethiopia.
others would say -
fear of, and attempt to use
collective force to maintain
Versailles settlement not possible.

Failure during disarmament discussions 1932 to 1934
to recognize futility of maintaining against Germany
the one-sided policy of disarmament prescribed by
Versailles Treaty.

Failure to make moderate concessions to a democratic
regime in Germany.

D 34609

A dark outlook but not one that calls for despair.

Fevers will run their course.

Some measure internal stability will be attained.

No European leader likely to run risk of a great war.

Pressure politics continue.

Equilibrium of military force at higher level.

The Western and North Atlantic world not greatly affected by countries' trends.

Where democracy firmly established - still seek to maintain liberty at home, and further peace abroad.

D 34610

What is Canada's foreign or external policy in such a world?

Contention Canada has no foreign policy.

On analysis = Canadian Government does not make weekly announcements about other countries' foreign policies.

= Assumption foreign policy is something that must be made in Geneva, in London, or Moscow, according to centre of Speaker's interests.

= And that Canada should line up in support of or opposition to other countries' foreign policies.

What is really meant by Foreign Policy - or External Policy?

Foreign policy a composite sort of thing.

Large part an extension of domestic policy.

= sum of dealings -

or relationships,

or policies

which the Government of one country carries on with other countries,

depends on whole background of a people's life

balance of social and political forces

on industrial organization.

(See statement of foreign policy Imperial Conference, 1923)

D34611

Foreign policies necessarily differ

(a) No two countries have same neighbours,
relationships,
questions, or
policies for solution.
Argentine and Finland,
China and Switzerland -
widely different
preoccupations.

(b) World movements, trade, cultural, Military, affect
affect no two countries alike,
or in same degree.

(c) So in times of world disturbances
policies of no two countries can be the same
if rooted in their own interests,
and not mere echoes of policies of
other countries.

Question of foreign or external policy for Canada

At once extremely simple and extremely complex - direct and
indirect.

Our direct and individual relations - Important -
involve difficulties and
differences of opinion.
Best issues are within our
knowledge and competence.
Issues for which we can find our
own solution.

Our indirect relations

(1) as a member of British Commonwealth of Nations;

(2) as a member of the League of Nations - present a more varied and complicated character.

Contrasted with those of U.S. for example we have 3 loyalties -

(1) to ourselves - Canada;

(2) to the British Empire;

(3) to the League of Nations,

to their one - the United States - unless we add in case of both - some Pan-American loyalty, in which case we would stand 4 to 2, if not 4 to 1.

What with U.S. would be a direct relationship,

With us would be an indirect one.

D 34613

Our direct relations with other countries increasingly important.

1. In large measure they are relations with other members of the British Commonwealth.

(and here we have indirect relations as well)

Questions frequently difficult -

involve (especially in trade matters) conflicts of opinion between different sections or interests in our own country

but settlement comparatively easy due to frank and friendly attitude which exists.

Understanding based on similar political social ethical standards and ways of life.

Understanding aided by constant communication, and conferences between Governments - High Commissioners in London and Ottawa.

A national asset to be part of a large and powerful family.

2. Also in large measure relations with

our Great Neighbour - the U.S.

so intimate and continuous some imagine they are not foreign relations at all, and do not constitute foreign policy at all.

Some think foreign policy should mean only relations with distant countries with which we have little contact or connection.

Relations with U.S. constitute, and will always constitute by far most important part of our foreign policy.

Not always easy to carry on.

Real differences of interest arise.

Differences expressed with an openness and frankness -

leave nothing to be concealed.

Constitutional division of authority complicate agreement.

A good deal of friction has existed -

Exclusive trade policies -

Pin pricking attitudes have aroused resentment, bur largely disappear

D 34615

On both sides of Border a realization of common ideals and interests.

A genuine friendliness and increasing understanding facilitate agreement.

Growth of understanding greatly aided by Legations at Washington and Ottawa -

Prompt and effective consideration of questions.

A national asset to have a good neighbour.

Increasingly close relations with other lands:

in Europe (especially France),

in Latin America,

in Asia.

Largely, but not wholly, relations of trade and immigration.

Need for intervention of government on behalf of business man greatly increased.

e.g. Increasing intervention of State in business in many countries abroad.

Growth of exchange controls.

Quota regulations.

State monopolies

no longer permit the business man to do business in the old way.

Intervention of government needed to ensuire fair and definite opportunity to carry on business.

Foreign Policy of Great Britain defined by Prime Minister of Great Britain.

See Statement.

Foreign Policy of United States defined by Secretary of State of United States.

See Statement.

See also statement by President Roosevelt (?)

Within our more limited range of activity:

say the same thing.

Our Policy (foreign and external):

A policy of peace and friendliness, (Peace is not a policy = an end)

good-will,

trying to look after our own interests

and to understand the position of other governments with which we have dealings.

A policy which takes account of:

1. Our political connections and traditions.
2. Our geographical position.
3. The limited numbers and racial composition of our people.
4. Our style of economic development.
5. Our own internal preoccupations & necessities.

In other words - based on the Canadian situation.

It is not and cannot be a speculative headline policy.

It is simply (1) the sum of countless dealings with other countries,

(2) the general resultant of an effort to act decently on every issue and incident that arises, and a hope of receiving the same treatment from others.

Factors which affect our relations with other countries.

Canada cherishes no design of aggression,
or expansion,
or revenge.

We have no ancient grudges.

" " " envy for others' possessions.

" " " ambition to control others' destinies.

" " " power or will to attach any other land for our own ends.

Nor are we inclined to organise or join in crusades in other countries.

We are a part of modern world
affected by policies and actions of other countries;
not indifferent to fate of democratic institutions,
the suffering of minorities.

But must <u>keep a sense of perspective</u>.

D 34618

Speeches re Austria, Spain, Santo Domingo,
afford emotional outlet;
do not give power to shape destinies of other peoples.

We have tremendous task at home.
11 million people trying to develop half a continent,
to find a decent livelihood,
to build up a distinctive national life.

We have neither the power nor the knowledge to settle the destinies of countries thousands of miles away.

We are no more likely, of our own motion, to intervene in Europe, than Sweden, or Czecho-Slovakia, or Switzerland is to intervene in America.

In Canada itself we have an area as large as Europe
with problems of development and communication,
of adjustment of sectional and cultural groups
(which constitute great part of Europen "foreign affairs").

We are not asking and will not receive any help from outside.

Unlikely to have surplus of statesmanship to bestow on others.

D 34619

Unlikely other countries will single out Canada for attack.

This due to our neighbours and lack of neighbours;
strategic and transportation difficulties
of trans-oceanic invasion;
potential aggressors have objects of attack
nearer at home,
and potential rivals near at home.
Attack minor in degree and second hand (as world stands).
Incidental possibilities in times and conditions like
present not to be under-rated.
Canada, with vast areas, resources, slender population,
the most enviable prize in the world.
A heritage to be defended for those who come after.

All of this means if we are true to ourselves,
if Canada is true to herself, will will mind her own
business as largely as possible, leaving to nations on
other continents the settlement of their own affairs.

Statement H. of C. re Speeches.

D 34620

The League of Nations

Canada a member of League.

League founded for purpose advancing international cooperation and world peace.

From beginning, wide difference of opinion as how to achieve these ends.

Successive Canadian governments have supported one of these views.

Statement H. of C. June, 1936.

" at Assembly " "

See Statement by Sir George Perley.

Developments since have confirmed soundness of position taken.

Canadian Government's View:

(1) Only feasible and constructive basis of League activity under present conditions.

Develop all its possibilities of conciliation.

" " " " " cooperation in agreed tasks.

" " " " " shaping and focussing world opinion.

Statement - October, 1935.

Organize and strengthen forces of good-will.

Effect essential adjustment of conflicting national aims.

Lord Curzon's declaration.

D 34621

The desire, the need for saner method of regulating affairs of mankind continues.

We must adjust international relations to economic forces;

we must adjust international relations to scientific inventions,

which have made all nations neighbours.

We must adjust our theories and practices of National Sovereignty to the requirements of world cooperation.

The task cannot be performed in a day

by shutting our eyes to facts,

by assuming nations ready to resign their Sovereign right of decision to a world super-state.

We must build on what exists,

" extend the habit of cooperation in wider fields,

" seek to remove causes of friction and fear.

D 34622

(2) Our belief equally definite,

at present juncture of world affairs.

Not possible to make the League

<u>an international War Office,</u>

<u>an instrument of force</u>

economic or military.

Statement - Geneva 1936.

(A) <u>Unwillingness of peoples to incur obligations, etc.</u>

(1) May be unable to fulfil in time of crisis.

(2) Unforeseen time, place, or circumstances, or absence of control of cause.

(3) Difficulty of automatic intervention increases when conflicts become struggles between

classes,

economic systems,

social philosophies,

religious faiths,

as well as Nation.

D 34623

(B) Peoples have become more aware of:

(1) Difficulty of localizing and restricting a war once it has begun.

(2) Consequences of war different from their real or alleged objects.

War is war, regardless of labels or slogans devised at outset.

(3) Horrors and suffering involved from indiscrimate air and gas attack - explosive, incendiary, and poison gas bombs.

(4) The strain on national unity and social order a long struggle involves.

(5) Uncertainty, whether individual liberties can be maintained.

(6) The difficulty of putting on economic sanctions unless countries possess overwhelming force,

" " firmly bound to apply military sanctions,

" " prepared to exchange in advance firm and explicit territorial and military guarantees.

Statement by Eden re two forms of sanctions:

Ineffective - not worth putting on.

Effective - mean the risk, if not the certainty of war.

A League, short of universality, cannot carry out role of universal policeman.

D 34624

Definite Statement of Canada's Position.

Does and cannot accept theory of automatic commitment to the application of force - economic or military.

Statement at Geneva - clear.

Grounds for Canada's position:

1. Covenant as originally drafted provided alternatively
   (a) for peace by conciliation;
   (b) for peace by collective coercion.

2. In original conception covenant predicated upon the practically universal acceptance of its provisions.
   Without this (b) seeking peace by collective coercion - embodied in Articles 10,16,17 would not have found a place.

3. Recognized formal amendment of Covenant by removal of these articles not possible - due to difficulty of securing action by 2/3 of members, even where in agreement.

D34625

4. Formal amendment not necessary -

Statement at Geneva, 1936.

(a) As powers and duties of League develop by usage and experience as well as by explicit amendment.

(b) What members will and will not do, can be read more clearly from what they have done and have not done than from text of Covenant.

(c) Duty today to register, in light of actual facts, experience of 16 years, in light of (1) interpretations given; (2) action taken and not taken as occasion for decision arose.

(d) A fact many provisions of Covenant have

(1) have not been observed

(2) have been applied unequally or ineffectively.

(1) Pledge for reduction armaments (Article 8) not been honoured.

(2) Provision re revision of treaties "which have become inapplicable" (Article 19) a complement to Article 1[illegible] have not yet been applied.

D 34626

(3) Sanctions provisions of Article 16 - tacitly recognized as unworkable in entirety and modified by Assembly Resolutions in 1921.

Sanctions against an aggressor never tried where conflict took place in Asia or America. When applied in Afro-European conflict - failed and abandoned because of general unwillingness to press force to point of war.

Some strong advocacies of collective coercion theory in Canada have said Canada responsible for wrecking this conception of League.

This view part and parcel of

(1) exaggerated idea of Canada's power and duty;

(2) unwillingness to face the realities as to attitudes of other states that underlies the advocacy of the 100% sanctions doctrine.

D 34627

1. Influence of any small state at Geneva definitely limited.

(except when occasionally it acts in direction of one or other of Great Powers' wishes).

2. Every member of League from Europe, Asia, or America has (1) its own approach to problems of League;

(2) its own views of its interests - or the League's interest.

3. Canadian Government

(1) did not cause other countries to take action or lack of action they have taken.

(2) It did in some measure realize what that course of action was likely to be.

(3) It recognized that in opinion of many countries most influential in League, covenant was intended to be a one-way street, operating towards Europe not from Europe.

Chaco and Manchuria confirmed this Analysis.

(4) 10 years ago, Canadian Government made clear its view as what necessary re military and economic sanctions.

(Statement re Kellogg Pact)

D34628

Latest occasion - views - League members re Sanctions.

In Council of League - January meeting.

In Committee of 28 - January and February.

" " " " appointed by 1936 Assembly to explore application or reform of Covenant.

Every phase studied by special rapporteurs:

1. Problem of universality.
2. Co-operation with non-member States.
3. Regional or continental organization of League.
4. Methods of amending or interpreting Covenant.
5. Article 10 - territorial integrity.
   " 11 (
   " 12) intervention in disputes.
   " 13 (
   " 14)
   " 16 (sanctions.
   " 17)
6. Separation of Covenant from Peace Treaties.

D 34629

Re: Problem of Universality -

possibility of securing participation of all States in League.

Surveyed in report by Lord Cranborne

envisaged 3 types of League:

1. A coercive League,
2. A non-coertige League,
3. An intermediate League -

Members retain right to apply sanctions where considered adivsable.

This Report only one formally before Committee - January and February.

Led to discussion on whole range of Covenant, (particularly Article 16) -

in discussin universality necessary to consider necessary changes, and whether changes desirable or practicable.

Discussion brough out radically different points of view.

One point of agreement in practice -

Article 16 had (1) never been enforced in entirety,

(2) only once partially attempted,

(3) no proposal to apply it in conflicts now waging,

(4) Member States not now prepared to regard Articles 10 and 16 as binding.

(Statement by Sweden -

League in practice ceased to be a coercive League.

D34630

Wide difference of opinion as to

(1) whether coercive League was or was not desirable,

(2) whether existing practice should be translated into amendments to text of Covenant.

Paul Boncour admitted ground for fear by certain small powers that Great Powers might demand its strict observance in conflicts in which they were concerned.

Some small States also appeared desirous to maintain possibility sanctions being used in their support, though not ready to pledge their use when others were in need.

Broadly speaking -

The U.S.S.R., France, Spain, China, Iran (Persia), Czecho-Slovakia, Mexico, Colombia, New Zealand.	indicated conviction that: (1) ultimately, if not now, sanctions might be workable. (2) a mistake to take Articles 10 and 16 out of Covenant.
Sweden, and other Scandinavian States,	emphasize danger of present ambiguous position.
Holland, Belgium, Switzerland.	Sweden and Holland proposed Article 16 be formall recognized as optional and not obligatory.

Poland indicated definite qualifications.

Chili urged removal all sanctions.

Canadian Government's Position: (as urged by its representative on Committee)

1. Indicated belief in necessity attaining substantial universality for effective working of League.
2. Did not consider now possible to obtain universality by putting through formal amendments to Covenant.
3. Thought best to keep League operating, within scope which experience had shown to be practicable, -
   seek a more opportune time for formal adjustments to secure co-operation of all States prepared to renounce aggression.
4. Announced Canada's position re sanctions - as set forth in Prime Minister's statement at Geneva.

Important to make very clear Canada's position.

True - No one in recent discussion at Geneva ventured to hold sanctions Articles were now in force.

League members, great and small, absolutely refused to invoke sanctions in present conflict between Japan and China.

Statement by representative of Belgium today anxiety to avoid procedures that might lead to application of Article 16.

(See Statement)

D 34632

Also True - in phrase of another speaker -

possibility Article may be resurrected,

or, said elsewhere,

may be taken out of cold storage,

when it suits interests of some members that now completely ignore its existence.

Also True - Canada has never been convinced of feasibility of these provisions.

To avoid possibility of ambiguity or misunderstanding desirable to repeat:

(1) That position indicated in Assembly in 1936;

(2) That position indicated in House of Commons earlier in same year.

Remains position of Canadian Government.

D 34633

(a) We recognize honesty and idealism of those who call for a universal and automatic application of sanctions.

(b) Do not consider it would make for honesty, or decency, or good-will to attempt an <u>in and out interpretation</u> of Covenant, based on varying interests of some of members of League.

(c) We cannot recognize right of any members of League to demand for itself the economic or military aid it refused to extend to China - that would be <u>a travesty of the Covenant</u>.

(d) So far as Canadian Government is concerned the Sanctions Articles

(1) have ceased to have effect

(a) by general practice,

(b) by consent;

(2) cannot be revived by any State or group of States at will.

Canada's Relationship to the Foreign Policy of
Other Members of British Commonwealth
and particularly to the United Kingdom.

The task of the United Kingdom in field of foreign affairs an extraordinary difficult one of late years.

Its own position has been modified

(a) by shifts in balance of power throughout the world;

(b) by invention of weapons of war which have

(1) ended its own insularity,

(2) introduced new factors into the Mediterranean area;

As one of Great Powers has had to consider

(a) not only its own protection,

(b) but maintenance of peace throughout world and particularly on continent of Europe.

Difference of opinion may exist as to wisdom of some of policies adopted.

There can be little question of

(a) unremitting care and anxiety which those responsible for foreign policy of Britain have devoted to their task;

(b) the strong and determined effort to establish peace and to maintain respect for solemn pledges and principles of law.

D 34635

Course of Action adopted by United Kingdom in foreign affairs cannot fail to have repercussions upon Canada and other Dominions.

Problem of adjustment this fact presents is one of most difficult and complicated that faces Canada and other Dominions.

Course of action urged or practiced:

1. Accept British policy -

say we accept any policy adopted by British Government of the day - give it our support regardless of our own views, and interests, and consequences.

The implications of this view should make its exponents hesitate to adopt it in all cases.

Goal of United Kingdom policy may remain the same - paths by which goal sought vary widely.

It would involve following:

(a) every variation in the trend of British policy due to changing situations on the continent
changing party fortunes,
changing ideas of national advantage.

D 34636

(b) One year a Conservative government.
Next year a Labour government.

(c) One year leaning towards collective security.
Next " " " isolation.

(d) One year toward peace at any price.
Next " " war at any cost.

2. Accept League policy.

British Policy, conditional on League and Covenant.

Accept the policy of Great Britain whenever she acts through the League and in accordance with the Covenant.

Some used to hold that as all parts of Commonwealth were members of League

and Great Britain not go to war

except under a League decision,

and in accordance with a covenant, binding all parts equally and automatically,

intra-Commonwealth war relations conveniently and permanently solved.

Experience has shown that League does not operate automatically -

that question, whether sanctions, or war provisions to be set in action depends on whether influential European members of League wish to invoke these provisions.

D 34637

3. Advise Great Britain course she should follow -
so we would not be involved in consequences of
a policy we thought wrong.
e.g. Spain.
Occasions arise where consultation necessary & possible.
Difficulty - U.K. Government must be responsible to its
own people for its actions -
direct and main responsibility for its
policy must rest with its own
Parliament.
They are closer to danger point.
Must bear brunt of failure or misjudgment.
Might accept advice, if in accord with their views,
otherwise would not, unless adviser could
guarantee against consequences.

Canada, Australia, New Zealand, and South Africa
might not all advise the same way.
U.K. would still wish to consult other European powers.
Danger of intervening in controversies between Government
and Opposition at Westminster.
Often not time or opportunity for consultation or advice.
A policy not adopted at one stroke is sum of many
actions - accumulated decisions.
(Policy - Course of action to be followed
attitude underlying purpose)

D 34638

4. <u>Declare here and now our neutrality</u> in any future conflict.

Government's position on this proposal.

This proposal would mean Parliament's hands tied
regardless of circumstances of war,
" " participants,
" " whether interests of Canada
involved or not.

Re: participation by Canada in war -
our Parliament to decide.

Take attitude re neutrality similar to one re
participation.

No commitments to participate.
" " " remain netrual under all circum-
stances.

Our policy - Parliament will decide
re participation,
re neutrality.

See Statement - Session 1937.

Position not changed.

Declaration to be neutral all circumstances
unjustified by policies of British Govts.
An unwise encouragement to potential
aggressors.

5. Take position Parliament will decide -
when and if emergency arises in light of
all circumstances at time.

Meanwhile - endeavour to keep informed on situation,
to keep in touch with U.K. and
other countries striving for peace;
carry through a reasonable and effective
defence programme of our own;
support constructive programme of
conciliation and removal of
economic barriers to peace;
strive build up friendships serve our need,
need of others.

See Statement Geneva 1936,
repeated January 25, 1937
= present position.

D 34640

Argument against this view.

Not satisfactory to postpone decision until eve or fact of outbreak of war.

Under such circumstances calm decision not possible.

Decision should be made in advance.

Better to postpone.

1. Impossible to frame today questions that might have to be decided later.

Most inevitable wars never happen.

Opponents of one year may be friends of next.

(Italy)

2. Impossible to forecast what issues abroad

alignments abroad,

situation at home,

maybe in a year,

or 5 years.

3. Share - Statement by Mr. Hull on Foreign Policy on March 17.

Declares firm adherence:

(a) to faithful observance international agreements;

(b) settlement of international issues by peaceful negotiations;

(c) scrupulous observance of rights of others;

(d) maintenance of international law and order.

D 34641

Will not prepare and <u>place detailed chart before world</u> of course of policy and action to be pursued under any particular set of circumstances. Such a course would impair effectiveness.

See Statement.

4. <u>Chamberlain's Speech</u> - March 24 -
re assurances re Czecho-Slovakia.
Would not remove from discretion of
His Majesty's Government.

See Statement.

5. <u>To Force an issue</u> on country would bring out deep and fundamental differences of opinion, <u>would lead to further strain</u> on unity of country already strained by economic depression and other consequences of last war and its aftermath -
A disservice to Canada.

D 34642

Policy not wholly satisfactory:

not free from difficulties,

not a completely logical position,

not an ideal solution.

This not fault of policy.

It is best of available solutions.

It is inevitable outcome of present stage in relations between several parts of Commonwealth.

It is inherent in the contradiction between recognised independent responsibility of several members equal in status and possibility war proclaimed by King as regards part of his Dominions, may involve other parts.

We have worked out a satisfactory and enduring solution of relations in peace time.

We have not yet worked out a completely logical solution of the position in war time.

D 34643

Sino-Japanese Conflict

Comments on developments abroad.

Conflict in China has aroused intense interest and concern in Canada:

in of great moment to future of Pacific.

Clash between two ancient, distinctive, though allied civilizations.

Powers of destruction and terror employed.

(See speech by Dr. Hu Shih at Can. Club).

Canada many ties with both countries:

Cultural associations;

Church "

Trade ".

Immediate tragedies stirred deep feeling -

telegraph, camera, moving pictures, brought direct and poignant knowledge of suffering and horrors.

End of difference between a humanely conducted war and an inhumanely " "

with airplanes, bombs, gasses, available.

Modern war = mass slaughter
" destruction
" suicide.

Natural Canadians ask what they can do?
" Government can do?

D 34644

Re Government's Action in China

A direct interest as (a) member of League of Nations;
(b) Signatory of 9 Power Treaty.

1. In relation to Covenant of League

Article 10 - respect and preserve against external aggressor;
Article 11 - War a matter of concern to whole League
Article 12-15 - Means of peaceful settlement of disputes between members;
Article 16 - Sanctions (not directly to Japan)
Article 17 - Makes 16 apply.

Action by League

Sept. 12, 1937 - Chinese Government appealed to League under Articles 10, 11, 17.

Assembly in Session at time -
Dandurand, Ilsley and Massey representing Canada.

Council referred question direct to Far Eastern Advisory Committee of 22 Members
Set up in 1933,
to deal with previous Manchurian conflict.
U.S. a Member
Canada a Member.

Sept. 27 - Advisory Committee passed resolution condemning airplane bombing of open towns and cities in China by Japanese aircraft.

Sept. 28 - Resolution accepted by the Assembly.

Oct. 1 - Sub-Committee set up. Canada not represented.

Oct. 5 - Sub-Committee brought in 2 reports.

1st report - set forth facts of present situation in China.

Disclosed action by Japan a breach of its Treaty obligations, and could not be justified.

2nd report - expressed moral support for China;

recommended members of League consider how far they individually could aid China;

recommended signatories of 9 Power Treaty.

Should be asked to examine situation.

D 34646

Oct. 6 - Report and Resolutions adopted by Assembly
with approval of all members
except Siam and Poland,
which abstained.

Result of League's treatment of Situation not proved of
material benefit to China.

Question of whether sanctions provision Article 16
should be involved, was studiously avoided.

Plain facts

More than half great Powers outside.

Not concentration of potential force within
League,
contemplated when Covenant framed.

With unrest and threats to peace in
Mediterranean and Central Europe -
European countries in League not
prepared to weaken their own
position.

II. In relation to The so-called Nine Power Treaty.

Treaty one of a series of interrelated treaties and
agreements

Signed at Washington winter of 1921-22.

Object to bring about stability and security in
Far-East.

D 34647

Signed by United Kingdom, Canada, Australia,
New Zealand, South Africa and India,
the United States,
France,
Belgium,
the Netherlands,
Portugal,
Japan,
China -
later accepted by other powers.

Contracting parties undertook

1. to respect the independence and territorial integrity of China.
2. seek to maintain the open door in China.
3. refrain from seeking special privileges and spheres of influence.
4. Article 7 provided - when in opinion of any signatory application of treaty necessary should be
"full and frank communication between the contracting Powers concerned."

Note: This Treaty unlike Covenant
(a) has no provision re sanctions against signatory which broke its pledges.
(b) bound parties to refrain from aggression and intrigue.

D 34648

(c) Provided for consultation
if peace threatened.

(d) did not involve joint action
against a violator.

Brussels Conference

Met early in Nov. 1937

On invitation of Belgian Government.

Issued at request of British Government.

With approval of Government of U.S. (U.S. suggested Belgium as place of meeting, to get away from Geneva)

Purpose

(1) of examining, in accordance Article 7, situation in Far East.

(2) to consider friendly peaceable methods of hastening the end of regrettable conflict.

(See Text)

All countries which signed or adhered to Treaty represented except Japan.

D 34649

Earnest and repeated efforts made to bring warring parties into consultation.

Services of other signatories,
or alternatively of a small group of states
offered in an effort to suspend hostilities
and work out a lasting settlement.

Japan refused to take part.

declared she was acting in self-defence,
that conflict therefore lay outside scope of Treaty,
that solution could only be attained by efforts between the two parties directly concerned.

Conference found itself at an impasse.

Declared their right and interest to interfere in the issue.

condemnation of force
and breaking of pledges
rejection of view that direct negotiation between 2 parties could achieve a settlement.
readiness to continue further efforts for suspension of hostilities and negotiation.

Note: Italy definitely opposed this declaration.
3 Scandinavian countries, while sympathetic,
abstained from voting on account of
their limited direct interest.

Conference, nothing more possible, adjourned
( ) at call of Chairman.

Probably worth while holding Conference to see if more
were possible.

Canada concurred in action taken.
Did not think less could be done.
" " urge great Powers represented to do more.

SPAIN

D 34651

Bitter conflict since July 1936.

In form civil war -- transition mediaeval feudalism
to a modern social order -
a slow process - many months.

Particularly destructive -
modern weapons of warfare,
intervention outside governments -
Italian and German vs. Soviet.

There was imminent danger conflict spreading into a war
of "isms",
of class conflict,
of national strategic interests.

Non-intervention Committee of 27 European States formed.

On initiative of governments of France and Great Britain to endeavour prevent, or restrict, outside participation in war.

Committee only partially successful.

Critics in England and France say
unfair to put unrecognized insurgent force on a par with a recognised government -
that Committee only furnished a veil, an excuse, for invasion of Spain with plane, tank, and heavy artillery; also serious threat to British and French communications in Mediterranean and Atlantic Coast.

D 34652

Sponsors contend

it has lessened amount of intervention, prevented an open break which would have lead to a general European war;

that whatever Spanish government gets in power, will not permit outside control.

Canada did not take part in establishment or work of European Committee,

nor did any other non-European country.

When United Kingdom, United States, and other countries had prohibited export of munitions to Spain, possibility arose orders for munitions might be diverted to Canada.

To prevent frustration efforts to localize conflict Order in Council passed July last, under authority amendment made last year to Customs Act.

Similarly, to prevent Canada being drawn into European struggle, by recruiting of Canadians for service in Spain, Order-in-Council passed in July, applying the Foreign Enlistment Act to the Spanish conflict,

as had been previously done in United Kingdom and administratively in United States.

Issue of passports to Canadian Nationals going to Spain to participate in conflict prohibited in August.

D 34653

Scope and subsequent application these measures.

Purpose of both to prevent Canada being drawn into foreign conflicts by actions of manufacturers of munitions or of organizers of recruiting.

Provision for control of exports

based upon reports of a Geneva Committee

and an examination of practice of other countries.

Amendment to Customs Act

empowered Governor in Council to set up a system of permits or licences:

(1) for export of muntions,
or food,
or raw materials;

(2) to provide publicity for exports or imports of munitions;

(3) to register persons engaged in manufacturing or exporting munitions;

(4) to prohibit exportation of munitions or war materials

Under this authorization

a system of permits was subsequently set up to regulate export of arms and munitions.

Definition based on recommendation League of Nations Committee.

No exports of muntions to any country can be made without a permit.

Statistics of such exports made public by enforcing agency - Department of National Revenue - each month.

D 34654

Licence system applies to arms and munitions only.

Discretionary power given government to prohibit exports, has been applied to export of arms and munitions in case of Spain.

Power thus given has not been applied by Canada, or any other country, as regards munitions or other materials in case of Sino-Japanese conflict.

The Foreign Enlistment Act of last session,

took place of old Act of U. K. extending to Canada, made unlawful for Canadian Nationals to enlist anywhere for service against a friendly State, or for any person within Canada to induce any other person to enlist.

Act empowers Governor in Council to provide for its application to a civil war, and to facilitate these purposes by passport control.

Effect of these measures.

An organized campaign for recruiting Canadians and foreigners living in Canada was under way.

A substantial number of persons had left Canada and proceeded to Spain.

Since August, no passports for Spain issued to Canadian Nationals.

A small number of Canadians and foreigners have made their way by indirect routes.

D 34655

Re: Shipment to Japan of Munitions and Raw Materials Available for War Purposes.

Many communications received

Some reveal a common inspiration

more concerned with welfare of certain other countries and systems than Canada's welfare.

Many are genuine

based on honest hatred of war,

disgust at atrocities,

unwillingness to see profits made out of others mistery.

Respect these views,

share feelings that lie behind them.

Views based on erroneous ideas as to facts:

(a) of Canada's position,

and position of other countries;

(b) erroneous assumptions as to what action by Canada alone would effect.

Canada's Exports.

Arms and munitions not made in Canada

in any appreciable degree;

export trade still more negligible;

exports to Japan - to be single plan.

D 34656

Central and Eastern Europe

Few countries on continent not undergoing a social and political revolution.

In some, revolutionary forces already attained power more autocratic than regimes they have displaced.

In others, struggle still continues.

In countries that seek progress by ordered freedom repercussions of upheavals elsewhere spread fear and confusion.

No country, however distant, and preoccupied by its own problems,

can be unconcerned with the revival of violence, intolerance, disregard of rights,

of weaker States.

To countries in the whirlpool or on verge

situation particularly disturbing and of overwhelming import.

Not surprising in democracies, e.g. Britian and France,

imminence of these threats to national, social, and individual security,

and close association and sympathy of groups in each country,

with one or other of the forces and theories warring in Central Europe,

have led to wide and violent conflict of opinion as to policy to meet new condition.

Many shades and variations of opinion.

Two main tendencies have developed.

D 34657

Two main tendencies of opinion.

One widespread attitude

In opinion one group Armageddon has already come; forces of light and darkness are irrevocably swinging into battle-line for the final test of destiny.

Ruling forces in Germany and Italy pictured as committed to a deliberate and ruthless programme of conquest and domination.

(1) Mediterranean is to be made a Roman Lake, with

Spain,
Abyssinia, and
Libya

the vantage points for new pressures & expansion.

(2) Middle and Eastern Europe pictured as fated to come under German domination:

Czecho-Slovakia,
Hungary,
Jugo-Slavia,
Rumania,

going the way of Austria;

the Ukraine following when the whole Danube valley has been subdued.

D34658

(3) One small power after another to be brought to heel by

economic pressure,

propaganda and intrigue,

the attempt to damn any opposition, any democratic force, by labelling it Bolshevism,

armed force when threats fail,

a Rome-Berlin axis extended to Tokyo.

(4) Then France's turn will come.

Then England's, as final dupe and victim.

England's communications with East are declared to be threatened at:

Gibraltar,
the Red Sea,
and on the Atlantic route around Africa.

France is pictured as facing Fascism regimes on 3 frontiers and liable to cut off at a moment's notice from communication with French Africa.

Step by step, the colossal plans of domination laid down with extraordinary frankness and detail in Mein Kampf being carried out with speed and accuracy of a railway schedule or a military mobilisation.

D 34659

Europe and Liberty can be saved, it is contended, only

(1) if the democracies firmly and unitedly call a halt here and now;

(2) let Britain, France and Russia, with U. S. aiding, if that may be, with smaller States rallied under a new League of Nations, or a new European covenent, serve notice:

(a) if one more step taken along the path of aggression it will be met by overwhelming force - economic and military;

(b) Fascist armies and planes must come out of Spain or the democratic forces must go in;

(c) Czecho-Slovakia must be given public and firm qssurances of support;

(d) the general staffs of London, Paris, and Moscow must plan concerted action;

(e) Action must be taken today -
the democratic powers even yet are the stronger,
the bluff of the dictators can still be called,
tomorrow will be too late,
Fascist power and prestige are growing,
resistance is crumbling,
the democratic countries are in retreat -
every man for himself, and
the devil take the hindmost.

D 34660

(f) an ostrich policy will not bring safety
France, England must fight some day;

(g) a selfish policy of isolation today
will only mean that they will fight alone -
England will fight alone, and hopelessly.

II. The Other widespread attitude.

Recognize situation as dangerous.

Insist policy of dividing Europe or world into two antagonistic camps - organizing a Holy Alliance against Fascism still more dangerous;
also neither possible, nor necessary.

Some exponents this view contend:

(a) Actions hitherto taken by Germany:
1. assertion right to rearm,
2. reoccupation of her Rhineland territory,
3. The Anschluss with Austria
while deplorable in methods adopted were essentially reasonable in their essence, all belated readjustments.

(b) That any dictators programme has been accepted as destiny.

(c) No warrant for fighting a preventive war.

(d) " " seeking to form a hard and fast alliance against the Totalitarian states.

D 34661

(d) No warrant for seeking to form a hard and fast alliance against the authoritarian states.

Moreover, it cannot be done.

Peoples of England and France, and overseas countries, not prepared

(1) to give blank cheque for every contingency in Europe;

(2) to allow some one press a button on Danube and plunge western countries into war;

(3) to regard the Soviet Union as a champion of democracy and liberty.

(e) If such alliance formed, it would drive Fascist countries into firmer alliance -

put any possibility of peaceful settlement out of question.

(f) Wiser policy bring all Europe back to sanity:

emphasize and strengthen points of agreement, not of difference;

seek to adjust each specific difficulty in turn;

advise both parties in German-Czech dispute to moderate their position and find a compromise;

let England settle difficulties with Italy first, then with Germany.

recognize European countries cannot be expected apply sanctions clauses of League covenant in China or Chaco;

hope they may be revived in Europe, if France and Britain involved in European conflict;

meanwhile, strain every effort to rearm -

show to every potential aggressor that aggression would be suicide.

D 34662

Result -

Gradually tension will lessen,

national effervescence will subside,

friendly international relationships gradually be restored.

These, roughly, are opposing contentions.

Still, more roughly, they represent opposing party views in Great Britain.

With individual exceptions, and many variations,

issue more real than party labels.

Opposition parties lean towards first view.

Government parties towards second.

Every Government in Great Britain since war has striven for peace.

Difference of opinion may exist as to policies adopted.

Governments may have made mistakes -

failed to appreciate trend of changing forces.

Taken broadly, have shown a realism and patience

that few, if any, countries can equal.

Canada is not called upon to pass judgment

or to take sides in U. K. discussions.

Rise of such contentious issues, and party cleavages

lead to effort to secure or claim support of

Canada, Australia, New Zealand, or South Africa

for one or other view.

Press statements set forth that Dominions demand this or that -

Canada, Australia or New Zealand support this or that.

D 34663

Canadian Government does not think it in interest

either of Canada or of Commonwealth

(1) to tender advice as to what policy U.K. should adopt week by week, or

(2) to become involved in British political disputes.

We have expressed no opinion on that policy.

No one in London is authorized or warranted in interpreting us as so doing.

Incidentally - time has come to cease speaking of "Dominions" as if some peculiar half-fledged type of community, and all alike in their interests and views.

Such a usage leads to confusion at best, and to alibis and misrepresentation at worst

South Africa is South Africa.

Canada is Canada.

Will help to good understanding if that elementary fact is borne in mind.

D 34664

Canada has made clear:

(1) her own policy towards League;

(2) her own attitude towards demands we should

(a) thrust ourselves into European picture,

(b) take sides in the struggle of ideologies,

(c) make commitments in London or Geneva in advance.

A country which declined to be brought in as a guarantor on the Rhine not likely to offer guarantees for the Danube;

(3) opposed to making proclamations in advance of neutrality or abstention that would be used to encourage aggressive designs.

Shall try to:

(1) maintain old ties and friendships; also

(2) ready to enter into friendly relations with every country that will reciprocate;

(3) try to keep in mind difficulties and dangers other countries are facing;

(4) not assume it is our duty, or within our power

(a) to work out their problems for them,

(b) to make over their social structure,

or their political ideas,

or their racial attitudes.

34665

Each country must work out its own salvation,

and not least Canada.

That we can and will do so, I have not slightest doubt,

whatever temporary difficulties or local strains develop.

In building up a genuine democracy,

sound social relationships,

a tolerance and readiness to work together

in achieving peace

and sane relationships

in this half-continent of ours

We shall do the task that lies to our hands

our Canadian task

and do more for world than by losing our sense of proportion and realities in the attempt to reshape the destiny of other lands.

"K" Speeches
Foreign Policy D 34666

representative of a foreign power which, unprovoked and without warrant, attacks a friendly power, a member of the League of Nations, in view of its adherence to the Kellogg-Briand pact and the declaration made at Washington, is one with which I cannot associate myself and to which I must immediately say I am opposed.

Mr. MACKENZIE KING: May I say to my right hon. friend that the statement I was replying to was the one that had reference to my statement of policy in this house.

Mr. WOODSWORTH: No, no.

Mr. MACKENZIE KING: Yes, that was the question.

Mr. WOODSWORTH: As a matter of privilege, my objection was to the minister from Japan endorsing publicly a certain statement of the Prime Minister an ex parte statement—well it does not make any difference what kind of statement. The point is that I am not discussing the Prime Minister's statement; I am discussing the statement of the minister from Japan publicly endorsing one particular Canadian policy.

PENITENTIARIES COMMISSION

INQUIRY AS TO PROBABLE DATE OF PRESENTATION OF REPORT

On the orders of the day:

Mr. A. H. MITCHELL (Medicine Hat): Could the Minister of Justice (Mr. Lapointe) indicate to us when we may expect him to table the report of the penitentiaries commission?

Right Hon. ERNEST LAPOINTE (Minister of Justice): I think it may be possible to lay the report on the table this week, or the beginning of next week. It is a voluminous document, and the work of printing and translating it has taken some time.

UNEMPLOYMENT

CONCENTRATION OF SINGLE UNEMPLOYED IN VANCOUVER—MR. HUMPHREY MITCHELL

On the orders of the day:

Hon. H. H. STEVENS (Kootenay East): I should like to ask a question of the Minister of Labour (Mr. Rogers) regarding a Canadian Press dispatch indicating that Mr. Humphrey Mitchell, "director of labour transference in the federal Labour department," is in Vancouver consulting with the mayor and other authorities. My question is, what are the instructions that Mr. Mitchell has in this matter, and what is the attitude of the government to-day in regard to this very perplexing question, which according to the dispatch has not made any progress towards solution?

Hon. NORMAN McL. ROGERS (Minister of Labour): Mr. Mitchell, who is an officer of the Department of Labour, left for Vancouver on May 7. While in Vancouver he has been assisting in providing the Department of Labour here with information with respect to developments there. As I stated to the house yesterday, we have been proceeding upon the basis of consultation and cooperation with the provincial government in connection with this question of the single unemployed who are now in Vancouver. Mr. Mitchell has been a means through which that consultation is being effected.

As to the situation in Vancouver, I am informed that it has not changed since the statement I made yesterday.

Mr. STEVENS: Would the minster say what Mr. Mitchell's instructions are? He is described as "director of labour transference in the federal Labour department."

Mr. ROGERS: I have nothing to add to what I have already said on that point. Mr. Mitchell is there to keep in touch with the situation and to keep me advised of any developments.

BUSINESS OF THE HOUSE

INQUIRY AS TO FURTHER LEGISLATIVE PROGRAM FOR THE SESSION

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): The acting leader of the opposition (Mr. Stewart) last night asked if the government would make a statement as to the remainder of its legislative program. May I say to my right hon. friend the leader of the opposition and to his colleague that we shall be prepared to make that statement in the course of a day or two. I should like to have another few days.

SUPPLY

FOREIGN POLICY—STATEMENT OF MR. MACKENZIE KING ON MOTION OF MINISTER OF FINANCE

Hon. CHARLES A. DUNNING (Minister of Finance) moved that the house go into committee of supply.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, as hon. members of the house are aware, I had intended to make a statement on external affairs at about the time of the Easter recess. One

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circumstance or another has rendered it inconvenient or impossible to make that statement until to-day.

In view of the very serious condition of affairs in Europe and the grave unrest that exists in many parts of the world, I am not going to attempt this afternoon to rely upon my memory for what I wish to say. Rather I shall follow somewhat closely what I intended to say in a statement which I had prepared several weeks ago. It may be that the statement will be the more significant in the light of events as they have transpired in the course of the last few weeks. I am going to endeavour in what I say to the house this afternoon to be as concise and at the same time as comprehensive as may be possible. By that I mean I shall endeavour not to omit any of the subjects which I believe hon. members will wish to consider in discussing foreign policy or, better, external affairs. I use the words "external affairs," because our relations with different parts of the British Empire are affairs that lie beyond the dominion; they could hardly be called foreign affairs, but they are external affairs, while our relations with other countries come under the heading of foreign affairs. I shall endeavour, as I say, to anticipate what may be in the minds of hon. members in the way of questions as to the policy of the government and the attitude of the government with respect to the different situations that have arisen in which Canada may be expected to have some interest or to take some part.

It may be desirable at the outset to make some observations of a general character in view of the disturbance which events abroad have caused in all our minds. We look out upon a disturbed and seemingly chaotic world. Bitter and destructive wars are being waged in two continents. Force is openly glorified. Solemn pledges are disregarded. Armaments are mounting to fantastic heights. A war of propaganda is filling the air. We ask ourselves, how, within twenty years after a war to end war, is the war spirit so strong in many quarters? Why, after a war to make the world safe for democracy, has dictatorship attained such acceptance and momentum?

It is not possible to give a short answer to such questions. It is clear that no one factor and no single country can be held responsible. The fact is the great war never completely ended; the world is still suffering from its consequences. The effects of four years of world struggle and destruction and convulsion did not end in 1918. The results of a great war are usually entirely different from the intentions and the objectives of any of the peoples who embark upon it.

For a time after the war it appeared that a stable world might shortly be attained. A genuine passion for peace spread through all the countries engaged in the war, the losers as well as the nominal victors. In great part this new will to peace found embodiment in the League of Nations, but it found expression in many other movements as well. No one who visited Europe in the middle twenties could doubt the strength or the genuineness of that desire. But meanwhile other forces had been at work which in time overcame this will to peace in many quarters. Over a great part of Europe, except the democratic states fronting on the Atlantic, political and social revolutions were in progress. Countries which had not been fortunate enough to work out political freedom and economic progress by gradual effort found themselves compelled to face these belated tasks through revolution. The war had broken down the accepted social structure, the habitual conventions and restraints. The new controls were established by violence, by dictatorship of a class, dictatorship of an individual. New men, with new ambitions and new methods, were thrown up in the conflict; masters of violence and propaganda were given free hand. Inevitably the revolutions and class conflicts which have dominated the internal affairs of three countries out of four in central, eastern and southern Europe found reflection in their foreign relations as well. The new religions of race or class or social doctrine were as explosive, as expansive, as intolerant as Islam was a thousand years ago. The world was called upon to subscribe to their new creeds of communism or fascism or other isms.

The peace settlement had left problems and grievances which these explosive forces turned to account. It solved some territorial grievances, some nationalist aspirations, but it created new problems. Some countries or minorities when given freedom denied that freedom to others. Some countries which had lost territory or prestige were stirred up to plan for vindication and revenge. Some of the victors could not forget their fear or their pride. The fact that the earthquake of the war had disturbed the existing balance of world power, had given America and Asia new power relatively to western Europe, further complicated the organization of peace.

I do not believe these forces would have reached the explosion point if economic depression had not swept the world in 1929 and the years that followed. Depression sharpened every problem, shook the individual's security, increased the tension of international intercourse, provided the unemployed and discontented recruits for the new

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gospels. That depression, at least in its magnitude, was also a delayed consequence of the war, the war that left a crushing burden of debts and reparations, that broke down international credit and currency arrangements, that created new customs boundaries and new vested economic interests.

It may be that if the world had the last ten years to live over again the present breakdown might have been averted. A realistic settlement of war debts and reparations might have been effected. Trade barriers might have been reduced. Some would say the league should have attempted more strenuously to put down force by force, notably in Manchuria in 1931, while others would say the trouble lay in the very attempt to use collective force to maintain the Versailles settlement. Perhaps if any single cause and time might be isolated, it would most reasonably be held to be the failure, during the disarmament discussions in the early thirties, to recognize the futility of maintaining against Germany the one-sided policy of disarmament prescribed by the treaty of Versailles, the failure to make moderate concessions to a democratic regime in Germany, which later were grasped and far exceeded by a dictatorial regime.

It is a dark outlook, but not one that calls for despair. Some measure of internal stability survives even in states that have suffered many shocks. It may be years, however, before freedom and tolerance revive. The equilibrium of military force, which might have been secured at a moderate height five years ago, will be secured at a much higher level. Where resort to arms appears to be inevitable, every effort should and, I believe, will be made to circumscribe the area of conflict. The reversion to pre-war or pre-modern age standards of internal and external conduct has not materially affected the western or north Atlantic world. No country in which democracy was firmly established has given up its ideal and its practice of liberty at home, its ideal and its practice of peace abroad, even if that peace has had to be assured by new outlays for defence.

The question is asked, What is Canada's foreign or external policy in such a world? In some quarters it is contended that Canada has no foreign policy, a contention which on analysis usually turns out to mean that the Canadian government does not make weekly announcements about other countries' foreign policies. Too often it is assumed that foreign policy is something that must be made in Geneva, or in London, or in Moscow, according to the centre of the speaker's interests, and that Canada should line up in support of or opposition to other countries' foreign policies.

May I refer to some observations on this subject which I made at a conference in England some years ago. I intend to embody in what I have to say quotations from speeches made at imperial conferences in Great Britain and at Geneva, and some references to statements of policy made in this house at different times in the past. I do that lest it be assumed that what I am setting forth at this time is set forth in the light of conditions as we see them and know them to be to-day. I prefer rather that what has been set forth in the past as a statement of our position should be made clear at this time, particularly as I have had reason to say with pride and satisfaction that our foreign policy has remained to the present what it has been in the past.

This statement was made at the imperial conference of 1923:

> Foreign policy I conceive as simply the sum of those dealings or relationships or policies which the government of one country carries on with other countries. It is in large part an extension of domestic policy. It depends upon the balance of social and political forces, upon the industrial organization, upon the whole background of the people's life. . . . Foreign affairs nowadays have to do largely with economic questions, trade or tariff, oil or railway concessions, international debts, migration, fishery or power or navigation rights in boundary waters. They are largely neighbours' disputes, arising naturally most frequently with the countries with which there is most intercourse. The question whether a certain matter in dispute will lead to friction, or even to war, is frequently not so much a question of the character of the specific issue, as of the spirit and traditions and supposed general interests of the countries concerned.

No two countries have the same neighbours, the same relationships; no two countries can have the same questions to deal with, the same policies for their solution. Argentina and Finland, China and Switzerland, have widely different preoccupations. There are of course world movements, trade, cultural, military, which affect every country, affect all countries increasingly, but they affect no two countries alike or in the same degree. And so even in times of world disturbance, the policies of no two countries can be alike, provided they are rooted in their own interests or the ideals in which their interests are sublimated, and are not merely echoes of the policies of other countries.

So far as Canada is concerned, the question of foreign or external policy is at once extremely simple and extremely complex. Our direct and individual relations with other

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countries are important; they involve difficulties and differences of opinion; but the issues are issues within our knowledge and competence, issues for which we can find our own solution. Our indirect relations, as a member of the League of Nations, as a member of the British Commonwealth of Nations, present issues of a more varied and complicated character.

Our direct relations with other countries are increasingly important. In large measure they are relations with one or other members of the British Commonwealth of Nations. Questions which arise with these communities are frequently difficult, frequently involve, particularly in trade matters, conflicts of opinion between different sections or interests in our own country; but the frank and friendly attitude which exists, the understanding based on similar political and social and ethical standards and ways of life, ensure a settlement.

In large measure also our external relations consist of our relations with our great neighbour. These relations are so intimate and continuous that some people in Canada seem to imagine they are not foreign relations at all, that they do not constitute foreign policy at all; they unconsciously assume that foreign policy should mean to us the relations and issues involved in some other country's foreign policy, or that our foreign policy should mean only relations with distant countries with which we have little contact and connection.

These relations with the United States, which constitute and always will constitute by far the most important part of our foreign policy in the strict sense, have not always been easy to carry on. Real differences of interest arise from time to time; these differences are expressed with an openness and frankness that leave nothing concealed; constitutional divisions of authority complicate agreement. Within our memory a good deal of friction has existed, exclusive trade policies and pin-pricking attitudes have roused resentment. But that attitude has largely disappeared. On both sides of the border there is a realization of common ideals and common interests, a genuine friendliness and increasing understanding, which facilitate agreement on most issues that arise and make it no serious calamity if for the moment agreement is not reached on others.

Incidentally, I may say from my experience, and I am sure the right hon. the leader of the opposition would say the same from his experience, the existence of a Canadian legation at Washington and a United States legation at Ottawa have greatly aided in the growth of this understanding and the prompt and effective consideration of questions that arose. It is one of our national assets—and we need all our assets to offset some of our liabilities—that we have a good neighbour—a neighbour that any free country in the continent of Europe or elsewhere would thank its stars to have.

I need not refer to our increasingly close relations with other lands in Europe, particularly France, and in Latin America and Asia. They are largely, but not wholly, relations of trade. Here I might point out that the increasing intervention of the state in business in many countries abroad, the growth of exchange controls, of quota regulations, of state monopolies, make it increasingly difficult for the business man to do business in the old way, require the intervention of his government with the government of the other country to ensure a reasonably fair and definite opportunity to carry on business.

The Secretary of State of the United States, in the significant address which he delivered a few weeks ago on the foreign policy of the United States, declared:

> The primary objectives of our foreign policy are the maintenance of the peace of our country, and the promotion of the economic, the social and the moral welfare of our people.

Within our more limited range of activity, we could, I think, say much the same thing. Our foreign and external policy is a policy of peace and friendliness, a policy of trying to look after our own interests and to understand the position of other governments with which we have dealings. It is a policy which takes account of our political connections and traditions, our geographical position, the limited numbers and the racial composition of our people, our stage in economic development, our own internal preoccupations and necessities—in short, a policy based on the Canadian situation. It is not and cannot be under these conditions a spectacular head-line policy; it is simply the sum of the countless daily dealings with other countries, the general resultant of an effort to act decently on every issue or incident that arises, and a hope of receiving the same treatment from others.

Canada, it is hardly necessary to say, cherishes no design of aggression or expansion or revenge. We have no ancient grudges, no envy for others' possessions, no ambition for controlling others' destinies. We know and the world knows that we have neither the power nor the will to attack any other land for our own ends.

Nor are we inclined to organize or join in crusades in other continents. We are a part of the modern world. We cannot help but be affected in some measure by the policies and actions of other countries. We cannot be indifferent to the fate of democratic institutions, the suffering of unfortunate minorities elsewhere. But we must keep a sense of perspective. Resolutions or speeches on affairs in Austria or Spain or Santo Domingo may afford an emotional outlet, but they do not give our country any power to shape the destiny of other peoples. We have a tremendous task at home. Our eleven million people are trying to develop half a continent, to find a decent livelihood, to build up a distinctive national life. We have neither the power nor the knowledge to settle the destinies of countries thousands of miles away. We are no more likely of our own motion to intervene in Europe than Sweden or Bulgaria or Switzerland is to intervene in America. It is sometimes forgotten that in Canada itself we have an area as large as Europe, with problems of communication, of development, of adjustment of sectional and cultural groups quite as difficult to deal with as many of the problems of adjustment which the different parts of Europe are facing, and which constitute a great part of European "foreign affairs," that we are not asking and will not receive any help from outside in meeting these difficulties, and that we are unlikely to have any surplus of statesmanship or good fortune to bestow elsewhere.

If we are unlikely of our own motion to take part in wars of conquest or wars of crusade, it is equally unlikely that at the moment, with the world as it is to-day, any other country will single out Canada for attack. The talk which one sometimes hears of aggressor countries planning to invade Canada and seize these tempting resources of ours is, to say the least, premature. It ignores our neighbours and our lack of neighbours; it ignores the strategic and transportation difficulties of transoceanic invasion; it ignores the vital fact that every aggressor has not only potential objects of its ambition many thousands of miles nearer which would be the object of any attack, but potential and actual rivals near at hand whom it could not disregard by launching fantastic expeditions across half the world. At present danger of attack upon Canada is minor in degree and secondhand in origin. It is against chance shots that we need immediately to defend ourselves. The truth of this is recognized in every country. What may develop no one can say.

While it is well that we should see our country and its security as viewed from other lands we should also have a clear vision of how dangers that threaten in other parts of the world may expand under circumstances which lie beyond any control of our own, and be prepared to meet any situation which may arise in a world of the character that our world is to-day.

If we are not likely to be directly involved in a conflict, are we likely to be drawn into European conflicts indirectly, for example, through our connection with the league? That is an important question which I think many Canadians are asking at the moment. I have pointed out that so far as we ourselves are concerned, being a country by ourselves, if we were confined to looking after ourselves we have little to fear. But we have other associations and out of those associations arise obligations. The question naturally arises as to what, in determining our attitude, the significance of those associations may be.

We are a member of the League of Nations which was founded for the purpose of advancing international cooperation and world peace. From the beginning, wide differences of opinion have existed as to the means by which those ends were to be sought and achieved. Successive Canadian governments have supported one of those views. In this house in June, 1936, and at the assembly of the league in September of that year, I restated that view. Developments since that time have only served to confirm the soundness of the position then taken.

Briefly, the Canadian government believes that the only feasible and constructive basis of league activity under present conditions is to develop all its possibilities of conciliation, all its possibilities of cooperation in agreed tasks, all its possibilities of shaping and focusing world opinion. As indicated in a statement made on behalf of the present government in October, 1935, we are convinced of the value and necessity of the league "as an indispensable agency for organizing and strengthening the forces of good will in the world, and for effecting the essential adjustment of conflictng national aims." As Lord Curzon declared at the first session of the council of the league, which has just held its hundredth session:

The League of Nations is the expression of a universal desire for a saner method of regulating the affairs of mankind.

That desire, that need, continues. In some way we must adjust our international relations to the economic forces, the scientific inventions which have made all nations neighbours, adjust our theories and practices of

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national sovereignty to the requirements of world cooperation. It is not a task which can be performed in a day. It is not an end which can be attained by shutting our eyes to facts, by assuming that nations are ready to-day to resign their sovereign right of decision to a world superstate. We must build on what exists, must extend the habit of co-operation in steadily wider fields, must seek to remove the causes of friction and fear.

Equally definite is our belief that at the present juncture of world affairs it is not possible to make the league an international war office, an instrument of force, military or economic. As I said at Geneva in 1936:

There is a general unwillingness of peoples to incur obligations which they realize they may not be able in time of crisis to fulfil, obligations to use force and to use it at any place, any time, in circumstances unforeseen, and in disputes over whose origin or whose development they have had little or no control. This difficulty of automatic intervention increases rather than decreases when conflicts tend to become struggles between classes, between economic systems, between social philosophies, and, in some instances, between religious faiths, as well as between states.

In recent years the peoples have become more aware of the difficulty of localizing and restricting a war once it has begun. They have come to realize that the consequences of wars are different from either their real or their alleged objects, that war is war regardless of the labels and the slogans devised at the outset. They have become more aware of the horrors and suffering involved for any people at war from indiscriminate air and gas attack. They have become aware of the strain on national unity and social order a long struggle may involve. They have become aware of the uncertainty, the very grave uncertainty, whether in any country engaged in a long war individual liberties can be maintained. They realize more clearly the difficulty of putting on economic sanctions unless the countries doing so possess overwhelming force and are firmly bound to apply military sanctions if the occasion arises, and prepared to exchange firm and explicit territorial and military guarantees among each other in advance.

In Mr. Eden's words in the British House of Commons last December:

There are two possible forms of sanctions, the ineffective, which are not worth putting on, and the effective, which mean the risk, if not the certainty, of war.

After stating:

I say deliberately that nobody could contemplate any action of that kind in the far east unless they are convinced that they have overwhelming force to back their policy.

[Mr. Mackenzie King.]

Mr. Eden continues:

Do right hon. gentlemen opposite really think that the League of Nations to-day, with only two great naval powers in it, ourselves and France, have got that overwhelming force?

In other words, Mr. Eden recognized that a league which fell far short of the universality contemplated by its founders, could not hope to carry out the role of universal policeman.

In the statement at Geneva from which I have quoted, I made it as clear as possible that Canada could not accept the theory of automatic commitment to the application of force, economic or military.

The covenant as originally drafted provided alternatively for peace by conciliation and peace by collective coercion.

In its original conception the covenant was predicated upon the practically universal acceptance of its provisions. Without this assumption, the latter alternative of seeking peace by collective coercion, embodied in articles 10, 16 and 17, would not have found place. It was recognized that formal amendment of the covenant by the removal of those articles was not possible in view of the difficulty in securing action by the requisite two-thirds of the members even on amendments on which there is general agreement in principle. Nor was it necessary:

The powers and duties of the league—

I quote now from what I said at Geneva.

—develop by usage and experience as well as by explicit amendment. What its members will and will not do can be read more clearly from what they have done and not done than from the text of the covenant. What is now called for is to register in the light of actual facts the position which has developed during sixteen years of league history by the interpretations given and the action taken or not taken as occasion for decision arose.

It is a fact, as has been indicated by representatives of the Scandinavian countries and other members of the league, that many provisions of the covenant have not been observed, or have been applied unequally or ineffectively. The pledge of reduction of armaments in article 8 has not been honoured. The provisions for the revision of treaties "which have become inapplicable," contained in article 19, and which were in form and fact an essential complement to the provisions of article 10 for the maintenance of the territorial status quo, have not yet been applied. The sanctions provisions of article 16 were tacitly recognized at an early stage as unworkable in their entirety, and were modified by the assembly resolutions of 1921. Modified, or unmodified, sanctions against an aggressor have never been tried when the conflict took place in Asia or America. Applied once in an Afro-European conflict, they failed and were abandoned because of general unwillingness under the conditions of the day to press force to the point of war.

It has been alleged by some strong advocates of the collective coercion theory in Canada that Canada is responsible for wrecking this conception of the league. That view is part and parcel of the exaggerated idea of Canada's power and duty and the unwillingness to face the realities as to the attitudes of other states that underlies the advocacy of the 100 per cent sanctions doctrine. The influence of any small state at Geneva is definitely limited, except occasionally when it acts in the direction of one or another of the great powers' wishes. Every member of the league, whether from Europe, or from South America, or from Asia, has its own approach to the problems of the league, its own views of its interest or the league's interest. The Canadian government did not cause those countries to take the action or lack of action they have taken. It did in some measure realize what that course of action was likely to be. It was apparent years ago that in the opinion of many of the countries most influential in the league, the covenant was intended to be a one-way street, operating toward Europe, not from Europe. Chaco and Manchuria only confirmed that analysis. Ten years ago, the Canadian government, in a communication to the government of the United States on the relation between the covenant and the Kellogg pact, declared:

> It is plain that the full realization of the ideal of joint economic or military pressure upon an outlaw power, upon which some of the founders of the league set great store, will require either an approach to the universality of the league contemplated when the covenant was being drawn, or an adjustment of the old rules of neutrality to meet the new conditions of cooperative defence.

Not all the forecasts we and others made in 1928 have required as little alteration as that one.

As relatively little attention has been given the matter in Canada—itself a significant fact—it may be worth while to refer to the latest occasion on which the varying views of members of the league on this question of sanctions were set forth.

The whole question was reviewed in the January meeting of the council, this year, and in the proceedings of the committee of twenty-eight in January and February. This committee, it will be recalled, was appointed by the 1936 assembly to explore the whole question of the application or reform of the covenant. Every phase of that question—the problem of universality, cooperation with non-member states, regional or continental organization of the league, methods of amending or interpreting the covenant, article 10 (territorial integrity), 11, 12, 13, 14 (intervention in disputes), 16 and 17 (sanctions), and separation of the covenant from the peace treaties, were studied by special rapporteurs.

The first question, the possibility of securing the participation of all states in the league, was surveyed in a report by Lord Cranborne, who envisaged three types of league, (1) a coercive league, (2) a non-coercive league, and (3) an intermediate league, in which any members would retain the right to apply sanctions in cases where they considered it advisable. This report on universality was the only one which was formally before the committee on January 31 and February 1, but the discussion covered the whole range of the covenant and particularly the question of article 16; it was impossible to consider whether it was desirable to bring all states into the league without considering what changes would be necessary to accomplish that end, and whether such changes were desirable or practicable.

The discussion brought out radically different points of view, but on one point there was little dissent—namely, that article 16 had never been enforced in its entirety and only once partly attempted; that there was no proposal in any quarter to apply it in the conflicts now waging, and that member states are not now prepared to regard the provisions of article 10 and article 16 as binding. The delegates of Sweden declared:

> The league in practice has ceased to be a coercive league. . . . By the force of events, without any amendments to the covenant, the practice has been established according to which members of the league do not consider themselves bound to undertake coercive action against an aggressor state.

That position was not seriously challenged. There was, however, wide difference of opinion as to whether a coercive league was or was not desirable, and whether or not the existing practice should be translated into amendments to the text of the covenant. Mr. Paul Boncour admitted there was some ground for the fear of certain small powers that the great powers which had shown little zeal for article 16 might demand its strict observance in conflicts in which they themselves were concerned. Some small states also appeared desirious of maintaining the possibility of sanctions being used in their support, though not ready to pledge their use when others were in need.

Broadly speaking, the U.S.S.R., France, Spain, China, Iran (or Persia), Czechoslovakia, Mexico, Colombia, New Zealand, indicated they were convinced that ultimately, if not now, sanctions might be workable, and

that it would be a mistake to take article 10 and article 16 out of the covenant in response to what might prove a temporary difficulty. Sweden, and in other connections the other Scandinavian states, Holland, Belgium, Switzerland, emphasized the danger of the present ambiguous position. Sweden and Holland proposed that article 16 be formally recognized as being at present optional and not obligatory in character. Poland indicated definite qualifications. Chile urged the removal of all sanctions to facilitate the entry or return of all countries to the league.

The Canadian government, through its representative on the committee, indicated its belief in the necessity of attaining substantial universality for the effective working of the league. It did not consider, however, that it was now possible to obtain universality by putting through formal amendments to the covenant. Some members of the league had indicated they were not prepared to consent to the explicit changes in the sanctions article necessary if some great countries were to enter. On the other hand, some countries outside the league had indicated their unwillingness to enter or re-enter the league, whether organized on a coercion or on a conciliation basis. The Canadian government therefore believed it desirable to keep the league operating as effectively as possible within the scope which experience had shown to be practicable, and to seek at a more opportune time such formal adjustments as may be required to secure the cooperation of all states which are prepared to renounce aggression and to cooperate in the peaceful settlement of international problems. Meanwhile, it was stated, the position of the Canadian government as to sanctions and the sanctions articles remained as set forth by the Prime Minister in the assembly in September, 1936. As has been indicated, no one in the recent discussion at Geneva ventured to hold that the sanctions articles were now in force. It would have taken considerable hardihood to make such a contention in view of the absolute refusal of league members, great and small, to invoke sanctions in the present conflict between Japan and China.

In fact, the present situation as to the interpretation of the sanctions articles was well summed up by the representative of Belgium in the committee of twenty-eight:

> To-day is a grave conflict, the anxiety is to avoid procedures that might lead to the application of article 16, because account is taken of the obstacles that would be met with in its application.
>
> At the same time, the possibility must be taken into account, that, in the phrase of another speaker, the article may be resurrected, or, as it has been put elsewhere, may be taken out of cold storage when it suits the interests of some of the members that now completely ignore its existence.

To avoid any possibility of ambiguity or misunderstanding, it is therefore desirable to repeat that the position indicated in the assembly of 1936 and in this house earlier in the same year remains the position of the Canadian government. We recognize the honesty and the idealism of those who call for a universal and automatic application of sanctions. We do not consider that it would make for honesty or decency or good will among nations to attempt an in and out interpretation of the covenant, based on the varying interests of some of the members of the league. So far as the Canadian government is concerned, the sanctions articles have ceased to have effect by general practice and consent, and cannot be revived by any state or group of states at will.

Now may I pass to the question of our relationship to the foreign policy of other members of the British commonwealth of nations, and particularly the United Kingdom. The task of the United Kingdom in the field of foreign affairs has been an extraordinarily difficult one of late years. Its own position has been modified by shifts in the balance of power throughout the world and the invention of weapons of war which have ended its own insularity, and introduced new factors into the Mediterranean area. As one of the great powers, it has had to consider not only its own protection, but the maintenance of peace throughout the world and particularly on the continent of Europe. There may be differences of opinion as to the wisdom of some of the policies adopted to secure these ends in the twenty years since the war, but I think there can be little question of the unremitting care and anxiety which those responsible for the foreign policy of Britain have devoted to their task, or of their strong and determined effort to establish peace and maintain respect for solemn pledges and the principles of law.

No course of action adopted by the United Kingdom in foreign affairs can fail to have repercussions, great or small, upon Canada and the other members of the commonwealth of nations. The problem of adjustment this fact presents is one of the most difficult and complicated that faces Canada and other parts of the commonwealth as well. A number of courses have been urged or practised. It may be helpful to review these briefly. I believe that all of them have been mentioned

in this house in the course of discussions on defence matters and other questions. They have been mentioned by one or another member who has been prepared to support the point of view he urged.

One attitude that has been proposed is to say that we will accept any policy adopted by the British government of the day, and give it our support, regardless of our own views and interests, and regardless of consequences.

It is only necessary to spell out the implications of this view to make it clear that even its exponents would hesitate to adopt it in all cases. The goal of United Kingdom policy may remain the same, but the paths by which that goal is sought vary widely. The view which I have mentioned would involve being prepared to follow every variation in the trend of British policy due to changing situations on the continent, changing party fortunes or changing ideas of national advantage. It would mean one year following a Conservative government, next year a Labour government; one year leaning toward collective security, next year perhaps toward isolation.

A second course would be to say that we will accept the policy of Great Britain whenever she acts through the league and in accordance with the covenant.

It was held in some quarters some years ago that the fact that all parts of the commonwealth were members of the league and that Great Britain would not go to war except under a league decision and in accordance with a covenant binding all parts equally and automatically, had conveniently and permanently solved the question of intra-commonwealth war relations. Experience has shown that no such automatic solution is afforded by the league, that it does not operate automatically, and that the question whether an attempt is to be made to set its sanctions or war provisions in action depends in last analysis on whether influential European members of the League wish to invoke these provisions.

A third course that might be advocated is to say we will advise Great Britain as to what course she should follow, so that we will not be involved in the consequences of a policy we thought wrong. I believe that position has been stated many times in this house.

This attitude has more to be said in its favour. Occasions arise where consultation is both necessary and possible, and where it will be open to each government and sometimes necessary for each government to indicate its attitude. The difficulty, however, is that a United Kingdom government, for example, must be responsible to its own people for its actions. The direct and main responsibility for its policy must rest with its own parliament. They are closer to the danger point, and must bear the main brunt of any misjudgment or failure. They might be prepared to take advice which fell in with their own views; but otherwise they would find it difficult to do so unless the adviser could guarantee them against the consequences. It could not be anticipated that Canada and South Africa, Australia, New Zealand and Ireland would always advise the same way. The necessity of the United Kingdom consulting certain other powers in Europe would not be affected. The danger would arise of intervening in controversies between the government and the opposition in Westminster. In many cases, there is not time or opportunity for such consultation or advice. A policy is not adopted at one stroke; it is the sum of many actions, accumulating decisions on what often appear points of detail, ordinary routine. Daily and sometimes hourly new situations must be faced, conversations held, decisions taken.

Again, it has been urged that we should say we will declare here and now our neutrality in any future conflict, decline to take part under any circumstances in any conflict in which the United Kingdom may be engaged.

I stated the government's position on this proposal last session in the following terms. I have stated it in similar terms in other sessions:

> This would amount to tying the hands of parliament regardless of the circumstances of the war or the participants, what interests of Canada may or may not be involved. Over and over again we have laid down the principle that so far as participation by Canada in war is concerned, it will be for our parliament to decide. Having taken that attitude in respect to participation, I think we might well take a similar attitude with respect to neutrality. At the present time there are no commitments, so far as Canada is concerned, to participate in any war. Equally there are no commitments . . . whereby we agree to remain neutral under all circumstances. The policy of the government with respect to participation and neutrality is that parliament will decide what is to be done.

That position has not been changed. To make such a declaration would be unjustified by the policies of British governments. It would be an unwise encouragement to potential aggressors.

Finally, we may take the position that parliament will decide upon our course when and if the emergency arises, in the light of all the

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circumstances at the time. In the meantime we should endeavour to keep informed upon the situation, to keep in touch with the United Kingdom and other countries striving for peace, to carry through a reasonable and effective defence program of our own, to support any constructive program of conciliation and removal of economic barriers to peace, and to strive in our own relations to build up friendships which will serve our need and the need of others.

I made a statement at Geneva in September, 1936, in the presence of British ministers and representatives of other nations, which later, on January 25, 1937, I declared was "a statement of the present administration's policy and the policy which the present administration intends to follow as long as it remains in office." It was as follows:

The nations of the British commonwealth are held together by ties of friendship, by similar political institutions, and by common attachment to democratic ideals, rather than by commitments to join together in war. The Canadian parliament reserves to itself the right to declare, in the light of the circumstances existing at the time, to what extent, if at all, Canada will participate in conflicts in which other members of the commonwealth may be engaged.

The Canadian House of Commons by unanimous resolution has made the adoption of undertakings to apply either military or economic sanctions subject to the approval of parliament.

What I have said and quoted—

I am still quoting what I said at Geneva two years ago.

—does not mean that in no circumstances would the Canadian people be prepared to share in an action against an aggressor; there have been no absolute commitments either for or against participation in war or other forms of force. It does mean that any decision on the part of Canada to participate in war will have to be taken by the parliament or people of Canada in the light of all existing circumstances; circumstances of the day as they exist in Canada, as well as in the areas involved.

It will be argued, it has been argued, that it is not satisfactory to postpone decision until the eve or the fact of an outbreak of war, that under such circumstances calm decision will not be possible, that the decision should be made in advance.

I do not agree with that view. In the first place it would be impossible to frame to-day the questions which might have to be decided later. Many "inevitable" wars have never happened. The opponents of one year may be the friends of the next. It is impossible to forecast what the issues abroad, the alignments abroad, the situations at home, may be in a year or five years from now. In Mr. Hull's address on foreign policy on March 17, to which I have already referred, after indicating his country's firm adherence to the faithful observance of international agreements, the settlement of international issues by peaceful negotiation, the scrupulous observance of the rights of others, and the maintenance of international law and order, he continued:

There is one thing that we cannot do. And that is, to prepare and place before every government of the world a detailed chart of the course of policy and action which this country will or will not pursue under any particular set of circumstances. No man, no nation, can possibly foresee all the circumstances that may arise. Moreover, to attempt to make such a detailed chart of future action would merely result in impairing our effectiveness in working for the one objective toward which we constantly strive and on which, I am certain, there is not a vestige of disagreement among the people of our country—the establishment of durable peace.

In Mr. Chamberlain's speech of March 24, referring to suggestions of assurances to France regarding Czechoslovakia, or assurances of military assistance direct to Czechoslovakia, Mr. Chamberlain declared:

From a consideration of these two alternatives it clearly emerges that under either of them the decision as to whether or not this country should find itself involved in war would be automatically removed from the discretion of His Majesty's government, and the suggested guarantee would apply irrespective of circumstances by which it was brought into operation, and over which His Majesty's government might not have been able to exercise any control.

Again, it should be plain to everyone, it is explicitly recognized by some of those who urge a decision now, that to force an issue like this upon the country would bring out deep and in some cases fundamental differences of opinion, would lead to a further strain upon the unity of a country already strained by economic depression and other consequences of the last war and its aftermath. To invite this risk on a hypothetical question would be as great a disservice to Canada as any government could render.

It must be recognized that this policy is not wholly satisfactory, not free from difficulties, not a completely logical position. Like many other policies it is not an ideal solution; it is only the best of the available solutions. That, however, is not the fault of the policy. It is the inevitable outcome of the present stage in the relations between the several parts of the British commonwealth. It is inherent in the contradiction between the recognized independent responsibility of the several members of the commonwealth, "equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs," to quote

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the declaration of the imperial conference of 1926, and the possibility that war proclaimed by the king as regards part of his dominions may involve other parts in the conflict. In other words, we have worked out a satisfactory and enduring solution of the relations between the several members of the British commonwealth in peace time; we have not yet worked out a completely logical solution of the position in war time.

Now may I turn briefly to some more specific comments on developments abroad, and first, the Sino-Japanese conflict. The terrible war now waging on the soil of China has aroused intense interest and concern in Canada. It is a conflict of great moment for the future of the Pacific and of the relations between the countries that border on the Pacific. It is a clash between two ancient and distinctive though allied civilizations, in which all the powers of destruction and terror which western civilization has made available to the whole world are being employed. Canada has many close ties with both countries—cultural and church and trade associations. The immediate tragedies have stirred deep feeling. Similar conflicts, with similar losses of life, have been waged in Asia over many thousands of years, but to-day the telegraph and the camera and moving pictures have brought home to millions on this continent a direct and poignant knowledge of the suffering and the horrors such a conflict involves, both for the tens of thousands who die in battle and for the tens of millions who are driven from their homes to wander and to starve. A distinguished Chinese visitor to Canada recently stated that he did not wish to dwell upon charges of atrocities in the conflict. It is true that, once the die is cast and war is entered upon, the difference between a humanely conducted war and an inhumanely conducted one may not be very great, though it will still be significant. Some armies may show greater arrogance, greater callousness in battle, greater recklessness as to attack on civilians, but with airplanes and bombs and gasses available, no modern war can be anything but mass slaughter, mass destruction, mass suicide.

It is natural that many Canadians have asked what they could do, what the government and parliament could do, in the face of this calamity.

So far as the government's action is concerned, Canada has a direct interest as a member of the League of Nations and as a signatory of the nine-power treaty. The covenant of the League of Nations provides under article 10 that the members of the league agree to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the league. Article 11 provides that any war or threat of war is a matter of concern to the whole league, which shall take any action that may be deemed wise and effectual to safeguard the peace of nations. Articles 12 to 15 of the covenant providing for means of peaceful settlement of disputes between members of the league, and article 16 providing for sanctions in the event of a member of the league resorting to war, do not directly apply, as Japan is not now a member of the league. Article 17, however, provides that in the event of a dispute between a member of the league and a state which is not a member, the non-member shall be invited to accept the obligations of membership. If it does not accept and resorts to war against a member of the league, the provisions of article 16 shall be applicable against it.

On September 12, 1937, the Chinese government appealed to the league under articles 10, 11 and 17. The assembly was then in session, with Senator Dandurand, Mr. Ilsley and Mr. Massey representing Canada. The council referred the question direct to a far eastern advisory committee of twenty-two members which had been set up in 1933 to deal with the previous Manchurian conflict, which included the United States. Canada is a member of that committee. On September 27 the advisory committee passed a resolution condemning airplane bombing of open towns and cities in China by Japanese aircraft, which was accepted the following day by the assembly. On October 1 a sub-committee was set up, on which Canada was not represented. Four days later the sub-committee brought in two reports, the first setting forth the facts of the present situation in China, and declaring that the action by Japan was a breach of its treaty obligations and could not be justified. The second report expressed moral support for China, recommended that members of the league should consider how far they could individually extend aid to China, and further recommended that the signatories of the nine-power treaty should be asked to examine the situation. The report and resolutions were adopted by the assembly on October 6 with the approval of all members represented except Siam and Poland, which abstained.

It must frankly be recognized that the league's treatment of the situation has not proved of very material benefit to China. The question whether the sanctions provisions of article 16 should be invoked was studiously

avoided. The plain facts were, first, that with more than half the great powers outside, there was not the concentration of potential force within the league that had been contemplated when the covenant was framed, and, second, that given the unrest and the threats to peace in the Mediterranean and central Europe, the European countries that were in the league were not prepared to weaken their own position at home by taking steps which might involve having to despatch a large and possibly still inadequate part of their forces to the other side of the earth.

The league assembly, as has been noted, proposed that the question be further considered by the signatories of the so-called nine-power treaty. That treaty was one of the series of inter-related treaties and agreements signed at Washington in the winter of 1921-22, with the object of bringing about stability and security in the far east. It was signed for the United Kingdom and Canada, Australia, New Zealand, The Netherlands, Portugal, and Japan and China, and was later accepted by other powers. The contracting parties undertook to respect the independence and territorial integrity of China, to seek to maintain the open door in China and refrain from seeking for special privileges, or spheres of influence. Article 7 provided that when in the opinion of any signatory a situation arose involving the application of the treaty, there should be "full and frank communication between the contracting powers concerned." In view of some misunderstanding on the subject, it is necessary to remember that this treaty, unlike the covenant, included no provision for sanctions against a signatory which broke its pledges. It bound each party to refrain from aggression and intrigue, it provided for consultation if peace was threatened, but it did not involve joint action against a violator.

The conference met in Brussels early in November, on an invitation by the Belgian government issued at the request of the British government and with the approval of the government of the United States, for the purpose "of examining, in accordance with article 7, the situation in the far east and to consider friendly peaceable methods for hastening the end of the regrettable conflict now taking place there." All the countries which signed or adhered to the treaty were represented, with the all-important exception of Japan. Earnest and repeated efforts were made to bring the warring parties into consultation. The services of the other signatories, or alternatively of a small group of states, were offered in an effort to suspend hostilities and work out a lasting settlement.

Japan refused to take part, declared she was acting in self-defence and that the conflict therefore lay outside the scope of the treaty, and that a solution could be attained only by efforts between the two parties directly concerned. The conference found itself as at impasse. The members of the conference, with Italy definitely opposing and the three Scandinavian countries, while sympathetic, abstaining from voting on account of their limited direct interest, declared their right and interest to intervene in the issue, their condemnation of force and breaking of pledges, their rejection of the view that direct negotiation between the two parties could achieve a settlement, and their readiness to continue further efforts for suspension of hostilities and negotiation. They then adjourned at the call of the chairman. In the circumstances, nothing more was possible; it was probably worth while holding the conference to determine whether more was possible. Canada concurred in the action taken. It did not think less could be done; it did not urge the great powers represented to do more.

There is another phase of this question about which a good deal has been said in Canada. I have received a good many communications protesting against the shipment to Japan of munitions and of raw materials available for war purposes. Many of those communications reveal a common inspiration from sources more concerned with the welfare of certain other countries and systems than with Canada's welfare. But many are genuine, based on an honest hatred of war, disgust at atrocities, unwillingness to see profit made out of others' misery. Those views I respect. I think we all share the feelings that lie behind them. But they are also based on erroneous ideas as to the facts both of Canada's position and the position of other countries, and erroneous assumption as to what action by Canada alone would effect.

Perhaps before I give the facts with regard to shipments of munitions and the like I had better touch on the other conflict, the civil war in Spain, because what I have to say with regard to the shipment of munitions has a direct bearing on both. In Spain, the conflict is in form at least a civil war, not a war between independent states. It is not the first conflict that has marked the history of that unhappy country. The transition from mediæval feudalism to a modern social order has been a slow process, marked by more than one civil war, more than one armed revolt. The conflict which began in July, 1936, has been particularly destructive because of

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the nature of modern weapons of warfare, and because of the intervention of outside governments in the struggle, the Italian and German governments directly assisting the insurgents and the soviet government assisting the government. There was imminent danger of the conflict spreading into a war of isms, of class conflict and of conflict of national strategic interests. On the initiative of the governments of France and Great Britain, a non-intervention committee of twenty-seven European states was formed to endeavour to prevent or restrict outside participation in that war. The committee has not succeeded in preventing continued extensive participation by outside states, all members of the committee. Its critics in England and France contend that it was unfair to put an unrecognized insurgent force on a par with a recognized government, that the committee has merely furnished a veil, an excuse for shutting one's eyes to a flagrant invasion of Spain with plane, tank, and heavy artillery, and that a serious danger exists of a threat to British and French communications in the Mediterranean and on the Atlantic coast. Its sponsors contend that it has lessened the amount of such intervention, that it has prevented an open break which would have led inevitably to a general European war, and that whatever the outcome and whatever the assistance received, no Spanish government, when firmly in power, will tolerate outside control.

Canada of course did not take part in the establishment or the work of this European committee, nor did any other non-European country. But when the United Kingdom, the United States and other countries had prohibited the export of munitions to Spain, the possibility arose that orders for munitions might be diverted to Canada, and in order that the efforts to localize the conflict in Spain might not be frustrated in this manner, an order in council prohibiting such imports was passed in July last, under the authority of the amendment made last year to the Customs Act.

Mr. BENNETT: When my right hon. friend said "imports," was he not referring to exports?

Mr. MACKENZIE KING: Exports from Canada, but imports of the country in question.

Mr. BENNETT: Yes.

Mr. MACKENZIE KING: Similarly, in order to prevent Canada from being drawn into this European struggle by the recruiting of Canadians for service in Spain, an order in council was passed in July, applying the Foreign Enlistment Act to the Spanish conflict, as had previously been done in the United Kingdom and administratively in the United States, and early in August the issue of passports to Canadian nationals proposing to go to Spain for the purpose of participating in the conflict was prohibited.

As there is some misunderstanding on the subject of both these measures, it may be advisable to refer briefly to their scope and subsequent application. The purpose of both measures was to prevent Canada from being drawn into foreign conflicts by the actions either of manufacturers of munitions or of organizers of recruiting.

The provision for the control of exports was based upon the reports of a Geneva committee, and an examination of the practice of other countries. An amendment to the Customs Act, which took the place of an old section which was comprehensive but not adapted to present conditions, empowered the governor in council to set up a system of permits or licences for the export of munitions or food or raw materials; to provide publicity for exports or imports of munitions; to register persons engaged in manufacturing or exporting munitions, and to prohibit the exportation of munitions or war materials. Under this authorization a system of permits was subsequently set up to regulate the export of arms and munitions, the definition of which was based substantially on the recommendation of a League of Nations committee.

No exports of munitions to any country can be made without a permit, and statistics of such exports are made public by the enforcing agency, the Department of National Revenue, every month. The licence system, it will be noted, applies to arms and munitions only. Further, the discretionary power given the government to prohibit exports, has, as I have already indicated, been applied to exports of munitions in the case of Spain. The prohibition in this case does not apply to raw materials or any other class of goods—solely to arms and munitions as defined. The power thus given has not been applied by Canada, or any other country, as regards either munitions or any other materials, in the case of the Sino-Japanese conflict.

The Foreign Enlistment Act of last session, which took the place of an old act of the parliament of the United Kingdom extending to Canada, made it unlawful for a Canadian national to enlist anywhere for service against friendly state, or for any person within Canada to induce any other person to enlist. This act contains many collateral provisions

and empowers the governor in council to provide for its application to a civil war, and to facilitate these purposes by passport control.

An organized campaign for recruiting Canadians and foreigners living in Canada was under way, and a substantial number of persons had left Canada and proceeded to Spain. Since August no passports for Spain have been issued to Canadian nationals, though a small number of Canadians and of foreigners have made their way to that country by indirect routes.

I now come to a consideration of the shipment of munitions. First, as to Canadian exports. Arms and munitions are not made in Canada in any appreciable degree, and our export trade in this field is still more negligible. So far as exports to Japan are concerned, I am informed that the only shipment has been a single plane ordered before the war; to China, a few planes ordered since the war.

It is, however, the trade in raw materials and particularly in non-ferrous metals, against which complaint is mainly directed. Our exports of lead, zinc, aluminum and nickel to Japan are substantial, and take a leading place in the list of our exports to that country. They have increased since the war broke out, though in some cases they they are again declining. The exchange restrictions introduced by the Japanese government before the war, in the endeavour to conserve its declining gold supply, have given that government a power of discrimination, and altered the proportions of the commodities imported into Japan. To China, our exports of these commodities are much smaller. It has been contended in some quarters that Canada's supplies and Canada's supplies alone are vital to the continuance of Japan's war effort, and that it is our duty as it is within our power, to take action to end this effort.

Let us first get the facts in perspective. Our total exports to Japan have increased rapidly, but they are still far below the total of 1929. The recent increase in that trade is part of the general improvement in exports as a result of the industrial revival of recent years. Our exports to all countries are much nearer the high water mark than our exports to Japan:

	Canadian exports to Japan	Canadian exports to all countries
1929..	$37,504,692	$1,182,412,313
1932..	11,995,887	493,808,841
1935..	14,915,577	729,293,800
1937..	25,851,829	1,110,192,151

In our exports, as in our production, and in fact in the revival of prosperity and stability in Canada, minerals have come to hold a relatively greater place in recent years as the result of new discoveries mainly in the pre-Cambrian shield. We are now among the world's important producers and exporters of gold, silver, platinum, copper, lead and zinc, as we long were of nickel. In many cases, as is generally known, these are joint products, lead or copper or zinc being found in the same veins with silver or gold, and recovered in the same operations.

So far as our exports of lead, zinc, aluminum, copper and nickel are concerned, there is nothing special in our shipments to Japan. Of nickel in the last two years we exported ninety-eight millions in all, of which only five millions were to Japan; of aluminum twenty-five millions, of which five million were to Japan; of lead, twenty-one millions, of which seven were to Japan; zinc, twenty-two, of which two were to Japan; of copper, over ninety-one millions, of which less than one million were to Japan. Incidentally, over 75 per cent of all these exports went to the British empire and the United States. (less than 10 per cent to Japan, Italy, and Germany, and the balance to other foreign countries). It is true we are the largest exporters of nickel to Japan as to most other countries, and important suppliers of aluminum and zinc. But it also is true that of iron and steel and scrap, and of copper, we supply only an insignificant fraction. (One single country's exports of iron and steel and scrap alone are three times in value our total exports of all goods whatever to Japan). It is also true that of the oil, coal, cotton and rubber which are equally necessary for mechanical operations, whether in war or in peace, we supply nothing whatever, nor of the wool necessary to clothe the armies in the field.

Some misconception exists regarding certain figures given out at Brussels by the Chinese delegation to the conference, showing the percentage of certain materials—oil, coal, cotton, rubber, wool, iron, aluminum, antimony, manganese, tungsten, chrome, copper, zinc, tin, etc., exported in 1936 to Japan, with the object of showing that an embargo on exports would be effective if imposed by all parts of the British commonwealth, the United States, France, Holland and a few other countries. Canada was said to have supplied 71.7 per cent of Japan's imports of aluminum, 97 per cent of the copper and 34.5 per cent of the zinc. It may be pointed out first that the figures referred to 1936, a period of peace; that only three items were listed affecting

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Canada, and that as regards copper, the statistics were highly erroneous, the percentage from Canada being one-half of one per cent instead of 97 per cent. These misconceptions formed the basis of much of the demand for a Canadian embargo on raw materials.

Having noted the facts in some perspective, the implications that are drawn may next be considered. In the first place, it is erroneous to assume that metals such as lead, zinc and nickel are used only for armament purposes; quite the contrary is the case; the vast bulk of these three metals is used for industrial purposes, though it is of course true that when a country is at war, the industrial uses will be rationed and restricted. In any case, an embargo would be economically futile. It must be evident to anyone familiar with foreign trade that no system of administrative control which we could devise in peace time could hope to prevent Canadian nickel, lead, zinc, copper, aluminum, scrap-iron, and the rest, sold to purchasers in third countries, from reaching Japan. Once these commodities leave Canadian territory and enter into the commerce of another country, this parliament has not and cannot have any further control over them.

It is equally evident that, except in the case of nickel, of which Canada produces about 90 per cent of the world's annual production, this country has no monopoly, nor even an approach to a monopoly of production. There are, with respect to all these commodities, including nickel, other producing countries, alternative sources of supply, to which Japan, or any nation desiring to place an order, could easily turn. In addition to other sources of production, there are—and this aspect of the question is frequently overlooked—enormous stocks of all these metals readily available, stocks far more than sufficient to fill any possible Japanese demand. It is clear, therefore, that an embargo on the export to Japan of nickel, lead, copper, zinc, aluminum, and other commodities necessary to the production of war supplies, on Canada's part alone, would not achieve the ends proposed.

As to concerted action for that purpose, there is no present prospect of such a policy being adopted. No proposal for an embargo either on munitions or on war materials was made either by the league assembly or by the Brussels conference. No country has placed an embargo on shipments to Japan or to China. In the circumstances it would appear there is nothing in Canada's position which would make isolated action on our part either necessary or effective. It has been stated that New Zealand has placed an embargo on exports to Japan. This is not correct. Last year a New Zealand labour union refused to load scrap-iron on a vessel sailing to Japan. The New Zealand government induced the union to abandon this action. Later, the government prohibited the export of scrap-iron to any country. No embargo has been imposed on the export of wool or any other commodity to any country.

I have spoken of the conflict in the orient and of the civil war in Spain. But Spain is not the only troubled area in Europe. There are few countries on the continent that are not undergoing a social and political revolution. In some, the revolutionary forces of the left or of the right have already attained power more autocratic than the regimes they have displaced; in others, the struggle still continues; and even in those countries that still seek progress by ordered freedom, the repercussions of the upheavals elsewhere spread fear and confusion. No country, however distant and however preoccupied by its own problems, can be unconcerned with the revival of violence, intolerance and disregard of the rights of weaker states. To countries in the whirlpool or on its verge the situation is particularly disturbing and of overwhelming import. It is not surprising that in democracies such as Britain and France the imminence of these threats to national and social and individual security, and the close association and sympathy of groups in each country with one or other of the forces and theories warring in central and eastern Europe, have led to a wide and violent conflict of opinion as to the policy that should be adopted to meet these new conditions. There are many shades and variations of opinion, but two main tendencies have developed.

In the opinion of one group, Armageddon has already come, the forces of light and darkness are irrevocably swinging into battle line for the final test of destiny. Europe and liberty, it is contended, can be saved only if the democracies firmly and unitedly call a halt here and now. The other widespread attitude is to recognize the situation as dangerous, but to insist that the policy of dividing Europe or the world into two antagonistic camps, organizing a holy alliance against fascism, would be still more dangerous, and is neither possible nor necessary. There is no warrant, it is urged, for fighting a preventive war or for seeking to form a hard and fast alliance against the authoritarian states. If such an alliance could be formed, it would only drive the fascist countries into firmer alliance and put any possibility of peaceful

settlement out of the question. The wiser policy, it is urged, is to try to bring all Europe back to sanity, to emphasize and strengthen the points of agreement, not of difference, to seek to adjust each specific difficulty in turn. In what I have just been saying I am not stating my own views, I am stating the views which I believe are contending against each other in Europe to-day.

I am sure that every government in Great Britain since the war, and certainly not least the present government, has striven for peace. Differences of opinion may exist as to the wisdom of the policies adopted toward that end at different times. Governments may have failed to appreciate the strength and trend of changing forces, but taken broadly they have shown a realism and a patience that few if any other countries can equal.

I do not consider we are called upon to pass judgment or to take sides in United Kingdom discussions. Inevitably the rise of such contentious issues, such party cleavages, lead to efforts to secure or to claim the support of Canada or Australia or South Africa or New Zealand for one or other view. Statements appear in the British press that the dominions demand this or that, that Australia supports the government or that New Zealand supports the opposition view. So far as the Canadian government is concerned, it does not consider that it is in the interest either of Canada or of the commonwealth to tender advice as to what policy the United Kingdom should adopt week by week, or become involved in British political disputes. We have expressed no opinion on that policy, and no one in London is authorized or warranted in interpreting us as doing so.

Incidentally, may I say that the time has come to cease speaking of "the dominions" as if they were some peculiar half-fledged type of community, and all alike in their interests and views. Such a usage leads to confusion at best, and to alibis and misrepresentation at worst. South Africa is South Africa, New Zealand is New Zealand, Australia is Australia and Canada is Canada, and it will help to good understanding if that elementary fact is borne in mind.

We have made clear our own policy as regards the league. We have indicated our own attitude toward the frequent demands that we should thrust ourselves into the European picture, take sides in the struggle of ideologies, make commitments in advance. We have equally made it clear that we are opposed to making in advance proclamations of neutrality or abstention that would be used to encourage aggressive designs. We shall try to maintain old ties and old friendships and at the same time be ready to enter into friendly relations with every country that will reciprocate. We shall try to keep in mind the difficulties and dangers that other countries are facing, but we shall not assume that it is our duty or within our power to work out their problems for them, to make over their social structure or their political ideas or their racial attitudes. In seeking within our own country, which constitutes half a continent, to build up a genuine democracy, to promote sound social relationships, to develop a tolerance and readiness to work together in achieving unity and furthering and maintaining the ties with the other members of the commonwealth, and the most friendly relations with our immediate neighbour and with all other countries, we shall be doing the task that lies to our hands, our Canadian task.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, I do not propose to make any extended remarks. The party with which I am associated meets in convention at a not distant day, and will doubtless make a declaration regarding the foreign policy of this country. The views I express to-day are my own personal views and not necessarily the views of my party. I think every hon. member will understand quite clearly why I should make that statement.

I have listened, as every member of the house has, with very great interest to the observations of the Prime Minister (Mr. Mackenzie King). With respect to much of what he has said I think there can be no possible differences of opinion, but there are some matters about which our views are widely divergent.

In the first place, I wholly agree that it is not probable that this country, of its own motion and in the exercise of a choice, will be compelled to go to war. I cannot conceive it likely that the Dominion of Canada would find it necessary to resort to arms with respect to any matter that might arise in the conduct of its affairs. But I am not ignorant of the teachings of history, and it well might be that by reason of Canada's trading and other relations with the nations of the world a situation would be created which would make the alternatives a resort to arms or the loss of prestige by the commonwealth of nations.

Yesterday I saw an issue of the New York Times, I think of Saturday or Sunday. On one of its pages devoted to foreign affairs was a map of the world. Radiating from

an issue at once, sir, of tremendous import. The late Sir Wilfrid Laurier regarded that as hardly worth even discussing; for he held the view that when any part of the British Commonwealth of Nations was at war Canada also was at war. He expressed that view in this house in terms so clear as to admit of no possible doubt. How could this country be neutral and remain in free association with the other members of the commonwealth of nations? Yet it is to this free association that the Prime Minister very properly committed this country in 1926. It is to this that the house gave approval. It is this that parliament has accepted. How, sir, could you have anything such as the neutrality of Canada and a free association with the other members of the commonwealth, which includes the United Kingdom?

Then there was the fifth class of citizen to which reference was made, and that reference was summed up by the statement of the Prime Minister that parliament would govern. He said that we would keep in touch with the other dominions, but that parliament must determine these issues. If the view taken by Sir Wilfrid Laurier was a sound one—and it was a view which was accepted by constitutionalists in every part of the world—then, sir, this parliament would in such event be dealing with a reality, not a theory. For if war were to result by reason of difficulties between any of the other self-governing dominions or Great Britain and any other part of the world, then, as Sir Wilfrid pointed out, we also would be at war, and parliament would be dealing with an actuality, not a theory.

Mr. LAPOINTE (Quebec East): But he said more than that.

Mr. BENNETT: Yes, much more than that; but I am talking about what he said in this connection.

Mr. LAPOINTE (Quebec East): But that was not the whole sentence of Sir Wilfrid Laurier. He said, "but it does not follow that Canada will participate in any war."

Mr. BENNETT: I was just coming to that point, and I thank my right hon. friend for bringing it to the attention of the house. He made a declaration, one which I say is accepted by constitutionalists as sound, that if any part of the British empire were at war—and within that expression we of course are included, as is the United Kingdom—then also Canada is at war. But whether or not Canada should participate in that war is a matter to be determined by the Canadian people and the Canadian parliament.

Mr. LAPOINTE (Quebec East): That is right.

Mr. BENNETT:: There never has been a doubt about that.

Mr. MACKENZIE KING: That was my fifth point.

Mr. BENNETT: I am sorry it was not put quite in that way.

Mr. MACKENZIE KING: That was the intention of it.

Mr. BENNETT: I think what my right hon. friend said was hardly consistent with just that view, but I will accept at once his statement that that was what he intended to say.

Now, sir, there are some lessons we might learn from the last war. How many members realize that mines were laid by the Germans within a few miles of the coast of Nova Scotia? How many realize that some of our ships were destroyed by mines laid by the Germans off the coast of Nova Scotia? The Minister of National Defence will know it because of his access to his archives. But I suggest there are very few hon. members in the house who realize that off the coast of Nova Scotia the Germans were able to sow mines, after crossing the Atlantic ocean. I wonder how many realize that batteries planted, for instance, on Anticosti Island would completely command the St. Lawrence river? I wonder how many have realized that a dozen shells fired from ten miles at sea would make the habitation of great cities impossible, through the destruction of sanitary amenities? I wonder if it is realized that, in the language of the late Lord Asquith just before he died, science has been but lisping the alphabet of destruction?

To-day we know about the great progress that has been made in instruments of destruction. We know the effectiveness of bombs. The other day a high military officer said that the effects of one bomb would be felt for a distance of fifteen miles or more. When I read that statement I regarded it as almost incredible; I think yet there must be some error in connection with it. But, be that as it may, we know from the Ethiopian campaign the power of gas. We know for instance what bombs may do, from the recent campaigns in China and Spain. We know what submarines almost did to Great Britain. All you have to do is to read the life of Jellicoe and you will learn how nearly—how very nearly—that submarine campaign succeeded.

All these are matters we must think about very carefully. For while we may not participate in a war, let it always be remembered

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that the nation or nations opposed will participate against us. It is their participation I am concerned about. This parliament is not going to be able to prevent an enemy from throwing shot and shell, bombs and gas, if that enemy is at war with the British empire. It was that point which the hon. member for Grey-Bruce (Miss Macphail) brought out the other day in this chamber in the clearest fashion I have ever heard it put. It was, sir, in essence, that because we are part of the British empire we are subject to that risk and danger, and it is a question of balance. We must not delude ourselves. Beautiful phrases and platitudes will not save us. I wonder if anyone has forgotten the language of Chatham? No, that will not save us. We are confronted with a possibility as real as any possibility can be, and it is this, that if any part of the British empire is engaged in war, we are subject to the operations of the modern scientific devices and the forms man has created for destruction through harnessing those great inventions of the human mind for destructive purposes.

I am not thinking about our participation; that is for parliament to decide. But what I am thinking about is the participation of our enemy, and that is what we should be thinking about. Who planted the mines off the coast of Nova Scotia? Was it the parliament of Canada? Did the parliament of Canada have anything to say about it? Did the parliament of Canada raise its voice and say, "You cannot put your mines here?" No; the German high command placed their mines off the coast of Nova Scotia, and our shipping was destroyed. True, only a small quantity was destroyed, but the fact remains that the mines did have their effect. There is the record. Therefore I say when we speak of participation we can only ask ourselves this question: What shall we do in self-defence?

That is all it is, stripped of everything. It is not for this parliament to say whether or not we shall permit our shores to be invaded, our commerce to be destroyed, our ships to be blown to pieces, our population to be gassed or bombed. That is for the enemy. But it is for us to say: Shall we defend ourselves? That is what we have to say,—and how shall we do it?

I wonder if my fellow members from Quebec realize how great an achievement was that of Sir George Etienne Cartier in the framing of the Militia Act? It is true he was defeated; but he left behind him a Militia Act which is practically the act of today. What does it provide? It does not provide for a foreign policy being made by parliament, for parliament never makes a foreign policy. His majesty's advisers make the foreign policy of the country and parliament approves or disapproves. Parliament says yea or nay. That is the old constitutional practice, a practice as old as the hills themselves. Ever since our institutions have developed to what they now are we have provided that his majesty's government, always with a majority in the commons, shall initiate and formulate policies—foreign policies. It is not given to me nor to any private member of this house to indicate the foreign policy of Canada. You can express your views, as I am expressing mine; you can offer your criticisms, as I am, but the declaration of external policy in this country must come from his majesty's advisers, the government, the crown in reality. You will find the matter much discussed in the speeches that took place in the time of Palmerston. It is the crown's policy. The crown no longer speaks as the sovereign; the crown speaks on the advice of the ministers of the crown, and the policy is the policy of the government of the day.

Let us see how that was exemplified in the Militia Act of long ago. Let us see how it still finds its place in the statutes of our country. The Militia Act is chapter 132 of the revised statutes of Canada, of which section 63 reads:

> The militia or any part thereof, or any officer or man thereof, may be called out for any military purpose other than drill or training, at such times and in such manner as is prescribed.

Then follow the sections which recognize that the foreign policy of the country is the policy of the crown as advised by the government of the day. Section 64 reads:

> 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.

The true significance of this section is to be found in the words, "and also beyond Canada, for the defence thereof." I have endeavoured to make clear the point that participation in war was determined by our enemy and not by our parliament, and that the question to be considered was the question of the defence of our country. The government of the day is clothed with authority to defend this country. It may be that defence will be made, as it was, in the fields of France, or Flanders; it may be on the high seas; it may be somewhere in Africa; it matters not where it may be as long as the government of the day

ethnologically they are white people, yet we exclude them. How do we do it? We exclude them by an obvious trick—that is just the word to use—which the Minister of Justice says cannot be done because it is doing indirectly what we cannot do directly.

We cannot pass a law preventing our own fellow subjects from coming into Canada, so how do we keep them out? I do not want this to be used against us in the years to come because we had a satisfactory arrangement; that is, it has given satisfaction. We made objections to their coming, and we passed a law that they would have to come in a ship directly from the country of origin. We had not the courage or we had not the legislative authority and jurisdiction to say flatly, "We will not let natives of India, a part of the British empire, come into another part of the empire," so we introduced this ridiculous theory that they had to come in a boat directly from the country of origin. Can you, Mr. Speaker, conceive of any condition which would make a man a more desirable immigrant to Canada if he came in a boat which started at Bombay and docked at Vancouver than if he went from Bombay to Hongkong and then took the regular line of steamers from there to this country?

But we went further than that. Shortly before the great war broke out, a boat full of natives of India, appeared in Vancouver harbour. I forget their particular nationality, whether they were Hindus or Sikhs; I think they were Sikhs. There was a large number of them; they had come direct from the country of origin in a boat; and it was more than hinted, it was currently believed, that they had been financed by the German empire with a view to promoting discontent in India and in Canada, because it was not desired to admit a couple of thousand of these immigrants, and if they were sent back they would be a fruitful source of discontent and dissatisfaction in India. I forget the exact method we adopted in order to stop them, but I remember that fire hose figured considerably. After a good deal of discussion the boat did go back to India, and no doubt the purpose intended by the people who instigated the affair was served, that is to say, of causing a great deal of discontent in the Indian population.

That evil was foreseen as was also a recurrence of it, and we wondered what we could do about it. We again used that subtle, indirect method which the Minister of Justice says we must not use—we made an addition. We said that not only must the native of India come in a boat directly from the country of origin but he must also obtain a ticket direct from the country of origin to Vancouver. I do not know how we managed it, but I assume it was by arrangement with the consular agents. At any rate, we saw to it he could not get a ticket right through. If that is not an indirect way of doing something which we cannot do directly, I do not know what is. And that is with our own nationals in our own country. But there are a great number of other instances that could be given.

I go back to the suggestion emphasized by the Minister of National Defence, that they would be entering in hordes. May I point out that you cannot teach a horde of orientals English in a short time. It is true that in Australia it was provided that they might use some language—

Mr. MACKENZIE (Vancouver): Specified.

Mr. NEILL: —some language specified by the government. The government took care to specify some language which the man seeking entry into Australia could not read or write, and if they found that he could write one language they tried him with another. As I told the house on a previous occasion, some inspired Scot tried an unhappy Chinaman with Gaelic. The Chinaman took the matter to the courts, and it was decided in the higher courts of Australia that the Gaelic language was not a language of Europe. And then the trouble broke out. The wigs were on the green; kilts were donned; the pipes were played; the claymores were in evidence, and there was very nearly a revolution. The government hastily got the cabinet together, capitulated, and agreed that at the next session of the legislature they would bring in legislation to do away with the provision for specifying a language of Europe and would simply provide that any language might be specified. The result is that now Gaelic may be specified as a test. In New Zealand there was not a similar incident, so that the provision there still is that a language of Europe may be specified. An attempt was made by a Japanese in Australia to establish the claim that he could specify the language and that also was taken to the higher courts, but it was decided that the government alone had the power of specifying. I do not know whether that was not taken to the privy council. Then a rule was passed that until there was legislation which defined the language, the immigration officer in question had the right to do the specifying.

If there is anything at all about this bill which the Minister of National Defence does not like, all he had to do was simply express his desire in the committee and we would

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have amended it. It would have been easy to put in words similar to those used in Australia if he so desired. He says that he will not be satisfied, that British Columbia will not be satisfied, until this matter is settled on a right basis. I agree with him. Then, why not let us do something about it? Why should we simply talk about it? The other day we had an illustration in British Columbia of what happens when there is too much talk; there was too much talk about the labour situation and it resulted in an unfortunate occurrence.

I am not at all pessimistic, but the feeling in British Columbia in this matter is becoming intense. There are two things more than anything else for which a man will fight; that is, the protection of his wife and family and his home; and if he thinks that his wife and family and his home are in peril, and he believes that a government three thousand miles away is indifferent or is not showing that concern for his welfare that it should, while a menace is threatening him across the ocean, he is more than likely to take steps to protect himself. That would be very lamentable in this case, something that might lead to riots and to far more international trouble than anyone might anticipate from Bill No. 11. Of course, it is too late to go back and revise our opinion about that, but even now the government could bring in a measure sufficiently different from my bill to conform to the rules of the house.

I do plead with the government to do something. I am not going to quarrel with them about the nature of it, the means they take, so long as they do something to meet the situation. Simply sending a delegation of three people to British Columbia to investigate the activities of officials will not placate the people of that province. As the minister knows, they are not in their childhood; they are not lacking in intelligence, and they will resent any suggestion that they can be placated as children can be by being given a toy as a means of getting them to think of something else.

British Columbia wants legislation to exclude Japanese. Vancouver is the third biggest city in Canada; probably one-quarter of the population of British Columbia is centred there. Well, did we not find the city council, composed of all varieties of political opinion, passing unanimously a strong and vigorous resolution, containing half a dozen whereases and concluding with the declaration, "We want the total exclusion of orientals from British Columbia?" That is what the city of Vancouver wants, and no eloquence from the Minister of National Defence, who is far more able than I am to smooth over these difficulties and troubles, will alter that bedrock fact.

Mr. SPEAKER: It is nine o'clock. The hour for private and public bills having expired, the house will revert to the order of business before six o'clock.

SUPPLY

FOREIGN POLICY—STATEMENT OF MR. MACKENZIE KING ON MOTION OF MINISTER OF FINANCE

Right Hon. R. B. BENNETT (Leader of the Opposition): At six o'clock I was referring to the Lytton report as indicating the reason why I found it so difficult to follow certain aspects of the attitude of the government with respect to the present situation in China and Japan. It will be recalled that that report was made to the League of Nations and that after very careful investigation by a well qualified committee it was found that the action taken in Manchukuo by Japan was wholly unwarranted and was unprovoked. The effect was that in the end Japan left the League of Nations. Therefore we still continue to be a member of the League of Nations. Our signature still remains upon the Kellogg-Briand pact. Our signature still remains upon the Washington nine-power treaty, and we adopted the Lytton report, whereupon, as I say, Japan withdraws. And that country, which has dishonoured its obligation and its signature in the manner I have indicated, is bold enough to send to this country an emissary who a few days after he arrives makes a statement which is a far more offensive observation than that made by Sackville-West which resulted in his recall from Washington. I mention that because frankly I cannot understand it.

Mr. MACKENZIE KING: Perhaps my right hon. friend will allow me to say a word?

Mr. BENNETT: Certainly.

Mr. MACKENZIE KING: When my right hon. friend was speaking earlier in the evening, and took exception to the government's attitude, I was not aware whether he was referring to what I said in speaking on external affairs, or whether it was to what I had said in reply to the hon. member for Winnipeg North Centre (Mr. Woodsworth) this afternoon. I gather it is what I said in reply to the hon. member for Winnipeg North Centre.

Mr. BENNETT: It was not so much a question of reply, as the language itself.

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Mr. MACKENZIE KING: Well, what I want to make clear at the moment, and to have the house understand, is that my right hon. friend is not taking exception to what, in speaking on external affairs, I said in relation to the Sino-Japanese war, but rather to the remark I made or something I failed to say in reply to the hon. member for Winnipeg North Centre on the orders of the day. May I say at once that when the hon. member asked the question he did of me I had not seen, nor had my attention been drawn to the statement made by the Japanese minister. That was why I asked my hon. friend what statement it was he alluded to. He said he was referring to the Japanese minister having said he agreed with the statement I had made in this house, a statement of policy. I am prepared to stand by any statement of policy I have made in this house as to the attitude we should assume towards other countries.

Mr. WOODSWORTH: My criticism was not with regard to the Prime Minister's statement of policy, but rather that the Japanese minister had commented on what had been said in a debate in this house.

Mr. MACKENZIE KING: I was trying to find the particular point to which reference was made. However, I have since obtained the reported statement of the minister from Japan. It appears in the press as follows:

Baron Tomii, who is accompanied by his wife and eight year old daughter, expressed appreciation of a recent utterance of Prime Minister Mackenzie King with regard to the Sino-Japanese conflict.

"I don't remember the exact words, but they were to the effect that Canadian people should be very careful in making remarks concerning the hostilities now going on in China," said the Baron. "I do realize how difficult it would be for people living thousands of miles away to understand fully the situation that exists in the far east."

In the first place I think hon. members will agree that while I have made a statement as to the attitude which should be assumed generally towards critical situations in other countries, I have, as far as I can recollect, made no statement referring particularly to the hostilities now going on in China, as suggested in the words attributed to the Japanese minister. My statements from time to time have been that in dealing with critical situations that exist in other parts of the world we in Canada, which is a neutral country, should be particularly careful in our discussions in this house, or over the radio or in the press or elsewhere, to be guarded in our utterances and not say things which may unnecessarily embarrass those who have to deal with these situations. That is the kind of statement I have made, and I think it is what the minister from Japan must have had in mind, because I see in another paper, the Ottawa Citizen of yesterday, the minister is quoted as follows:

When asked about the situation in China, the minister quoted Prime Minister Mackenzie King's remark made recently in the House of Commons that it was misleading and caused "a suspicion of our neutrality" for Canadians to comment on the foreign policies of other nations.

Evidently the same thought was in the mind of the minister when speaking in the one case at Niagara Falls and in the other at Ottawa. What doubtless the minister had in mind has been some statement that in relation to these two countries which are at war we are neutral; Canada is not at war with Japan; Canada is not at war with China; and our position of neutrality should be respected.

I want to say at once that I think the Japanese minister, if, as reported, he went beyond that statement and began to speak of the hostilities as between China and Japan, and indicated what he thought would be the outcome of the war, and referred to China in the course of his remarks, was forgetting the very attitude and policy which I had suggested here should be followed.

Mr. BENNETT: And which he himself had taken.

Mr. MACKENZIE KING: Yes, quite so, which he himself had taken. In that I think he was entirely wrong; I do not for a moment hesitate to say that. Perhaps I might add that an almost humourous aspect is given to what is perhaps a very serious matter, by the fact that when the new Chinese consul arrived in the city some little time ago he made some remarks at a luncheon reflecting pretty strongly on his country's enemy, and it was thought at the time that those remarks should not have been made.

Mr. BENNETT: He was only a consul.

Mr. MACKENZIE KING: Yes. I think, however, that they have now had a sufficient round of controversy in our country, and I hope no further reference will be made by any foreign representative in this country reflecting upon other lands with respect to which we are trying to preserve as impartial an attitude as possible.

Mr. BENNETT: I am sure every hon. member will be pleased to think that the interruption of my remarks has afforded an opportunity for the Prime Minister (Mr. Mackenzie King) to make the observations

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he has made. I found it a little difficult to accommodate my mind to the thought that we in this country were to listen to a statement of the war aims of a country which had signed with us a document at Washington agreeing that it would protect the integrity of the country with which it is now waging war. That is my trouble; and I deny the right of any man, whose nation has signed a document guaranteeing with the Dominion of Canada the integrity of China, to come here and talk about the defeat of China in a war which was not declared and for which there is no justification. That is the reason I made the statement I did. The Prime Minister is right when he assumes that I was not criticizing him for not having complained of the action of the minister from Japan in pointing out that he agreed with the Prime Minister, although frankly I would not feel at all complimented by having one who represents a country which has violated every international obligation it has entered into saying how much he appreciated my attitude of mind towards anything. I desire to make that observation as strong as it is possible for me to make it. I am not one of those who believe that you serve any useful purpose by forgetting your own dignity and the honour of your own country in order to placate any power, however powerful it may be. As I was sitting here I could not but recall the words of a great Englishman who was attacked in Germany by von Bulow. He said, "I am answerable to my sovereign, and not to the citizens of a foreign country." I feel perfectly certain that in our desire to maintain neutrality the Canadian people have no desire, in the interest of trade expansion or otherwise, to sacrifice their sense of national honour and of the decencies of international relations.

There is only one more thing I desire to point out, and it is that when dealing with a certain phase of the situation, in my judgment—and I express it only as my judgment—the Prime Minister entirely overlooked the fact that we have bound ourselves, in a manner that was acceptable to all governments, to successive parliaments and to the Canadian people, to a free association with the other elements of the British Commonwealth of Nations. I cannot but think that this was not answered by the language of the Prime Minister when he said, "Canada is Canada; South Africa is South Africa; Australia is Australia, and we have no interest in United Kingdom policies."

[Mr. Bennett.]

Mr. MACKENZIE KING: I never said we had no interest in United Kingdom policies. We have interest in the policies of all countries.

Mr. BENNETT: Then I shall put it in this way, that while the Prime Minister says we have an interest in the policies of all countries, he made it clear that we had no special interest in the policies of the United Kingdom—

Mr. MACKENZIE KING: Not at all.

Mr. BENNETT: —or of the other component parts of the commonwealth of nations, and he developed the idea—

Mr. MACKENZIE KING: May I rise to a point of order?

Mr. BENNETT: Surely.

Mr. MACKENZIE KING: The right hon. leader of the opposition cannot misinterpret what I said and expect me to remain silent.

Mr. BENNETT: I would not expect it and would not want it.

Mr. MACKENZIE KING: I have made no statement of a character that would permit such an inference to be drawn. I have given the house every reason to understand that we have very special cause and every desire to cooperate with all parts of the British Empire and to be interested particularly in matters that pertain to any part of the empire.

Mr. BENNETT: Well, I was dealing only with the speech I listened to, not with the observations just made.

Mr. MACKENZIE KING: Hansard will show it.

Mr. BENNETT: Hansard will abundantly clarify any difficulty there may be on that point, for the speech was prepared and typewritten; therefore it cannot be subject to any difficulties of expression. What was said, as I took it down, was: Canada is Canada; South Africa is South Africa; Australia is Australia; the United Kingdom is the United Kingdom, and that with respect to the policies of the United Kingdom it was not for us to make representations or in any sense to interfere in their expressions of policy.

Mr. MACKENZIE KING: May I say to my right hon. friend that he entirely missed the point that was being made. I was at the time taking exception to the dominions being lumped together as one and to their policies being regarded as essentially one, to be described in that way. I did not even refer to the United Kingdom. I was pointing out that each dominion of the empire has matters of immediate concern to itself.

about the statement of the Minister of National Defence. The Prime Minister then said:

I submit that sponging by a nation is, in the eyes of other nations, exactly the same as it is in the case of individuals.

Yet the Prime Minister, who says that, looks to Great Britain and the United States to defend us in case of emergency. I quote his words:

While it is our good fortune to have both the United States and Great Britain as close friends ready to come and help us should we ever be the victims of aggression, let us realize that if we are to look to them for help all the more we must be prepared to lend a hand ourselves, and that certainly in the defence of our country.

I should like to know exactly what the Prime Minister means by such a statement. To-day he seemed to imply that we are at the end of our "crusading in foreign countries," as he put it. Well, if we are not going to crusade in foreign countries; if we are not going to come to the aid of Great Britain in other parts of the world, now is the time to say so. I do not think it is of any great help to Great Britain if we encourage the idea that we stand behind her, while at the same time in our own minds we have decided that we will do no more crusading in foreign countries. It is these positions that seem to me so inconsistent. On another occasion the Prime Minister said, "What we are doing we are doing for Canada alone." Are we going to help the other members of the empire if they are in a tight box, or are we prepared simply to look after Canada alone? Frankly, these statements puzzle me; I cannot reconcile them.

Mr. MACKENZIE KING: May I ask my hon. friend if he can tell us in advance what the situation is going to be six months or a year hence, or even three weeks hence? How can you possibly decide what you are going to do until you know what the situation is in which you are proposing to intervene or not to intervene?

Mr. WOODSWORTH: I am not suggesting that we can tell exactly what we may do, but I think we can and should determine our general policy. In my judgment that is not clear to-day—despite the lengthy statement of the Prime Minister this afternoon and his statement a year ago. I for one confess my absolute inability to know where the government stands with regard to our obligations to the British Empire.

Mr. MARTIN: Are we to infer from what the hon. gentleman has said that he has changed the position he took last year, that in any event and in all events—

Mr. WOODSWORTH: I am coming to that I believe a little later. I am discussing the Prime Minister now, and do not intend to be diverted by the hon. member for Essex East (Mr. Martin). The Prime Minister said, "What we are doing we are doing for Canada alone." For a moment I want to glance at that "Canada alone" policy. A year ago the Prime Minister gave a statement of the Canadian legion which, he said, set forth the views of his administration. He said:

(4) That we, therefore, believe that it is essential that Canada should, forthwith, develop a defence policy which, in the first place, would be designed to enable us to effectively defend our neutrality in case of war and protect our trade and commerce, and ultimately enable us to defend our eastern and western coasts from aggression by enemy forces.

My criticism is that this whole policy is one of compromise. The Prime Minister says:

If we have not proposed more, if we have not proposed less, it is because of that guiding principle, we have sought to keep the country united.

I think the cat is out of the bag. If we proposed more, we would be siding with the imperialists. If we proposed less, the government would be accused of being isolationist; so there is the policy. Let me read the Prime Minister's statement again:

If we have not proposed more, if we have not proposed less, it is because of that guiding principle, we have sought to keep the country united.

It seems to me the government is refusing to take responsibility. It is all very well for the Prime Minister to say that there will be no participation in an overseas war except by the consent of parliament; but if war came, instead of maintaining unity, this country would be split from stem to stern. There is no doubt of that. It would be a reasonable thing for us to have the government face the question of a diversity of opinion in this country and come out with one or the other policy, instead of keeping us in suspense as to what is the real policy of the government.

Mr. LAPOINTE (Quebec East): Does my hon. friend want to split the country right away?

Mr. WOODSWORTH: No; I do not want to split the country right away; but I want to know where this government stands, and I think the country has a right to know

where it stands. I suggest that the Minister of Justice, after listening to the speech of the right hon. leader of the opposition, would have no doubt where he stands. We know where he stands, but we do not know where the government stands.

Mr. LAPOINTE (Quebec East): I know where I stand.

Mr. WOODSWORTH: That may be; I wish the minister would tell us when the time comes. As regards having a war-time election, think what would happen. We would be faced with a fait accompli, and probably we would be into a khaki election. Would that keep the country united?

I should like to direct attention to the resolution of the hon. member for Vancouver North (Mr. MacNeil), which I think ought to be considered very carefully. This resolution reads as follows:

That in the opinion of this house the Canadian government should take such steps as may be necessary to make clear to the other members of the Commonwealth and to the world that the right either to declare war or to remain neutral, in any war that may occur, is vested solely in Canada.

I submit that is a step which we should take to clarify the situation. South Africa has done that in her Status of Union Act and Royal Executives Functions and Seals Act. Why do we not do it in Canada? I for one do not want to be dragged into another imperialistic war.

I put briefly two or three considerations, the first of which is that from a military standpoint our defence is wholly inadequate. It must be inadequate. How can we, a comparatively small country from the standpoint of population, a great, scattered country, possibly defend ourselves if, as the leader of the opposition suggested, someone were determined to come in. Let us recognize that fact. We cannot by ourselves have any real measure of security. I will go farther than that and say that to-day no nation can successfully adopt an isolationist policy. We may possibly have to do it for the moment; but I would urge that the world to-day forms a community, and we are all living more or less in that community. No nation, Canada or any other, can for long successfully adopt an isolationist policy.

Another point I should like to place before the house. I am sorry I have not time to develop these points further. I would give the warning that if another war does come, that war must mean not merely conscription of men but conscription of wealth. Let us

give warning to people who to-day are profiteering out of war. Life is worth more than property. To-day we have returned men begging on the streets, while the profiteers from the last war go still unpunished.

Mr. MARTIN: Who suggested the conscription of man power?

Mr. WOODSWORTH: That would come, inevitably, in another war. With that conscription there will come conscription of wealth; I mean by that not merely money, but mines, factories, stocks of goods—all titles to wealth. Gradually there is growing among our young people the realization of the truth that, after all, life ought to be worth more than property. If they are to sacrifice, others will sacrifice with them!

In one of his speeches the Minister of National Defence said:

The purpose of the armed forces of any country, I think, may be threefold. In the first place to support peace time diplomacy.

Here we seem to be back again to the old power politics. I was told in my childhood days that the custom of shaking hands gradually developed because, if a man stretched out his open hand, he could not keep his hand at his dagger or sword. I do not know whether or not that is correct, but for the purposes of the illustration it is sufficient. We cannot genuinely outstretch our hand in the direction of peace if we keep it firmly on our dagger or within reach of our dagger. We shall have to recognize that, if we are going to bring about peace, we must go a long way in the direction in getting rid of armaments.

The hon. member for Vancouver North put it very well on one occasion:

I consider that our first line of defence is our external relations, the foreign policy which keeps us out of war and enables us to settle international conflicts and live on terms of peace with other nations.

An hon. member asked me a little while ago as to what our policy would be. In answer I should like to read the policy of the organization with which I am connected, as adopted by resolution of the national convention of the Cooperative Commonwealth Federation last year in Winnipeg:

Foreign Policy and World Peace

The imperialist powers have betrayed the principles of the League of Nations and are feverishly preparing for another war. The situation is so serious that it is no longer possible to content ourselves with vague declarations about our devotion to peace. A clear and conscious foreign policy has become of paramount importance.

for aeroplanes and there is money in it, we propose to get the money. If we can get orders for British munitions, we are willing to head straight into that sort of enterprise. We want to keep out ourselves, but we are not willing to pay the price of losing any trade. It may prove to be a costly price that will have to be paid in order that we can win peace.

Mr. MACKENZIE KING: Whom does my hon. friend mean by "we."

Mr. WOODSWORTH: We in Canada. This government has it in its power to control the activities of industry in this country. In my judgment they should be controlled.

Mr. MACKENZIE KING: My hon. friend says that we must find a new way, but is not that exactly what the League of Nations sought to do? If the new way was the best and it had the support that it had, why did it not succeed?

Mr. WOODSWORTH: I think we all recognize that the League of Nations did not have the support of the nations. Mr. Woodrow Wilson, who was so largely instrumental in forming the league, could not carry his own country with him. The great nations of England and France for many a year after the war took the stand that Germany must be punished. I do not need to go into all that. There were the forces on the Rhine, the ships that were sunk, the trade that was destroyed and the colonies that were taken. We were out to punish Germany. In my judgment it was the action of the great empires towards Germany that produced Hitler. One thing has led to another. If we had been a little bit stronger in the case of Manchuria, we should not have had the difficulty which to-day exists in China. However, I do not intend to go into these matters; the house has been very patient.

Undoubtedly the league has failed. The league was based on the idea of force. Perhaps centralized force for such a purpose would be preferable to the national armies which are being set up to-day, although I do not think that primarily the league should have been based upon force. However, if the league has failed, why cannot we reconstitute it?

Mr. MACKENZIE KING: My hon. friend says "we." That is the point I am trying to get at. Who is "we"?

Mr. WOODSWORTH: The world.

Mr. MACKENZIE KING: If the hon. member means the world, I agree with all he says, but if in saying "we" he means Canada I fail to see the point at all.

Mr. WOODSWORTH: We in Canada can give our assistance.

Mr. MACKENZIE KING: We always have. We have done the best we could.

Mr. WOODSWORTH: No; I'm afraid we have not. We have not done the best we could. We have followed almost slavishly the lead of other nations; we have not even been in the forefront in some matters which might be named. I hope the house will not think that I am trying simply to blame. I am not talking party politics at all. If the league has failed, instead of in desperation reverting to the old isolationist position, with the idea of certain groups of nations getting together, of achieving a preponderance of power and playing the same old game again, why should not we in Canada patiently and definitely set ourselves to try to discover some other way.

To-day we are living in peace alongside the great American republic to the south of us—a wonderful example of how nations can live in peace. I venture, however, to say that if cannon were placed on the international border along the forty-ninth parallel we should have trouble. We are at peace because of the very lack of any armaments or border patrols. Think of the effective work of our International Joint Commission. There is not a better example anywhere in the world of what can be accomplished through having a joint body to deal with troubles as they arise. I had intended to go further into that, but I have not time to-night. Why cannot we extend the application of such a principle?

Surely we can do something. If we cannot attain to a world wide league, which perhaps is too much to expect all of a sudden, at least we can build up very friendly relations with a number of the democratic nations, not with the idea of enforcing our own purposes and points of view, but with hand outstretched even to some of those nations whom to-day we must denounce because of their actions. Call this pure idealism if you will, but after the experience of the last war and the misery and tragedy which has come since, surely we ought to try to find some other way. If to-night I proposed to spend $34,000,000 upon a peace program, setting up a peace department, people would simply laugh, and yet, in allocating this money to

defence, we are merely going along on the same old lines that in the past have led to disaster. Cannot we use our imaginations a little; cannot we begin, even though in a small way, along lines which may mean material sacrifice to us and which may even be risky? Somebody has to take risks. We take enormous risks when we go to war. Why not take some risks in an effort to bring about peace?

Mr. Speaker, I thank you. I think this is the only time that I have so far transgressed the rules of the house, but the occasion is an important one. I appreciate very much the courtesy extended to me by the house.

Right Hon. ERNEST LAPOINTE (Minister of Justice): I have neither the will nor the time to offer any extended observations. I merely desire to say a word in answer to one or two remarks of my right hon. friend the leader of the opposition (Mr. Bennett) and to one remark of the hon. member for Winnipeg North Centre (Mr. Woodsworth). I should not even say "in answer"; I am going to direct a word or two to my hon. friends.

First, I was surprised to hear the right hon. leader of the opposition commend in rather kindly terms the declaration of the conference of 1926, and speak of the obligations which he contends it involves, because of the "free association" which is mentioned in it. Those who were in this parliament in 1927 will remember that my right hon. leader and I were strongly criticized, not perhaps by my right hon. friend—for I do not believe he took part in that debate; he was absent from the house—but by the then leader, the Hon. Mr. Guthrie, and the hon. member for St. Lawrence-St. George (Mr. Cahan). The description which was then made of the work of that conference was that it was a sort of separatist movement from the British commonwealth, and far from being a bond of association, as my right hon. friend has described it to-day.

Further, after the conference of 1929 on dominion legislation, when we discussed the report of that conference in 1930 I well remember the strong words of my right hon. friend at that time with regard to its work. Of course I am not proficient in the English language, and I learned some words as I listened to my right hon. friend. I clearly recall his speech at the time because it was the first occasion when I heard the word "painter." He said that we had "cut the painter and let the mooring go"; that we were drifting from the little island in the North sea, and that sort of thing. That was the description he gave at that time of this beautiful work which now he describes as an association and which confers the obligations of which he has spoken.

Mr. BENNETT: Will the right hon. gentleman permit me? He will recall that in the Statute of Westminster we had inserted a provision that no power was conferred to amend the constitution of Canada. That was the whole point.

Mr. LAPOINTE (Quebec East): That is right, but I do not think it has much to do with what I was just saying. We have the right to frame our own policies. We are, as my right hon. friend has said, an association of free states. He said we have to carry on the obligations of the free association. Well, "obligations" and "freedom" do not go very well together. We have the right to devise our own policy in everything; we are autonomous in matters internal and external, and that includes defence policies. I believe that I am really serving the aim of the preservation of that association, of that bond, by claiming absolute freedom in all matters of policy whether external or internal. There could be no more deadly blow to the preservation of the free association than the claim and the contention that Canada or any other dominion should be bound blindly by any policy of the United Kingdom or of any other part of the commonwealth with which we would have nothing to do.

Mr. BENNETT: Has anyone suggested that?

Mr. LAPOINTE (Quebec East): Well, it is really an inference. I am glad that my right hon. friend does not suggest it. If he does not, we are more in agreement than I was afraid we were. I am always pleased to be in agreement with the right hon. gentleman.

Freedom is the bond, and it is the safest guarantee of association and of union between the various parts of the commonwealth. My right hon. friend says, no criticism after the event. Well, the foreign policy of Britain is criticized there every day after it has been devised and framed. Anyone who has read the newspapers lately must have read the violent, bitter words of Lloyd George, of Mr. Attlee, and of other prominent members of the commons with regard to the measures which had been taken by the British government. Is it to be said that here we cannot even criticize the policy, that we have to accept it without having anything to do with it and without having any policy of our own?

war not presently the recipients of such allowances who, because of tangible or intangible disabilities and handicaps, are incapable of maintaining themselves; to include certain veterans of the South African war; to include among the classes of moneys non-deductible from allowance, pensions or grants accompanying certain military decorations; to provide for the avoidance of overlapping of benefits payable under the War Veterans' Allowance Act and those payable under the Old Age Pension Act, and to enlarge the membership of the war veterans' allowances board.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Motion agreed to.

FOREIGN POLICY

ATTITUDE OF CANADIAN GOVERNMENT AS TO BRITISH POLICY AFFECTING LEAGUE OF NATIONS AND RELATIONS WITH ITALY

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): In view of recent statements by the Prime Minister of Great Britain regarding the League of Nations, collective security and Italy, has the government of Canada been kept fully informed of the British foreign policy indicated by such statements, and if so, what opinion, if any, has the government expressed on behalf of the Canadian people in relation to any or all of these matters?

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend had advised me of his intention to ask this question.

The Canadian government has been furnished with full summaries of recent statements made in the British House of Commons by the Prime Minister of the United Kingdom and the former Secretary of State for Foreign Affairs. In addition, it has received a brief report of a conversation with a representative of a foreign government. These communications, as is usually the case, are in the nature of information rather than consultation. The Canadian government has not offered any opinion on the statements in question.

NATIONAL EMPLOYMENT COMMISSION

INQUIRY AS TO TABLING OF FINAL REPORT

On the orders of the day:

Hon. H. A. STEWART (Leeds): I wish to ask the government and particularly the Minister of Labour (Mr. Rogers) whether the final report of the national employment commission has been laid on the table. If not, when may we expect it to be brought down?

Hon. NORMAN McL. ROGERS (Minister of Labour): I believe it has already been stated that it is the intention of the government to lay this report on the table as soon as it is printed and available in both languages. I expect that will be in the course of a very short time.

OPIUM AND NARCOTIC DRUG ACT

The house resumed from Thursday, February 24, consideration in committee of Bill No. 24, to amend the Opium and Narcotic Drug Act, 1929—Mr. Power.—Mr. Johnston (Lake Centre) in the chair.

Hon. C. B. POWER (Minister of Pensions and National Health): When the bill was last before the committee all clauses were passed, but the leader of the opposition made a suggestion which I have submitted to the officers of the department, and to which I think it is most reasonable that we should agree, namely, that the act should come into force on proclamation. I therefore move, seconded by Mr. Howe:

That this act shall come into force upon a date to be fixed by proclamation of the governor in council.

That will be section 11.

Mr. McKENZIE (Lambton-Kent): I was not in the house when the minister introduced this bill. I have no desire to reopen the discussion, because the less publicity given this question, the better. I may be entirely out of order, but since it has been brought in I have received communications from certain persons in Lambton county who for over twenty-four years have been growing what is called Indian hemp for commercial purposes. They entered into this project encouraged by the Department of Agriculture and sponsored by them, and have made quite a profitable enterprise out of it during the past several years.

As I read the amendment it is possible to obtain a licence to grow this hemp under certain conditions. That may be all right, but if the restrictions are so great as to make it impracticable to grow this hemp, then I suggest that no licences should be granted at all. If you will look at the Canadian Almanac at page 102, in connection with the tariff, you will notice that hemp seed is listed for free importation. That would lead me to believe that it is possible to import seed and to grow it commercially. I fully realize that if this bill is passed it will be more difficult to

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HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

TUESDAY, March 1, 1938.

The house met at three o'clock.

STANDING COMMITTEES

BANKING AND COMMERCE—CONCURRENCE IN SECOND REPORT

Mr. W. H. MOORE (Ontario) presented the second report of the standing committee on banking and commerce, and moved that the report be concurred in.

Motion agreed to.

MARINE AND FISHERIES, RAILWAYS, CANALS AND TELEGRAPH LINES, MISCELLANEOUS PRIVATE BILLS—CHANGES IN PERSONNEL

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

That the name of Mr. White be substituted for that of Mr. MacNicol on the standing committee on marine and fisheries.

That the name of Mr. MacNicol be substituted for that of Mr. White on the standing committee on railways, canals and telegraph lines.

That the name of Mr. Kuhl be substituted for that of Mr. Johnston (Bow River) on the standing committee on miscellaneous private bills.

Motions agreed to.

REPORTS AND PAPERS

Order in Council P.C. 129, authorizing new rates of purchase of Canadian government annuities as, from and after February 1, 1938, with attached table of rates, together with copy of the report of Professor N. A. MacKenzie, Toronto university, on which said rates are based.—Mr. Rogers.

ST. LAWRENCE WATERWAY

TABLING OF CORRESPONDENCE—ST. LAWRENCE DEEP WATERWAY TREATY 1932, NIAGARA CONVENTION 1929, OGOKI RIVER AND KENOGAMI RIVER (LONG LAKE) PROJECTS, AND EXPORT OF ELECTRICAL POWER

Right Hon. W. L. MACKENZIE KING (Prime Minister): I desire to lay on the table copies in French of correspondence and documents relating to the St. Lawrence deep waterway treaty, 1932; Niagara convention, 1929; Ogoki river and Kenogami river (Long lake) projects, and export of electrical power; also a copy of a communication dated February 25, 1938, from the Premier of Ontario to the Prime Minister of Canada, with reference to the Kenogami river project.

A reply to the communication I have just tabled was sent to the Premier of Ontario to-day, but I do not think it should be tabled until after it has been received by him.

SOLDIER SETTLEMENT

INTEREST RATE ON REPAYMENTS OF TAXES AND INSURANCE PREMIUMS—ARREARS OR INSTALMENTS SUBJECT TO BONUS PRIVILEGES

Hon. T. A. CRERAR (Minister of Mines and Resources) moved that the house go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to amend the Soldier Settlement Act for the purpose of reducing from seven per centum to five per centum the interest rate charged on certain repayments to the board of taxes and insurance premiums paid by the board in respect to soldier settlement lands in case of default on the part of the settler, and to provide further that the period during which payments of arrears or instalments at present subject to bonus privileges may be made, be further extended to the 31st day of March, 1941.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Motion agreed to.

WAR VETERANS' ALLOWANCES

EXTENSION OF ALLOWANCES TO INCLUDE CERTAIN OTHER CLASSES—ENLARGEMENT OF MEMBERSHIP OF BOARD

Hon. C. G. POWER (Minister of Pensions and National Health) moved that the house go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to introduce a measure to amend the War Veterans' Allowance Act so as to extend the allowance payable thereunder to a class of veterans of the great

I think, Mr. Speaker, that members of the house will realize something of the difficulties when I say that in the previous year, that is two years ago, there were some 6,000 head shipped; in the following year somewhere between 36,000 and 40,000 head, and last year 9,610 head were shipped. This year there is a demand immediately for the shipment of probably some 20,000 head of cattle in addition to what there is space for. The fact that there are such variations in the demands made on shipping space between Canada and Great Britain has considerable to do with the present situation.

As to the figures quoted with regard to the number of cattle brought down from the west, I think it will be found on close examination that only about 20,000 head of these being fed in the section of the country immediately concerned were actually shipped under the assisted passage scheme. Others were brought down partly because of encouragement given to shippers to go west. I am told, and we have had investigation made in the countries concerned, that the great majority of the cattle that are creating difficulties because of the prices paid are not cattle that came out of the immediate drought area but are cattle that came off the large ranges, and for which farmers paid a considerable price. Their agents who went west purchased the cattle and brought them down. Most of the cattle that passed through the Carberry pasturage were purchased at prices that make it still possible for the farmer probably to break even, even if he cannot do any better at the moment, and of course any future advance in prices would be to his advantage.

Mr. BENNETT: What is the matter with the American market?

Mr. GARDINER: I am not in a position to give details with regard to that, but I know that there was a considerable number of cattle moved out of western Canada and out of the western states into the feeding areas of the United States where corn was plentiful, and those cattle would be coming on to the American market about this time.

SHOP CARDS REGISTRATION

REQUEST THAT BILL NO. 22 STAND FOR OPINION OF DEPARTMENT OF JUSTICE

On the orders of the day:

Hon. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, I would like to ask the Minister of Justice (Mr. Lapointe), in relation to Bill No. 22 respecting the registration of shop cards by labour unions, which was introduced by the Secretary of State (Mr. Rinfret) and is, I understand, a government measure, whether it would not be possible to have the opinion of the Department of Justice before the bill is further proceeded with, as to whether, if passed, it is intra vires of this parliament. I had considerable experience with a similar proposal at the time the Unfair Competition Act, 1932, was passed. It was then proposed that a similar provision should be inserted in that bill, and when the bill was before the banking and commerce committee all the lawyers who appeared before it were, I think, unanimous in their opinion that the provision was ultra vires of the parliament of Canada. I think it would be expedient that we should have an opinion from the Department of Justice as to whether it is intra vires of this parliament, before we proceed with the bill or report it out of committee of the whole. If the Minister of Justice could deem it possible to accede to that suggestion, I think it would be very helpful to us.

Right Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, I shall be pleased to do what my hon. friend has just asked.

FOREIGN POLICY

ATTITUDE OF CANADIAN GOVERNMENT AS TO BRITISH POLICY AFFECTING LEAGUE OF NATIONS AND RELATIONS WITH ITALY

On the orders of the day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the recent statements made by the Prime Minister of Great Britain expressing non-confidence in the League of Nations and foreshadowing a concordat with fascist Italy, has the government of Canada been consulted regarding changes in policy; and, if so, has approval been given by the government?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, my hon. friend was kind enough to advise me of his intention to ask this question, and I am therefore in a position to give him an answer immediately, but before doing so I should like to bring his attention and that of other hon. members to the rule of this house with respect to how questions are to be put and answered. Standing order 44 reads:

Questions may be placed on the order paper seeking information from ministers of the crown relating to public affairs; and to other members, relating to any bill, motion, or other

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public matter connected with the business of the house, in which such members may be concerned; but in putting any such question or in replying to the same no argument or opinion is to be offered, nor any facts stated, except so far as may be necessary to explain the same. And in answering any such question the matter to which the same refers shall not be debated.

I would direct attention also to the citation from May, which appears in paragraph 349 on page 113 of Beauchesne's Parliamentary Rules and Forms:

The purpose of a question is to obtain information and not to supply it to the house. A question may not contain statements of facts unless they be necessary to make the question intelligible and can be authenticated; nor should a question contain arguments, inferences, imputations, epithets or controversial or ironical expressions.

Now may I read my hon. friend's question:

In view of the recent statements made by the Prime Minister of Great Britain expressing non-confidence in the League of Nations and foreshadowing a concordat with fascist Italy, has the government of Canada been consulted regarding changes in policy, and if so, has approval been given by the government?

It was I think unnecessary for my hon. friend in asking his question to say that the statements recently made by the Prime Minister of Great Britain expressed "non-confidence in the League of Nations and foreshadowed a concordat with fascist Italy." It was not necessary to have inserted those words, and according to the rule of the house I have quoted, those words should not have been included. Also:

Has the government of Canada been consulted regarding changes in policy?

Those words "changes in policy" also raise a controversial question and are not necessary for the information which the hon. member seeks.

Yesterday I was reluctantly obliged to draw attention to a question asked by another hon. member and to point out that it was not a proper question to ask. While the government is most anxious to give the house all the information possible on matters of public interest, it will I think, be recognized that we have to be particularly careful at this time not to ask in this house questions, with respect to what happens in the parliaments of other parts of the British empire or parliaments of any country anywhere, in a form which will be misunderstood and will occasion embarrassment or resentment there or elsewhere. The question should be put in a form which will permit of a direct answer being given thereto. If my hon. friends' question is, "in view of recent statements by the Prime Minister of Great Britain, has the government been consulted regarding policy with reference thereto, and if so has approval been given by the government?"—I believe that covers what he wishes to know—my answer would be, no, the government has not been consulted with regard to the policies referred to, nor has the government expressed any opinion with reference thereto.

DIVERSION OF WATER

PROPOSED RAISING OF GREAT LAKES WATER LEVEL—INQUIRY AS TO TABLING OF CORRESPONDENCE

On the orders of the day:

Mr. J. R. MacNICOL (Davenport): On February 17 I asked the Prime Minister (Mr. Mackenzie King) a question with reference to a letter—I shall now have to be careful in referring to another government—which had been read the day before in Washington to the United States congress, and which was written by the premier of Ontario, with reference to diversion of waters from the great lakes. I am sure that if the Prime Minister of Canada read the letter of the premier of Ontario he would be astonished at its contents. In replying to my question the Prime Minister said he would this week give the house a white paper containing full particulars of all the correspondence between this government and the Ontario government with regard to the matter which was brought up at Washington. It has not come down yet. May I ask when it will be tabled?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am glad that the hon. member has asked me that question, because at the time I answered the question to which he has referred I fully expected that the white paper would be ready to lay on the table this week. It is possible that it will be ready to lay on the table on Monday; I think I can promise my hon. friend that it will be ready at that time. It is a larger document than was anticipated, and it is being translated and printed in French as well as English; I should like if possible to table it in both languages at the same time.

While we are referring to this matter, may I inform the house that I have delayed going on with the second reading of the export power bill until the house had before it these various communications, as I believe the house will wish to have that material available for reference in the course of debate. If the correspondence is tabled on Monday I shall hope to proceed with the second reading of the power export bill, unless there is some objection, on Tuesday. If there should be desire for a longer delay I would take it up a little later on.

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Mr. MacNICOL: Would it be possible to include in the white paper the remarkable letter that the premier of Ontario sent to Washington?

Mr. MACKENZIE KING: The white paper —I think it ought to be called the white book—is being presented in book form, and I fear that to do what the hon. member asks would involve the opening of the paging and repaging it. But what I will do, if it will meet the hon. member's wishes, is to table with the white book a copy of that particular correspondence.

Mr. MacNICOL: A copy of the letter of the premier of Ontario written to Congressman W. G. Andrews.

Mr. MACKENZIE KING: All I can do is to reproduce, in photostat form if the hon. member so wishes, the communication that was placed on the Congressional Record at Washington.

Mr. BENNETT: I understood the Prime Minister to say that he has not received a copy of the letter.

Mr. MACKENZIE KING: No, I have not.

HAMILTON POST OFFICE

On the orders of the day:

Hon. W. D. EULER (Minister of Trade and Commerce): I desire to correct an answer to a question which was given to the hon. member for Wentworth (Mr. Lennard) on February 14. He placed on January 27 on the order paper a question the first part of which read as follows:

How many extra men were temporarily employed at the Hamilton post office during the Christmas rush of 1937?

Due to a clerical error the figure was given of 128; it should have been, 228.

SUPPLY

DEPARTMENT OF PENSIONS AND NATIONAL HEALTH

The house in committee of supply, Mr. Johnston (Lake Centre) in the chair.

Direct payments to veterans and dependents—European war pensions, $40,900,000.

Mr. POWER: I find that on February 18 last, in reply to a question put by the hon. member for Vancouver South (Mr. Green) I unwittingly made an incorrect reply with respect to the number of decisions given in favour of the applicant on first hearing. Perhaps I may be permitted to place more accurate figures on the pages of Hansard.

Dealing with the year 1936-37 and from April 1, 1937, up to January 31, 1938, I find: First hearings granted 1,374, not granted 3,049, total 4,423; second hearings: granted 14, not granted 211, total 225; quorums: granted 732, not granted 3,694, total 4,426; pension appeal court: granted 53, not granted 2,423. There were remitted for hearing, 46; without jurisdiction, 5; pending, 37; not heard, 1,174. The percentages are worked out for 1937-38 up to January 31, 1938. On the first hearing there were granted for 1937-38, 1,375 and not granted 2,472, or a total of 3,847. That is to say, 35 per cent of the total cases brought up on first hearing were given entitlement.

Mr. BENNETT: Without appeal being taken afterwards.

Mr. POWER: Without any appeal whatever. There is no right of appeal by the crown from the first hearing. On the second hearing there were granted, for 1937-38, 162, and not granted 1,737, a total of 1,899, or 9 per cent. As regards the quorums, for the same period, there were 233 granted and 1,256 not granted, a total of 1,489; in other words, 15 per cent were granted by the quorums. With respect to the Pension Appeal Court there were granted 52—not granted, 2,021—or two and a half per cent of the total. To recapitulate, on the first hearing 35 per cent are awarded in favour of the applicant; on the second hearing 9 per cent in favour of the applicant; before the quorum 15 per cent, and before the Pension Appeal Court two and a half per cent.

Perhaps I had better go on to the discussion of this item. It is obvious why there is a reduction of some $600,000.

Mr. GREEN: Is there an appeal by the crown from the pension commission to the quorum?

Mr. POWER: There is no appeal except from decisions of the quorum.

Mr. GREEN: Would it be possible to have the appeal by the crown from the decisions of the quorum done away with?

Mr. POWER: That is a matter for consideration; it is being considered. The whole difficulty would be whether or not some other system could be found to substitute for it.

Mr. ROSS (St. Paul's): I should like to bring to the attention of the minister the position of the war widows of Canada. No doubt hon. members have received a great many letters from these women, and I may say that I attended, at their request, a meeting held in Toronto by one of their associations. I thought it would be better for them

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to put in writing their individual cases so that they could be submitted to the department. We must not forget that in the early days when we were recruiting Canada promised that none of the dependents of her soldiers who went overseas would be left uncared for. Canada, I believe, has done her job to a great extent, but we have partly fallen down so far as war widows are concerned.

There are two or three reasons why, under the legislation as it stands, they are not properly looked after. There is the difficulty of building up the case for these widows so as to associate with war service the deaths of their husbands. When they cannot prove that death is attributable to a pensionable disease they are usually out of luck. I do not think that anyone can prove that the immediate cause of death is the real cause; very often death is probably attributable to the pensionable disability. In very many instances men have died of arterio sclerosis or cancer, or an ulcer, or something of that kind, some complaint which is not the pensionable disability, while there is no doubt that the pensionable disability has a direct bearing upon the immediate cause of death.

Another thing is this. Is there any particular reason why a war widow should have her pension cut off when the pensioner dies? I do not see any reason why she should. We must remember that a great many soldiers after the war wanted to get out of the service as quickly as possible, and consequently they were discharged perhaps rather prematurely. There is no doubt that many of them at that time were suffering from some disease attributable to the war, but owing to the circumstances under which they were discharged they find themselves to-day out of luck. And for the same reason war widows are out of luck at the present time. It would be better, in my opinion, if the pensionable disability were taken into consideration and given more weight in awarding pensions to war widows. Some change should be made in the legislation, for the plight of these war widows is terrible.

In the gathering which I attended in Toronto I do not believe that every one of those women thought they should have pensions. In any event they were mostly women whose husbands had received pensions, the pensions having been cut off at the death, and now the widows find themselves destitute. They gave great service to these soldiers who had been receiving pensions and they did not get very much out of it themselves. The least we can do is to have the legislation take care of the present situation so far as war widows are concerned.

[Mr. Ross (St. Paul's).]

Mr. BENNETT: There has been organized in the city of Calgary a substantial body of women whose husbands, having served overseas, are now dead. These women are in a desperate condition. The contention—and I think it is one which it is difficult to overcome—is that their husbands died, and I am putting it mildly, as they request me to do, earlier in life than they would have but for the service they gave the country. That is putting it on a low basis. Their contention is that being deprived of the ability of their husbands to earn a living for either themselves or their children they are now in almost necessitous circumstances; and they seek from the government a recognition of their position, just as the government has recognized the condition of the soldier who receives assistance through the relief organization that has been set up by the department.

At first I thought that the case was much simpler than it is. Looking into the matter in detail I find many cases that are known to me personally. I have a list of them beside me and it is quite clear that the husbands of these women served in some instances with great distinction, but in every instance at the risk of their lives, in France and elsewhere, mostly in a theatre of war. I do not say that all of them did, but for the most part they were in a theatre of war. The husbands of these women were not pensioned at the time of their death; some of them had received some slight recognition which was cut off, but the major number that I am speaking of now are cases in which the husband was not receiving a pension at the time of his death. The efforts that they have made to secure recognition by the department have failed because it was determined by the appropriate persons that the deaths could not be attributable to service. The same matter was discussed the other evening. In the case of many of these widows—I did not wish to go into it then, for obvious reasons, because you do not want to make it more difficult to deal with the simple problem by mixing it with others—this problem in one aspect is a simple one. We do care for necessitous cases of disabled soldiers who are unable to take care of themselves and whose condition is attributable to the war. If they have left behind them widows and children, I suggest to the minister, when he is framing his legislation, that if an annuity cannot be provided, the widow and children should at least be given the same treatment as that which would be given to the soldier if he were living and found himself in a similar condition of necessity.

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full right of discussion in committee of supply; and that the said committee consist of Messrs. Barber, Beaubier, Bothwell, Deachman, Elliott (Kindersley), Emmerson, Ferland, Fiset (Sir Eugène), Fraser, Hanson, Heaps, Howard, Howden, Howe, Kinley, McKinnon (Kenora-Rainy River), McLarty, Maybank, Parent (Quebec West and South), Stewart, Vien, Walsh and Young.

Right Hon. R. B. BENNETT (Leader of the Opposition): There is one question that arises out of this motion. Would it not be desirable to refer the accounts of the trans-Canada airlines to this committee, in view of their relationship to the Canadian National undertaking?

Mr. HOWE: It is a subsidiary company of the Canadian National Railways and automatically the accounts would be referred to this committee.

Mr. BENNETT: In view of the statute passed at the last session it could hardly be described as a subsidiary in the sense in which that term is used in respect to the other companies included in the Canadian National set-up. The trans-Canada airlines is a separate organization and in that sense is not a subsidiary. For instance, some lines of railways are subsidiaries, the capital stock being all owned by the company, but this company is covered by a separate statute of this parliament. If the minister says that this motion is intended to cover it, that answers my question.

Mr. HOWE: It is certainly the intention to submit the accounts of the trans-Canada airlines to this committee.

Motion agreed to.

FOREIGN POLICY

ATTITUDE OF CANADIAN GOVERNMENT RESPECTING BRITISH POLICY IN RESIGNATION OF ANTHONY EDEN

On the orders of the day.

Mr. E. J. POOLE (Red Deer): Would the right hon. Prime Minister (Mr. Mackenzie King) state if it is the intention of the Canadian government to support the pro-fascist policy of the British national government, as clearly shown by the forced resignation of Mr. Anthony Eden?

Right Hon. W. L. MACKENZIE KING (Prime Minister): May I say to my hon. friend that to my mind his question is highly improper and is one that should not be answered.

NATIONAL REVENUE

REFUNDS OF TAXES—DISPOSITION OF MOTION FOR PAPERS ON FEBRUARY 23 IN NAME OF MR. BETTS

On the orders of the day.

Hon. J. L. ILSLEY (Minister of National Revenue): I should like to direct attention to page 107 of the votes and proceedings of yesterday. A motion by Mr. Massey for Mr. Betts is recorded there as having been passed. As a matter of fact it was not passed by the house and I ask that it be so considered. If any correction is necessary, I ask that it be made.

VALIDITY OF QUEBEC STATUTE

QUESTION OF DISALLOWANCE OF "ACT RESPECTING COMMUNISTIC PROPAGANDA"

On the orders of the day:

Right Hon. R. B. BENNETT (Leader of the Opposition): On February 8 I asked the right hon. Minister of Justice (Mr. Lapointe) whether or not the government would hear counsel when the matter of considering the disallowance of the so-called padlock law of Quebec was before it, and he indicated that he would give me an answer at an early date. Since then I have looked into the matter a little and I find that in many cases the minister of justice sitting alone has heard counsel; in one or two cases the prime minister sat with him, and in another case, a committee of the cabinet sat to hear argument. Apparently there is a long line of precedents to indicate that counsel has been heard on such applications, and I was wondering if the minister has arrived at a conclusion.

Right Hon. ERNEST LAPOINTE (Minister of Justice): I am sorry I have not answered by right hon. friend earlier. I have found that on two occasions a committee of the council heard interested parties in connection with the disallowance of provincial legislation, but in both cases private companies were interested and had asked to be heard. The legislation did not concern the citizens at large; in both instances it had to do entirely with the rights of private corporations.

Mr. BENNETT: One case was the Commercial Travellers of British Columbia in 1905.

Mr. LAPOINTE (Quebec East): That was one of them. I have no objection at all to receiving any counsel who wants to present argument in the matter, but as far as delegations are concerned, I shall not receive any.

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DOMINION FRANCHISE ACT

POSTPONEMENT OF REVISION OF EXISTING LISTS FOR ONE YEAR

Hon. FERNAND RINFRET (Secretary of State) moved the second reading of Bill No. 2, to amend the Dominion Franchise Act.

He said: This bill is similar to the ones we have passed at the two preceding sessions. While the Dominion Elections Act of 1934 is still on the statute book, it has been inoperative as far as by-elections are concerned because in the past two sessions we have passed special bills dealing with this matter. There would be no purpose in revising annually the permanent lists; it would cost a large amount of money. This bill is in exactly the same terms as those of similar bills approved by the house at previous sessions, except for the year.

Hon. H. A. STEWART (Leeds): Can the minister tell us when we may expect to have before us the Dominion Elections Act, which has been before a committee of the house for the last two years?

Mr. RINFRET: I am not in position to give the exact date, but I can assure my hon. friend that it is the intention of the government to introduce as soon as possible a new act based on the work done by the committee.

Motion agreed to, bill read the second time, considered in committee, reported, read the third time and passed.

TRANS-CANADA AIR LINES

AUTHORITY FOR EXTENSION BEYOND THE CONFINES OF CANADA

Hon. C. D. HOWE (Minister of Transport) moved that the house go into committee to consider the following proposed resolution:

That it is expedient to amend The Trans-Canada Air Lines Act, 1937, to empower the governor in council to authorize the minister to enter into a contract for the extension of the Trans-Canada Lines of aircraft beyond the confines of Canada.

Motion agreed to and the house went into committee, Mr. Johnston (Lake Centre) in the chair.

Mr. BENNETT: Will the minister explain the resolution, please?

Mr. HOWE: The amendments are very simple. They are to correct two omissions in the original bill. By agreement made some two years ago with Great Britain, Ireland and Newfoundland, Canada is obligated to take a proportion of stock in the Transatlantic Air Service. The agreement provided that each government should nominate an aviation company which would assume the government obligation in that regard, and the amendment provides that authority shall be given to Trans-Canada Air Lines to purchase the government's share of stock in that company. When we were discussing the bill itself last year I mentioned that this would be the company entrusted with that service, and in setting up the capital of the company, funds were provided to carry out this obligation, but we omitted to provide in the bill that the company should have the right to purchase the government share of stock in the transatlantic company.

The second amendment is also to correct an omission. It will be recalled by hon. members that the route of Trans-Canada Air Lines as originally laid out across the state of Maine between Montreal and Moncton, New Brunswick. A strict reading of the act that was passed last year would prohibit Trans-Canada Air Lines from operating outside Canada, and the amendment makes a very minor alteration to permit the company to operate outside of Canada, either on the main transcontinental route or with such international connections as the government may designate in the operation of the service.

Mr. BENNETT: I suppose the approval of other countries is given as a matter of course.

Mr. HOWE: Yes, with respect to international routes. We have had one conference with the United States already.

Resolution reported, read the second time and concurred in. Mr. Howe thereupon moved for leave to introduce Bill No. 29, to amend the Trans-Canada Air Lines Act, 1937.

Motion agreed to and bill read the first time.

INSPECTION AND SALE

PROPOSED REGULATIONS RESPECTING BINDER TWINE, SALT AND OTHER COMMODITIES

Hon. J. G. GARDINER (Minister of Agriculture) moved that the house go into committee to consider the following proposed resolution:

That it is expedient to introduce a measure to regulate the inspection and sale of binder twine and salt, to establish weight of bushel for certain commodities commonly sold by the bushel and to authorize the appointment of inspectors and analysts.

Motion agreed to and the house went into committee, Mr. Johnston (Lake Centre) in the chair.

Mr. STIRLING: Would the minister make a statement on the resolution?

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that our proportion of the joint catch jumped from thirty per cent to fifty per cent and even eighty per cent.

That, the fact that we have not taken out our traps has been used and will be used as a very strong argument by the American trap owners for permission to re-introduce traps on the American side.

That, it is very much to our interests that the American traps should not be re-introduced.

That, there is no truth in the allegation that traps are the only means by which salmon can be taken in our waters in that neighbourhood, as it has been demonstrated that it can be fished by seines, gillnets, and trollers, to which the Americans would have no objection as they use the same gear themselves.

That, the above refers to the sockeye run of salmon but traps are as undesirable as regards the spring and cohoe runs. These fish are heavy in spawn making their way to their spawning ground, swimming in shoals, following the coast line, keeping in shallow water and close in shore so that they fall an easy prey to the traps and comparatively few get by.

That, traps are the most destructive form of fishing known, as they are open day and night and catch every species of fish, large or small, that comes along whether they happen to be out of season or not. Nothing escapes them or gets through.

That, the abolition of traps would lead to the revival of fishing and employment of many local fishermen as was formerly the case, but who, finding their livelihood gone, have had to find other work, often on relief.

That, it would encourage the tourist fishermen who spend their money freely provided that they get good fishing and who to-day are too often disappointed at the present poorness of the fishing in those waters. It would make a great difference to the tourist traffic in the vicinity of Victoria.

That, the abolition of the traps would protect the run of fish, would increase employment instead of, as is the case, exploiting one of British Columbia's greatest assets for the sole benefit of a few.

That, the Associated Boards of Trade of Vancouver island at their annual meeting in June last passed a resolution asking for the abolition of fish traps.

Wherefore, your petitioners humbly pray that your honourable house may be pleased to order that no more fish traps licences shall be granted in British Columbia.

And, as in duty bound, your petitioners will ever pray.

(Signed by Geo. Harris and 9,594 others.)

SUPPLY

NATIONAL DEFENCE AND FOREIGN POLICY—STATEMENT OF MR. MACNEIL

Hon. CHARLES A. DUNNING (Minister of Finance) moved that the house go into committee of supply.

Mr. C. G. MacNEIL (Vancouver North): Mr. Speaker, before Your Honour leaves the

[Mr. Neill.]

chair, and as the estimates of the Department of National Defence may be introduced, I desire to direct the attention of the government to certain considerations which arise in respect of any discussion of these estimates at this time.

There is grave concern throughout Canada as to the developing international trends, and the possible implications arising therefrom and which attend upon Canada's position in the League of Nations and the British commonwealth. For this reason, without any desire to add to the difficulties of the situation and with every desire to cooperate in the promotion of peaceful external relations for Canada, it is urged that the government should provide an opportunity for the discussion of the general policy proposed with relation to the defence of Canada.

Preparations for defence are necessarily the outcome of foreign policy. It is therefore desirable that the government should give whatever assurance may be possible, indicating that existing commitments and plans do not contemplate participation in external war. It is hoped that the minister will make a statement, before proceeding to the principal items of his estimates, as to the relationship of the defence program to needs which are solely Canadian. Such a statement might serve to obviate unnecessary inquiries or criticisms from those who do not oppose reasonable measures of defence, but who are uneasy as to the purpose and degree of defence.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, may I say to the hon. member for Vancouver North (Mr. MacNeil) that while an item in the estimates of the Department of National Defence will be called to-day, so as to enable the minister of that department to take up its estimates on Thursdays and Fridays, it is not the intention of the government at this time to proceed with the estimates of the Department of National Defence. When the minister does take up the estimates I understand it is his intention to make a full statement on the defence policy, and also to permit the fullest discussion upon what he may have to say in that connection. Meantime may I say to the hon. member and to the house that the defence policy of the government remains to-day exactly as stated by the minister, and also by myself at the last session of parliament.

Motion agreed to, and the house went into committee of supply, Mr. Johnston (Lake Centre) in the chair.

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were under or overstaffed, or whether public moneys were overexpended in any particular place. As it reads now I doubt whether it would be broad enough for that purpose. The "operation of the act" merely means its administration, how it operates in practice, not the sufficiency or insufficiency of the numbers of employees engaged in the public service. That is a matter which is not settled by the act itself but is determined by the ministers, by what they conceive to be the necessities of the public service and by the appropriation that is made by parliament to defray the cost of such public service. It would therefore seem to me, if it is thought desirable by the government so to do, that the terms of the reference should be modified or expanded; for I submit the Minister of Justice (Mr. Lapointe) would say that to inquire into the operation of the Civil Service Act, when the civil service commission itself has nothing to do with the determining of the numbers of people who are to be employed, would be hardly adequate to meet the situation as a whole. I merely mention this because I thought possibly the government was of the opinion that it was not desirable for this committee to consider such questions as the adequacy or inadequacy of the numbers employed in the departments; that that was a matter which more largely concerned perhaps some other branch of the public service and which was to be considered from some other angle.

I can only say it is highly desirable that every section of the country and every party in the house should be represented, as it is here, on the committee, and that an endeavour should be made so far as it may be possible to conduct the inquiry into the operations of the act with only one object in mind, namely, the public good and the extent to which, either by amendment or by new legislation, we may be able to improve the efficiency of the civil service. I thought, and I still think, that the language is not broad enough to go beyond the question of mere administration, and that possibly the Prime Minister and his government were of the opinion that it would be desirable to deal with that from another angle altogether, having regard to the report on professional employees made some years ago, and other matters of the kind that should be dealt with in another way, even as superannuation, which is largely a financial matter, should be considered from another angle than that of the operation of the act itself.

Mr. MACKENZIE KING: Mr. Speaker, may I say to my right hon. friend that there was no intention on the part of the government in any way to restrict the scope of the committee's activities in this matter. As a matter of fact, in speaking I think I made direct reference to the cost of services, which of course would include the numbers employed, and the amounts paid to them. If during the course of its inquiry the committee should feel that there is undue restriction in its scope, it would have power to ask the house to enlarge its authority. I assure the house at once that that concession would be made.

The intention is to have the scope of the committee's inquiry made as broad as possible, and not to limit it in any particular. The purpose of having the Superannuation Act made the subject of a separate committee was simply to ensure that one particular phase of civil service interest would receive a more detailed and careful examination by a committee appointed with reference thereto than would be possible under the general inquiry.

Motion agreed to.

FISH TRAP LICENCES

READING OF PETITION OF CERTAIN RESIDENTS OF BRITISH COLUMBIA UNDER STANDING ORDER 68

On the orders of the day:

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, before the orders of the day are called I should like to ask, under standing order 68, that the petition I presented yesterday be read.

Motion agreed to.

(The Clerk Assistant read the petition as follows):

To the honourable the House of Commons in parliament assembled:

The petition of the undersigned residents of the province of British Columbia, humbly showeth:

That since time immemorial large runs of sockeye salmon have passed the southwest coast of Vancouver island thence passing into American waters in Puget sound and then back to Canadian waters to spawn in the Fraser river.

That for many years we have maintained in the neighbourhood of Sooke on the southwest coast of Vancouver island four or five fish traps and the Americans maintained in their waters in Puget sound several hundreds, with result that our percentage of the joint catch of that run would run about thirty per cent while theirs would be seventy per cent.

That, three years ago the Americans took out all their traps in Puget sound numbering 219 while we retained ours, with the result

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In his address last Friday the hon. member for Vancouver North reiterated that position over and over again. Hence I would say that there was no change in the basic and fundamental principle from which he spoke this year as compared with a year ago. This year, as last year, we argue that defence plans should be based on a clear-cut foreign policy. We ask, as we did a year ago, what is that policy? So far this house has been given no definite statement from the government regarding it.

That is not my opinion only. It is the opinion of political observers all across Canada. As recently as last Saturday evening the Ottawa Journal, edited by a gentleman whose ability and powers of observation I think none of us will question, remarked that this house and this nation should be told the truth regarding the defence estimates, should be told what is implied by them. For, he said, anything else is not honest, and can bring only injury. That, briefly, is the opinion also of the group with which I am associated.

The hon. member for Essex East illustrated what he termed our policy in relation to international affairs by quoting from the recent Brussels conference. Last October at Geneva we associated ourselves with other nations in calling upon members of the league to give at least moral support to China. We were also at Brussels, and what did the Chinese delegation say at Brussels? According to a Canadian Press dispatch dated November 15, 1937:

> Canada has been a substantial contributor to Japan's weapon of war, according to a statement issued by the Chinese delegation to the nine-power treaty conference to-day.
>
> The statement analyses Japan's dependence on foreign supplies for raw materials. It says that in 1936 Japan imported aluminum, used in aircraft manufacture, valued at 12,000,000 yen ($3,480,000). Of this Canada furnished 71·7 per cent.
>
> In the same year Japan imported 33,000,000 yen worth of copper, of which Canada furnished 97·11 per cent.

In the same paper there followed a comparative table issued from Ottawa showing the increases in our sales to Japan last year.

Then the hon. member for Essex East undertook to read the hon. member for Vancouver North a lecture on our duties as members of parliament. He said:

> What he states here should be different and from a different point of view from what he would say if he were in the lecture hall of a university or making a public lecture apart from his responsibility as a member of parliament.

Surely if this advice were followed—

[Mr. Coldwell.]

Mr. MARTIN: Mr. Chairman—

Mr. COLDWELL: Just a moment. I did not interrupt the hon. member, and I think he will be quite satisfied with what I am going to say when I have said it. Surely if this advice were followed the atmosphere of this chamber would be even more unreal than it already is, and we should sit here simply employing words to conceal our thoughts. In other words as the hon. member for Essex East this afternoon stated, this institution of democracy might become the citadel of hypocrisy. I can only suppose that over the week-end he has read those words a good many times—

Mr. MARTIN: You are quite right.

Mr. COLDWELL: He has seen their implications, and realized that it must have been in a moment of mental aberration that he said what he did on Friday. To my mind it illustrates this, that even one of the most liberal—if I may put it that way—of the Liberals who sit on the opposite side of the house can be affected by the reactionary influences with which he is continuously associated. Once in a while we see an indication of that, and I take it this was one of the occasions.

Now we are told in this house that we may not discuss foreign policy, at least not as frankly as they discuss it at Westminster, or we may start a war somewhere.

Mr. MACKENZIE KING: May I ask my hon. friend when that statement was made?

Mr. COLDWELL: Well, I might withdraw the words that a statement was made; in fact I do not think I used those words. But, last year, again and again the hon. member for Winnipeg North Centre asked what the foreign policy of this government was, and again and again we had no indication of it. The same thing has occurred this year; we have no indication of that policy. Yet day after day I read in the press of their frank discussions of policy at Westminster.

Mr. MACKENZIE KING: May I say to my hon. friend, seeing he has referred to it, that I think he will recall that last session I made a very comprehensive statement with respect to the foreign policy of the present administration. I think he will also recall that at the present session I said our foreign policy had not changed in any particular from that set forth comprehensively last session. I believe I also said that I hoped every hon. member would feel free to discuss just as fully as he might wish the question of foreign

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(a) Improving the standard of labour and living by international agreement, as is being done by the international labour office.

(b) A consideration of the raw materials inaccessibility argument. There is a lot of nonsense in connection with this argument, but so far as it is valid it should be faced squarely.

(c) Freer access to markets, so that nations may be able to sell that which they best produce, in order to obtain the exchange with which to acquire raw materials.

(d) Trading on a basis of equality rather than of discrimination; and that again, this government can afford to do in the light of its traditions.

(e) Currency stabilization and better coordination of financial policies.

(f) Possible extension of the principle of mandates or international development of certain colonial areas.

(g) Provisions for peaceful change.

Last, and I think most important:

(h) Readaptation, if necessary, of the collective system.

As regards this program I have sought not to be an apologist for anyone. I have criticized the past foreign policy of the present and other governments. But confining oneself for the moment to the situation in which we now find the world, no man in the position of responsibility occupied by a member of this house can urge the government to resort to any other course than it is following at the present time.

I merely express again before taking my seat, the hope that it will be possible to permit the agencies of confidence to replace force as an instrument of national policy and as a means of settling disputes between nations, the hope that the law will supplant the will of any one man or ruler of a country. While I recognize that in the present situation it is almost futile to attempt to be idealistic, I am convinced, even if that conviction is based upon idealism, that the present system of heavy armaments and of foreign policies based upon them cannot preserve the peace of the world. Peace can come only by a revision of the concept of sovereignty and a recognition of the fact that, because of the economic interdependence of the world, nations have to be prepared to give and take in respect both of political and of economic matters. But the time for that has not come; we can only hope that it will come in the not distant future.

Mr. M. J. COLDWELL (Rosetown-Biggar): In rising to speak to this matter of defence, may I say first that I would very much like to have more than forty minutes, but I feel that the indulgence of this house has already been extended on too many occasions, and I propose to try to keep within the rules in this regard.

First I desire to deal very briefly with some of the remarks made by the hon. member for Essex East (Mr. Martin). He has, I think, endeavoured, and quite ably, to make an apology for what I still consider to be the government's lack of policy. Having followed the hon. member's speeches from time to time on international affairs and the League of Nations, I am sure that what he undertook this afternoon must have been an uncongenial and perhaps even difficult task. In outlining the policy which he laid before the committee he said that he had no authority to speak for the government, yet he led us to infer that the government had a policy, and he laid before the committee a policy—

Mr. MARTIN: Will the hon. member permit me to point out that that statement is not accurate? I did not lay before the committee a policy. I laid before it what I understood to be the policy of the present government.

Mr. COLDWELL: I accept that explanation and say that the hon. member laid before the committee a formula, and the idea I got was that it was the policy which is governing the government's policy; yet the formula is not the government's formula but that of Mr. Escott Reid, who has no responsibility whatsoever in relation to the government of the country.

The hon. member twitted my colleague the hon. member for Vancouver North (Mr. MacNeil) the other day, saying he had changed his position in regard to some of the matters now before the committee. May I just quote the concluding paragraph from what the hon. member for Vancouver North said last year in discussing the problem of defence, as found at page 887 of Hansard of February 15, 1937:

> I submit we are being asked to support measures of defence which offer no defence. We are being asked to jeopardize our social security and to perpetuate social inequalities without the assurance that there will be additional security against danger from war. In the name of national defence we are facing commitments which mean anything but the defence of Canadian soil or Canadian homes. We desire peace, and we are taking the road to war. I submit, Mr. Speaker, that the situation demands a straightforward statement from the government as to its intentions for the future.

D34704

policy in this house, but that when it came to statements by the government, these had to be made, having in mind the government's full responsibility for its every utterance in the light of conditions as they are known to be.

Mr. COLDWELL: I appreciate the explanation of the Prime Minister, and I accept his statement. May I direct his attention to the fact that all across the country in many of our leading papers, representing all shades of thought, the statement is continually made —and I sympathize with it—that we have no clear cut understanding in this house or this country as to what policy the Prime Minister really has in mind.

Mr. MACKENZIE KING: That is not the fault of the government, and may I say one other thing. I think all hon. members of the house will see, if they look at Hansard, that for nearly two months I have been trying to have an item in external affairs taken up so that I might have a chance again this year to place before the house a comprehensive statement with respect to foreign policy. I wished to do that before the Minister of National Defence brought in his estimates. The minister's estimates have been proceeded with ahead of mine for the reason that if the expenditures are to be made, and made to the greatest advantage, they ought to be made very soon. On that account the minister has not been held back. But, as the records will show, for two months I have consistently asked for a chance to bring external affairs before the house. Personally I wanted to have the matter off my mind before the Easter vacation, but I am afraid that will be impossible now.

Mr. COLDWELL: I think what the Prime Minister has said is quite right; he has intimated to the house that he would like to introduce an item with regard to external affairs. But may I point out that we are not in control of the house; the government largely decides what business shall be taken up from day to day.

Mr. MACKENZIE KING: May I say to my hon. friend that what has prevented me from doing so for longer than three weeks has been the amendment to the motion to go into supply.

Mr. COLDWELL: May I remind the Prime Minister that we have gone into a number of departments already; post office, national revenue, public works and others, and I think ample opportunity has been afforded to go into the Department of External Affairs had the right hon. gentleman so desired.

The hon. member for Essex East took exception to our saying that these estimates implied certain commitments. He asked this question: Against what countries are we committed to prosecute a war of aggression? He referred to some nations which he named, and said:

> The hon. member has a responsibility as a member of parliament, and in his sincere approach to his problem I think he should be in a position to give an answer to a question of this kind.

The hon. member for Vancouver North is neither the prime minister nor the minister of national defence. If he should be expected to answer the question as against whom we are committed to prosecute a war of aggression, how much more should the members of the government be prepared to answer the question: for what purpose are these defence plans being executed or from whom may we expect aggression? I would expect an answer to the latter question much more than my hon. friend should expect the hon. member for Vancouver North to answer his question. So far, as I have said already, in my opinion we have not had an adequate answer. Again I say the defence plans must be based on a definite foreign policy, and again I ask what is that policy. Surely the government can tell us whether it is a purely British Empire policy designed solely for the development and protection of empire interests; or a policy purely of North American isolation, with Canada living strictly apart from world conflicts, commerce and considerations; or a league of nations policy based upon loyal support of collective security for the maintenance of world peace; or that of a purely autonomous state endeavouring to relate its individual policy to the other three I have named. If the last is the case we should tell the British people and the world just where we stand; for in Great Britain there are many who believe that the Prime Minister was correctly quoted when the British papers alleged that he said at Paris that any threat to England would immediately bring Canada to her side. I have that report here, appearing in the Daily Sketch of July 3, 1937. I hope when the Prime Minister speaks—as I hope he will speak—he will tell us and Great Britain and the world exactly what he said; and, what is more important, exactly what the words really imply.

Mr. MACKENZIE KING: If my hon. friend would like me to do so I shall give the facts right now. I have before me a communication which I recently received from Mr. George Hambleton, who is well known to all in this house as a former member of its

press gallery and the correspondent of the Canadian Press in England. Mr. Hambleton was present at the meeting in Paris at which I spoke, and he took down verbatim what I said in shorthand notes. Some time ago, I wrote Mr. Hambleton and asked if he still had his notes and if he could send me a verbatim account of what I said at the time. He replied to my communication as follows:

Boismuir,
Chiltern Rd.,
Amersham, Bucks., Eng.
Feb. 14, 1938.

Rt. Hon. W. L. Mackenzie King,
Prime Minister,
Ottawa, Canada.

Dear Mr. King:

On my return from Ireland, I looked up my shorthand notes of your Paris speech of July 2, 1937, and enclose verbatim transcript of the passage at issue. You will notice that, in one or two places, it differs slightly from my cable to the Canadian Press but the differences are not material. They are due to my having to prepare a cable summary quickly.

My shorthand notes do not cover the entire speech verbatim but they are verbatim of the material passage. I have transcribed the material passage as I took it down at the time, with the preceding and following paragraphs.

I also enclose clipping of New York Times report of the speech, supplied to the Montreal Gazette. It generally bears out my own cable. Both the independent report of the New York Times and my own notes are at obvious variance with the version published in London.

With kindest regards,
Sincerely yours,
G. Hambleton.

The account of my speech as transcribed by Mr. Hambleton from his notes is given by him as follows:

Mackenzie King at Paris—July 2, 1937.

"Mr. Lapointe and I have just returned from the imperial conference. There, around one table, we had together the representatives of different governments of the British Empire. I know that, to many people on the continent of Europe, it may seem that because we come, in this way, representatives of different governments and have our legations as we have in Paris side by side with the British embassy, that this is a note indicative of a desire on our part to go off on our own and possibly to separate in some way from the British Isles themselves. People who have that view mistake entirely the real bond that holds the peoples of the British Commonwealth. Freedom is the essence of our life within the community of British nations. We like to manage our own affairs. We share with other parts of the empire in discussing questions of mutual interest. The fact that we have our own representation in several countries is an evidence of that liberty and freedom which above all else we prize and were it imperilled from any source whatever would bring us together again in preservation of it.

[Mr. Mackenzie King.]

"We are glad to have the opportunity of taking even a small part in this great co-operative effort on the part of the government of France to help to show to the modern world the development of arts and crafts in their application to modern life . . ."

Such is the transcript of his notes, as taken down by Mr. Hambleton. I have here the report which was sent at the time by Mr. T. J. Philip, another correspondent, by wireless to the New York Times. This is the report of what I said in Paris as published in the New York Times and also in the Montreal Gazette:

King Holds Canada is World's Friend.

No country more fortunate in foreign relations, premier avers.

Opens Pavilion in Paris.

Says Empire's Units are Independent but Determined to Keep Freedom Jointly if Necessary.

Paris, July 2.—Opening the Canadian Pavilion of the International Exhibition here to-day, Premier W. L. Mackenzie King said that no country was more fortunate in its relations with other countries than Canada. He had just attended the imperial conference at London where all associated dominions of the British Empire met together with the mother country in perfect freedom and independence but united in a determination to keep their freedom jointly if necessary. With the United States Canada lived on most cordial terms of good neighbourhood and between Canada and France there was a sentimental link which would never die.

Canada, he said, was proud to take a small part in the exhibition which was designed to show how the peoples of every country lived by the genius and effort of men of all races, and how essential each nation was to the other.

Then, reference is made to some observations of my colleague, the hon. member for Quebec East (Mr. Lapointe).

The Ottawa papers carried a report of what I said at Paris. The report appearing in the Ottawa Morning Citizen of July 3, 1937, is headed in these words:

Mackenzie King Discusses Trade Treaty at Paris.

This is a Canadian Press dispatch, via Havas, and reads:

The Prime Minister, arriving from his visits to German and Belgian leaders, officially opened the pavilion with its exhibits of Canadian industry, agriculture and mining.

He stressed the close bonds of sympathy and mutual understanding linking Canada with France, and warned his hearers to beware of any false interpretations of empire unity.

Anyone who believed that the fact Canada had her own legations in certain countries was an indication "of desire on our part to go off on our own and possibly separate in some way from the British Isles" was mistaken, he said. "People who hold that view mistake

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entirely the bond that holds the peoples of the British Commonwealth" he said. "Freedom is the essence of our life within the British Commonwealth. We like to manage our own affairs."

But, he added, the fact "we have our own representation in other countries is evidence of that great liberty and freedom which, above all, we prize, and were it imperilled from any source whatever would bring us together again in preservation of it."

I believe the Ottawa Journal contained the same dispatch, and I have read the dispatch from the Montreal Gazette. Then I have also here the report from its own correspondent to the London Telegraph. The article is headed:

Liberty as Basis of Empire Unity; Canadian Premier's Speech in Paris; An Example for Europe.

It states:

Mr. Mackenzie King, Prime Minister of Canada, inaugurating the Canadian pavilion at the Paris exhibition this morning, held up the British Empire as an example to the world of tolerance and understanding.

In an impromptu speech, he said that his visit to the coronation and his participation in the Imperial conference had convinced him more than ever of the value of freedom to the world.

Liberty, he said, was the bulwark of the British Empire. While the motherland and each of the dominions remained free, men of good will came together from time to time, talked over matters of mutual interest, and thus strengthened the union of the British Commonwealth.

His visit to the continent, he continued, had convinced him that men of good will in every country could follow this example and talk over their differences. People in Europe would make a great mistake if they concluded that, because various dominions had their own foreign legations, they lacked unity. On the contrary, this was but an example of their common freedom.

Those are all dispatches from different correspondents as to what I said, and they are in accord but differ from the one quoted by my hon. friend. There is the dispatch from our own correspondent in London who went to Paris to be present at the opening of the pavilion, the correspondent to the Canadian press. I think most hon. members know Mr. George Hambleton, and must know how accurate he would likely be in any report he would send. Mr. Hambleton still has his shorthand notes, and no doubt would be prepared to produce them at any time or place if that were desired. A correspondent to the New York press gives his version, which agrees with that of Mr. Hambleton, and the version of the correspondent to the London Telegraph is also in accord with Mr. Hambleton's. The other report which appeared and to which my hon. friend referred, is not in accord with any of these, and contains words which I did not use.

The context makes quite clear what I was speaking about at the opening of the pavilion. I was referring particularly to the significance of legations. I spoke of legations in that way because I was speaking in the presence of Mr. Brugere, the then French Minister to Canada and also in the presence of the British Ambassador. In some parts of Europe there would seem to be a deliberate effort on the part of some to have it appear that because Canada has her own legations in different countries, in some way or another she is desirous of separating herself from relationships with other parts of the empire.

My contention has always been directly the opposite. I have contended and believe that the bond which unites us and keeps us united is the bond of freedom of which complete autonomy is one expression, and autonomy which in Canada we enjoy in relation to foreign affairs, as well as with respect to domestic affairs. That was the point I brought out. My observations were made in the presence of my colleague, the Minister of Justice (Mr. Lapointe) and the hon. member for Bellechasse (Mr. Boulanger) who was Canadian commissioner at the exhibition, both of whom were on the platform at the time I spoke. They both heard my remarks, and both have since told me that neither of them had heard anything which could be construed after the manner of the dispatch the hon. member has just quoted. They did, however, hear me say what has been quoted in the dispatch of Mr. Hambleton and regarded it as wholly appropriate to this occasion. I have not gone out of my way to deny erroneous reports for the simple reason that I did not wish, by having people speculate on the meaning of this or the meaning of that, to embarrass the situation in Europe any more than was necessary. Sometimes it is just as well to let matters alone even if one has personally to suffer because of it. If any good purpose could have been served by making a restatement at the time, I should have made it. To have taken exception to the statement at the time might have given a significance to my words which in some quarters might have been still more misleading. I hope, however, that what I have now placed before the house will be sufficient to indicate exactly what was said and exactly what was meant.

Mr. COLDWELL: I would say simply this, that had the Prime Minister made a simple statement as to just what he had said and meant, I would have accepted it, without further evidence. I imagine the words which were interpreted in the manner I have indicated in some newspapers would be the words, "if that liberty were threatened it would bring us together again." No doubt the construction placed upon those words by some correspondents was the construction we have heard. Subsequently, I believe it was on July 9, addressing a Conservative meeting in London, Mr. Chamberlain referred to the "remarkable speech given by the Canadian Prime Minister, Mr. Mackenzie King, at Paris" and he quoted the press dispatch. That, I believe, was the construction which was placed generally upon the dispatches which appeared in the British papers. I am glad we have had the explanation placed before the House of Commons and the country to-day.

Both the Minister of National Defence (Mr. Mackenzie) and the hon. member for Essex East deny that in the event of war we are committed. I wonder if they will state that when Great Britain is at war Canada can remain at peace. May it not be more realistic to admit that whatever the constitutional position may be, Canada's desire for freedom of choice would not, in all probability, be honoured by a belligerent enemy of Great Britain. If that is realistic, then would not a straightforward, concrete, downright Canadian foreign policy be a step in the direction of real world peace? We believe that, and that is why we are insistent that such a statement should be made before we are asked to support military, naval and air force estimates. We felt a year ago—indeed the estimates subsequently presented confirmed the analysis made by my colleague from Vancouver North— that Canada's program was closely linked with the policy of the British national government. I make a distinction in my own mind between the British national government, the present government of Great Britain, and the aspirations of the British people. We said a year ago that we distrusted their policy because it implied a desertion of the principles of the League of Nations and of collective security. I think everyone will agree that the events of the past year have proved that our fears were amply justified, and the recent resignation of the foreign secretary of Great Britain makes that more abundantly clear than it was before. As was stated by the hon. member for Essex East, the past months have been to many of us—I include myself— months of sad disillusionment. We believe peace can be maintained by a league of nations, a league reconstructed and reconstituted. But to that belief the policies and pronouncements of the national government have given blow after blow, until a short time ago Mr. Chamberlain shattered that ideal almost completely; at least for the time being.

We can no longer dismiss the fact that that for which the great war was said to have been fought has been lost. Great Britain declared through the lips of its war-time prime minister, Mr. Lloyd George, that the world must be made safe for democracy, but twenty years after we have another prime minister trying to placate the dictators who have destroyed democracy in their own countries and whose minions are prepared to destroy freedom throughout the world.

Canada is still a part of the British commonwealth. It is the senior self-governing dominion. Are we content, as it were, to simply follow along with the policy now being followed in Great Britain? If we are not, then I think we owe it to ourselves and to the British people to say so before the die is cast. Unless we do that, in the eyes of the enemy nations at least, when Britain is at war we shall be at war. As my colleague, the hon. member for Vancouver North, said the other day, this parliament may be faced some day with the accomplished fact of war.

It is well known that a large and influential section of the British governing group never liked the league and have never really been loyal to it. I believe that the uncertain attitude, if I may put it that way, of Canada, in relation to sanctions from time to time rather played into their hands. I do not think that any government in Canada wished to play into their hands. I should like to say that I believe a little more courage on the part of the Prime Minister of Canada during recent years would have done much to persuade the British government to stand by the league. The British people, through the peace ballot, and by their attitude toward the Hoare-Laval controversy and the Eden incident proved their faith in the league and collective security.

Mr. MACKENZIE KING: Does my hon. friend think the government should have had a policy of applying sanctions which would have involved military sanctions?

Mr. COLDWELL: This government did agree to the institution of sanctions against Italy.

Mr. MACKENZIE KING: Economic sanctions.

Mr. COLDWELL: Economic sanctions. Subsequently we withdrew ourselves from an advocacy of oil sanctions. My contention is that if the peace of Canada and of the world were endangered by one kind of economic sanctions, against minerals for example, then it would be endangered by all kinds of economic sanctions. We assumed some and we disallowed another.

Mr. MACKENZIE KING: Should this government have insisted on oil sanctions being imposed at that time?

Mr. COLDWELL: Having agreed to some sanctions being imposed, the most important of all sanctions, oil sanctions, ought to have been agreed to. It may be argued that that would have led to war—

Mr. MACKENZIE KING: I am sure it would have.

Mr. COLDWELL: I disagree with that statement. As a matter of fact the recent book by the Italian General, De Bono, in which he discusses the entire Ethiopian affair, indicates quite clearly that had oil sanctions been applied he expected to have received orders to stop the Ethiopian campaign where he was. I think that that is the impression that is quite widespread across the world. The Prime Minister has a different opinion, but my opinion is that which I have just stated.

I believe that in Great Britain the attitude of the Labour and Liberal parties truly represent the heart of Britain. British liberalism is still true to its democratic tradition, and through the lips of its leaders, Sir Archibald Sinclair, and David Lloyd George, it joins with Clement Attlee of the labour movement in denouncing the repressions and hypocrisy of Hitler and Mussolini. Thus the liberal and labour parties in Great Britain follow the tradition of that British liberalism which demanded years ago the ejection of the Turkish oppressors from Europe bag and baggage. That demand did not lead to war. I believe that the famous phrase "bag and baggage" was used by Gladstone in connection with the Turks and Turkish atrocities sixty years ago. How far Canadian Liberalism is removed from the historic liberalism which gave it birth its present policies mutely testify.

Canada is my home and my country, the land in which my children were born and in which I hope they will live. I have a deep affection for the land which gave me birth and education. I am of its people, bone of their bone, flesh of their flesh. But when my overseas kin elect and support a government whose policies are a dark betrayal of the democratic ideals which I regard still more highly, then I think it is my duty to urge that we tell them in no uncertain terms that we shall not stand for the type of policy which has been pursued and which I believe will eventually bring about the loss of democracy throughout a large part of the world. For these policies we in Canada must assume no responsibility. However, due to the breakdown of the League of Nations, we in Canada are compelled to consider some measures of defensive rearmament. To that, in so far as they are defensive we in this group offer no objection; for the international scene has changed, and for the worse, since last year.

We insist also that in the light of recent events our government should make a clear statement regarding Canada's foreign policy, a statement that will leave no room for doubt in this country, in Great Britain and throughout the world. It should in my judgment be a policy wholly and completely independent of any understandings there may be between the national government and the European dictators. I believe the Prime Minister will agree with that. Until the British people have elected a government that is sincere in its attachment to collective security, we must pursue our own course, a course which looks first to the interests of the Canadian people, a course that will satisfy a democratic and freedom loving people.

By a striking coincidence, on the very day that Mr. Chamberlain deserted European democracy a United States cabinet minister, Mr. Secretary Wallace, broadcast a message to the British people. He said in part:

Totalitarianism, either of the right or of the left, is alien to the spirit that dominates the English speaking democracies of the world.

He continued:

Totalitarianism is subversive of the ideals upon which our democracies are founded.

Those of us who continue to believe that it is better to be governed even badly by ourselves than to be well governed by others must be increasingly alert, especially against insidious fascism. It seems to me that fascism constitutes the greatest threat in the world to-day.

To my way of thinking, fascism is a retrograde movement. It means a turning back of the hands of the clock. It means that liberty to live one's life, with only such restrictions as are necessary in order to assure the equal liberty of others, must be surrendered to a dictatorial power which will think and act for all.

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He added that humans become economic and political robots under a fascist state, and must release "all the barbarities of supersavage modern warfare upon unoffending peoples" at the mandate of a dictator. He asked for cooperation by democracies of the world to prove the effectiveness of the principles upon which their plan of government is founded. He went on:

> Certainly, with the fascist countries of the world drawing closer and closer together in an ominous and bodeful phalanx it behooves America and all other democratic nations to prove that under a democratic form of government the highest political liberty as well as the greatest economic security not only can, but will, be provided.

These words of the United States Secretary express also, I am certain, the sentiment of the overwhelming majority of the British and Canadian peoples. Yet the policy at least of the motherland to-day, in my opinion, is being directed by those who have strengthened fascist dictators who have released all the barbarities of supersavage modern warfare upon unoffending peoples without their borders. To me the blood of primitive Ethiopians cries aloud against it, and the wailings of Judah echo across the world in protest. Surely civilized peoples everywhere stand aghast at the barbarities recently perpetrated in Barcelona.

In common with other small nations Canada has everything to gain by the building up of a strong League of Nations. It is true that in order to achieve real collective security the pooling of sovereign rights under certain circumstances, as the member for Essex East has indicated, may be essential. The attitude of Canada in the past has not been conducive to the strengthening of the league. As I said a few minutes ago, in my opinion our attitude in connection with the Ethiopian affair and the institution of oil sanctions was in no small measure responsible for a league weakness at that time. The Prime Minister has argued that this might have led to war. We have already discussed that possibility.

But what is of more interest to us now is what, if anything, has Canada said to the British government recently. Have we tacitly or silently endorsed the destruction of the league by the present government of Great Britain? If not, do we still adhere to the League of Nations covenant with the reservations we have made from time to time? If we do, then what is our relationship to present imperial policies? I think these questions ought to be answered in the course of this or subsequent debate. The Prime Minister of Great Britain has stated in the house that the dominions have been consulted and that to some extent recent pronouncements in regard to Czechoslovakia are in part due, it is said, to the attitude of the self-governing dominions.

Mr. MACKENZIE KING: Consulted, did my hon. friend say?

Mr. COLDWELL: Yes, consulted.

Mr. MACKENZIE KING: I do not believe the Prime Minister of Great Britain has used that word. I may be wrong, but my recollection is that the Prime Minister said that we had been kept informed of what had taken place. But that we had been consulted, or that any advice had been given by the government, was not, I think, suggested.

Mr. COLDWELL: I think in certain press dispatches the word "consulted" was used. I know that when I was thinking of what I was going to say I took that word "consulted" from one of the dispatches. But if the right hon. gentleman says that that is not the word that should have been used, I take it that the government has been kept informed, and if there has been any actual or implied advice with respect to that information I think we should be given to understand what that advice may have been, if any has been given.

Mr. MACKENZIE KING: I can assure my hon. friend right away that no advice has been asked and none has been given by the present government.

Mr. COLDWELL: I am glad to get that assurance. The purpose of my suggesting that a statement should be made was that we might get such an assurance, and I am very glad indeed to get it.

It seems to me, then, that the world is now faced with two alternatives: Either for members of the league to go to Geneva, meet there and declare that they will join in resisting any new active aggression by whomsoever offered; or for the democratic powers to declare that they will resist any aggressive action against Czechoslovakia or any others of the smaller nations so threatened. These are desperate alternatives, and in the present condition of the league it is unlikely that league action will be taken or I fear, that the democratic powers will act in unison. To my mind the best thing Canada can do is to exert all the pressure possible for the reorganization of the League of Nations and for effective security by these means.

As I said before, we should assume no responsibility for the effects of the disastrous policies of the present national government of Great Britain, and a pronouncement to that

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effect would, I believe, have a wholesome influence upon the people of Great Britain and would be an excellent antidote to statements made by expatriated Canadians, like Beverley Baxter, who arrogate to themselves the right to speak for this country at Westminster. In the meantime, and until the situation is clarified, Canada should confine her defence program to such arms as would protect our ports against sporadic raids; for all military authorities and the Minister of National Defence agree, as he did the other afternoon, that invasion of Canada is a very remote contingency. To the extent that military and naval estimates are based on the policy I have outlined I think the house this year should support them, but of course they should be scrutinized closely to ensure that they are not in preparation for a war which would not be in the interests of democracy and which might even fasten the evils of to-day on the generation of to-morrow.

I have somewhat exceeded the time I intended to take, Mr. Chairman, but I should like just to add this, that I believe all across Canada men and women are looking anxiously to this parliament to-day for a lead in relation to this problem. Fear of war is widespread. Canada is a peaceful and a peace-loving nation. We are far removed from the seat of any general hostilities that may arise. We do not desire to arm ourselves for any war of aggression. I have taken in the past an attitude that might almost be described as that of a pacifist. In the light of the conditions that face us to-day I am prepared to support that which is essential to the defence of our democratic institutions. But I want to be positively assured, before doing anything of the kind, that that is exactly what is implied by the estimates. I view with some misgiving the analysis which has ben made by the hon. member for Vancouver North, in which he argues the indications are that the program is built upon the idea, which is held by many of our leading military men, that in the event of war we should be compelled to send an expeditionary force abroad. I think that idea should be dispelled completely. I am quite confident of this, that a large number of the young men of this land will refuse to bear arms in a cause in which they feel they have no interest. I have moved among many young people in the last few years, and I know that there are large numbers of them who, looking at the condition of their own fathers who fought in the great war, and seeing that nothing has come to them but disillusionment and misery, do not intend to be drawn into such a war if they can avoid it. So, in speaking to these estimates, I simply wish to say before I sit down that in my opinion Canada, as a nation at present apart from the streams of hates and fears that bring war in other parts of the world, can, if it will, through the means of an effective league of nations and the fostering of the ideal of collective security, exercise and influence towards a greater measure of peace than, perhaps, the world has ever known.

Mr. J. H. BLACKMORE (Lethbridge): I fail to see how anyone can seriously disagree with any of the fine sentiments so well expressed by the hon. member for Rosetown-Biggar (Mr. Coldwell) and the hon. member for Essex East (Mr. Martin). I am sure we all agree that nobody in Canada wants war. I am sure we all agree that we are prepared to do anything to protect democracy. I believe there is a widespread feeling throughout the dominion that we should be prepared to make our share of the sacrifices which are necessary in case democracy is threatened.

We find, however, that we are greatly handicapped because of lack of knowledge of conditions as they are. I have wondered whether, if we were all in the position of the Prime Minister of Great Britain and knew all that he knows, we would be quite so certain as to whether he was making a mistake or not in each move that he makes. What has impressed me in duscussions in the press or among people on the street is this: I find that whenever I am confronted with a situation about which I know practically all the details, I am often considerably at a loss to know just what to do. For me, therefore, to presume to say just what a man ought to do in a set of circumstances of the details of which I know practically nothing, is something to which I would hardly like to commit myself. Consequently, I am inclined to leave the management of Great Britain pretty much to the government which is charged with the responsibility for taking care of Great Britain's welfare. They may be wrong; they may be right. I find it sufficiently difficult for me to say just what Canada ought to do.

In the first place, with all other Canadians and, I believe, British people throughout the world, I am unalterably opposed to war. So are all social crediters. I think there is not an individual in this chamber who is not opposed to war. In order to clarify the minds of men in so far as they find themselves at all interested in the attitude of social crediters generally on the question of war, perhaps it will be well for me to make a few statements so that people within the chamber and without will know what we think and why we think it.

Major Douglas is, of course, the great leader of the movement. Consequently, his pronouncements are looked upon with considerable respect by all followers of social credit. He has advocated, consistently and earnestly, patiently and long-sufferingly, such a course of procedure as would be most likely in his opinion to prevent the people of the world from becoming involved in war. The first time I knew of social credit I read a statement wherein Major Douglas had said that unless the policies he advocated were adopted, the world would be inevitably plunged into war of a most devastating and universally destructive nature. He therefore urged as far back as 1923 that we change our economic system with the object in view of removing the causes of war.

He has done a great deal along this line. When he was out in Alberta in 1934, he used this potential danger of war as one of the greatest motives for our becoming interested in a new economic system. I should like to read a few short excerpts from a radio broadcast which Major Douglas delivered over the British Broadcasting Corporation system in November, 1934. In these excerpts he is not stating the causes of war; he has assumed that the causes have been neglected and that the patient is about to come down with the disease. He is telling us what to do about it. That is about the situation with us. We have not taken precautionary measures, whether we foresaw the danger or whether we did not. We are about to come down with the malady, and the question is, What to do about it all?

Major Douglas, says, first:

I have no interest, direct or indirect, in the armaments industry, but I am fairly familiar with big business, and I do not believe that the bribery and corruption, of which we have heard so much in connection with armaments, are any worse in that trade than in many others.

That is a significant statement, considering one of the great motives which have been heralded far and wide and laboured throughout the country, bearing upon the question of war.

Again he says this, and here he sets forth, by implication at least, the causes of war which he has laboured to remove:

So long as we are prepared to agree, firstly, that the removal of industrial unemployment is the primary object of statesmanship, and secondly, that the capture of foreign markets is the shortest path to the attainment of this objective, we have the primary economic irritant to military war always with us; and moreover, we have it in an accelerating rate of growth, because production is expanding through the use of power machinery, and undeveloped markets into which surplus can be poured are contracting.

That, I fancy, is perhaps the most significant remark we shall hear this day. At another place he says:

In the first place, I believe it to be, while the present financial system persists, merely sentimental to suppose that a weak nation, particularly if it be also a rich nation, is a factor making for peace. Quite the contrary. It is as sensible as if it had paper walls.

That sets forth, as well as it could be stated, my own attitude on the question of defence for Canada. I have always felt that if you wish to be free from war, it is a good thing either to be strong enough yourself or to be a member of a combination which is strong enough to make an attack on any of its members exceedingly dangerous.

A similar idea was advanced by the hon. member for Rosetown-Biggar when he advocated collective security. I am an ardent advocate of collective security, but I wish I knew with whom to "collect." And when I am "collected" with them, I should like to know exactly who would call on me to act, and upon what provocation; what kind of response he would expect me to make when he called upon me; where and when he would like me to make it, and a wide variety of other questions.

Mr. MACKENZIE KING: And what the others would themselves be prepared to do.

Mr. BLACKMORE: I am glad the Prime Minister (Mr. Mackenzie King) reminded me of one important question I forgot. Yes; I say that too. I have been a most earnest student of this matter of the League of Nations, collective security and all that kind of thing. I may be a little simple; but I have found a number of people who seem to be most ardent advocates of collective security, rather disposed to scorn the other members of the British Commonwealth of Nations, who as far as I can see with my limited vision ought to be the most likely people with whom we could "collect" for collective security. I grant that is only the view of an extremely unimportant layman, but in my blundering way I cannot help reaching some such conclusion.

I continue with another quotation from Major Douglas:

International bankers are, almost to a man, strong advocates of national disarmament—

That is a weighty remark. If that is true, it constitutes a sort of handwriting on the wall.

—but their bank clerks, alone amongst civilian employees in this country, are armed with revolvers, and the strength of bank premises compares with that of modern fortresses.

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I have weighed those words often, and the more I think about them the more I become inclined to national defence. Again he says:

Strength unaccompanied by a motive for aggression is a factor making for peace.

Those words express exactly my opinion. If, then, the Dominion of Canada wishes to be a factor making for peace, above all things let the Dominion of Canada be strong.

The question then arises, What constitutes strength? Strength does not lie in armaments or in large standing armies. This truth has been demonstrated many times in the world's history. Strength has its home in the strong hearts of a brave, contented people who feel that their country is a land to love. We in Canada to-day, I regret to say, have not so managed our economic life as to render our people contented and happy. We have not been able to accord to those heroes whose blood was shed and whose health was sacrificed in the last war, that measure of comfort which we wanted to accord to them. The result is the very state of mind which the hon. member for Rosetown-Biggar outlined, when our youth of to-day contemplate the possibility of going to war. We as social credit people say, and I am sure all hon. members agree, that it is our first duty to make Canada prosperous and economically sound, so that her people may be inclined to love her and ready to die for her as they were in 1914.

But in our modern day if we do not have, in addition to a strong, happy and contented people, the armaments which will enable us successfully to cope with those vast destructive machines which have been perfected, ready to be directed against us, our people are thrown under such a dreadful handicap as to render exceedingly doubtful the possibility of their emerging successfully from a conflict. Consequently, we need both a strong and happy people and adequate defences.

Much of what I am going to say pertains to how to finance these defence estimates. Trusting that my fellow members of the committee will continue to exercise that kind patience which they have thus far exercised, I am going to speak once more about a way in which we can raise money without drawing it from the very lifeblood of the people of this country, without depriving them of the needed relief and assistance of which so many of them are in desperate need. The Minister of National Defence (Mr. Mackenzie) occupies a position which many times has made me feel the deepest sympathy for him. Before his election he was reported in the press as having said—and from my knowledge of the hon. gentleman's sincerity I am sure he meant it—that he would favour the creation of $500,000,000 of new money. The hon. gentleman meant that. With the character which I have come to believe the hon. member possesses, I doubt very much that he would have stood for election unless he had assurance that his promise was possible of fulfilment. Consequently, he felt that there was a possibility of creating new money with which to finance any project which might be found by the government to be desirable. May I revert to his own beliefs, which he expressed and which I am sure he still holds.

The CHAIRMAN: I would point out to the hon. member that he is out of order. He should confine his remarks to the estimates of the Department of National Defence, and particularly to the item No. 180, which is under discussion.

Mr. BLACKMORE: Thank you very much, Mr. Chairman. I believe it will be found that the main point of discussion in this parliament with regard to these estimates will be the cost, the ways and means of financing our defence. Therefore, I feel it is perfectly in order for me to discuss the ways and means of financing the defences of this country. If we could not find that money, I would say there would be no use in talking about defences at all. So with your permission, Mr. Chairman, and with the hope that you will inform me if I deviate too far from the course I have laid down, I shall proceed to discuss the ways and means of financing these estimates.

Mr. MACKENZIE KING: According to my hon. friend's own words, what he wishes to discuss ought to be said, if at all, in committee of ways and means, not in committee of supply. He says he wants to talk about ways and means now, and this is not the time for that.

Mr. BLACKMORE: I speak subject to being called to order, and if I am not in order I do not wish to discuss the point; but virtually every resolution we receive from Alberta—and that, of Canada's nine provinces, is the one which we represent—says either to oppose defences or to ask that the defences be financed by national money, so that the cost will not have to be deducted from the amount the government spends for relief and other projects. So whether or not we should support defences

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would depend in large measure, as the Prime Minister will recognize, upon how those defences are to be financed.

Mr. MACKENZIE KING: I only point out to the hon. gentleman that there are two main committees of the house, one of which is constituted to deal with supply and the other with ways and means. At the present time we are in committee of supply. My hon. friend says he wishes to discuss ways and means, and I say he is out of order. When the house is in committee of ways and means will be the time to consider whether or not he is in order in discussing what he has in mind. Certainly he is not in order in discussing ways and means when we are in committee of supply.

Mr. STEVENS: Surely the Prime Minister is not going to suggest that when this committee of the whole is considering voting supply to the government, that is, authorizing the government to spend money, it is out of order for an hon. member to question the government as to the source from which it expects to obtain the money for the particular project, whatever it might be.

Mr. MACKENZIE KING: The question of the source is dealt with in the committee of ways and means. That is what that committee is for.

Mr. STEVENS: What I wish to submit to you, Mr. Chairman, before the final ruling is made, is this: If the rules of the house are interpreted in the narrowest sense, obviously fair discussion cannot proceed. It has been the history of the British parliamentary system that rules are fairly generously interpreted; otherwise we could not possibly conduct a discussion. There is scarcely a moment we sit here when we could not raise a narrow point of order, but the Prime Minister surely cannot press the point that because the hon. gentleman is about to analyse some suggestions made by the Minister of National Defence with regard to ways of raising the money which he wishes to apply to this particular project, he is to be precluded from carrying on that discussion. For the sake of fair and free discussion I would urge the Prime Minister not to press that point of view to the extent of having a ruling made upon that narrow point.

Mr. MACKENZIE KING: I think the committee will recognize that I desire to have the discussion just as free as possible, but I should like to have it in relation to the estimates under consideration, not with relation to monetary theories which is another matter

altogether. We spent two or three weeks discussing the question of social credit, and now my hon. friend is quite frank about his purpose, much more so than his supporter at the moment, may I say. The hon. gentleman says what he wishes to discuss, and it is not to analyse some suggestion of the minister, which is what the hon. member for Kootenay East has just said. Quite frankly, in his own words, the hon. member has said it is the subject of social credit. Social credit does not enter into this discussion at all. The hon. gentleman referred to how the money is to be raised to make good this supply; the words he used were, the ways and means in which the money is to be raised. The ways and means by which money is to be raised is a matter for the other main committee of this house, namely the committee of ways and means. The present committee discusses what supply, if any, is to be voted and determines that matter. The committee of ways and means discuses the ways and means in which the money is to be raised with which to provide the supply. I cannot think of anything that could be plainer than that. All that pertains to ways and means is entirely the work of a different committee.

The CHAIRMAN: Does any other hon. member wish to speak to the point of order? In my opinion the point of order raised by the right hon. Prime Minister is well taken. As he has pointed out, we are in committee of supply, not in committee of ways and means. There has been a long debate which ended yesterday, in regard to social credit, and in my opinion the hon. member for Lethbridge was out of order when he followed the line he did in regard to monetary matters. Therefore, I would ask him to be good enough to confine his remarks to the resolution which is under discussion in relation to national defence estimates.

Mr. BLACKMORE: Of course we are new to the game and we do not know about all these things, but from my observation of what has been done in the house I would be inclined to think that what the hon. member for Kootenay East said was about right.

Mr. STEVENS: The strict rule has been violated a thousand times.

Mr. BLACKMORE: After all, what I was discussing was the suggestion made by the Minister of National Defence before the election. Certainly I do not believe he would call that social credit, but I bow to your ruling, Mr. Chairman, and will refrain from any discussion of this kind.

"K" Speeches re Debate 1/2

ODS/ET
29 Jan.,1938

MEMORANDUM FOR THE PRIME MINISTER:

D 34714

In response to your telephone enquiry as to whether any additional suggestions could be made regarding External Affairs matters that might come up in the discussion on the Speech from the Throne, Christie has prepared some notes for your consideration on the Far Eastern conflict. Macdonald has prepared some notes on four questions arising out of the discussions in the September League of Nations Assembly, namely,

1. Political and Civil Status of Women as discussed at the Assembly.
2. Vote of the Canadian Delegation on Spanish re-eligibility.
3. Question of revising the Covenant.
4. Canadian attitude on Sino-Japanese conflict at Assembly and at Brussels.

I understand some additional work on these subjects has been done in the Prime Minister's Office.

As regards the Far Eastern conflict, I hardly imagine that the Leader of the Opposition will take the stand in his opening remarks that might be taken by some later C.C.F. speakers, namely, that Canada should have placed embargoes on exports to Japan, or taken other punitive action not taken by Great Britain and the United States. If this assumption is correct, the discussion on this question by the Prime Minister would appear likely to come up at a later date. There is practically sure to be a demand for a full discussion on it.

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Incidentally, we are endeavouring to obtain up-to-date statistics of exports of munitions and raw materials to Japan from Great Britain and the United States.

For the present, I do not see that much can be said on this question beyond an expression of deep regret at the suffering and devastation that is occurring, a reference to the League of Nations Resolution, in which Canada joined, expressing condemnation of the killing of women and children and other civilians by Japanese aerial bombardment, and the efforts for conciliation made at the Brussels Conference, which unfortunately have proved unsuccessful.

As regards the Spanish situation, there is not much to be said beyond the fact that the Non-Intervention Committee consisting exclusively of European countries, has been continuing with varying success its efforts to localize the conflict and prevent a wider conflagration. Canada's action has been limited to ~~restricting~~ prohibiting the exports of war munitions to either party and applying to Spain the provisions of the Foreign Enlistment Act passed at the last session. Similar action in both respects had been taken by the United Kingdom and the United States and many other countries.

There is one small angle of the Spanish situation which may come up, though probably at a later stage, namely, the vote by the Canadian Delegation to the Assembly on

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Spanish re-eligibility. One possible course would be to say that while the League regulations provide that such voting is by secret ballot, and while it has not been the practice of any responsible government to indicate how it voted, the Canadian Government was prepared, in order to emphasize the necessity for more careful and responsible comment on public affairs, to indicate the actual facts. Then Senator Dandurand's very excellent statement of the case in his letter to you might be quoted, perhaps with some slight variations in the first paragraph, and the lesson driven home that the report from the [redacted] correspondent at Geneva was wholly without foundation, and also that many of the comments made on this report when relayed to Canada overlooked entirely the fact that the secrecy imposed on these ballots was a League regulation and not a Canadian decision.

On the other hand, I am inclined to think you have a preference for simply taking the ground that the rules of the League provide that the ballot shall be secret, that neither the United Kingdom nor Canada nor any other responsible country has ever stated what the actual vote was, and that the sablegram sent by the Geneva correspondent was wholly irresponsible guesswork.

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In either contingency, if the question were raised as to why no definite instructions were given the Canadian Delegation on this point, it might be said that very comprehensive instructions and information were provided for the use of the delegation before leaving Canada, and that a number of questions which it was expected would arise in discussion were considered in Council, and secondly, that as regards election to the Council, it was not known in advance what countries would be candidates for election or re-election, and the matter was therefore left to the discretion of the delegation.

D34718

As regards the trade publicity in the United Kingdom it is practically certain that the opening given by the publication of the Shaw Report and the preposterous statements that have been appearing in Canadian papers on Mr. Massey's connection with publicity will give rise to this early discussion. I am glad to see that the draft recommendation to Council has been passed. Robertson has furnished a memorandum on this subject, which, I think, covers the situation. In it he refers incidentally to the possibility of such parts of the Shaw Report as would assist producers to put their goods in shape acceptable to the United Kingdom market being separately circulated in some form.

This is a matter which would require discussion in Council. My last understanding of ~~this~~ the situation was that Mr. Gardiner was prepared to bring out a revision of the report which, I believe, has removed practically all the objections in detail but that Mr.Euler still stuck to the view that the report, revised or not, should not be issued further.

Regarding the relation of the Department of External Affairs to the publicity vote, you will recall that a year ago we made a report which was taken up in Council recommending

(1) that this appropriation be transferred to the Department of Trade and Commerce and (2) calling attention to the danger of conflict if appropriations for publicity were made in more than one Department. I am just referring to this for the record because it is not anything to which public reference could be made, particularly as recommendations were not acted on. Further, I do want to say for your information that during the time that the vote was administered, so far as Ottawa was concerned, by this Department it was better administered than it had ever been by the Department of Trade and Commerce. Our objections to the carrying of it at all was not that it couldn't be done but that it was taking too much time of the officers of our Department and that it was a subject that was much more within the scope of the Department of Trade and Commerce. I do not think anything need be said as to how this vote was administered so far as the Department of External Affairs is concerned, but I hope that nothing will be said to imply that the transfer is being made because it was not being properly administered. In this connection, something will have to be said at the proper time in defence of Massey, both as regards the actual conduct of this vote and in reply to the preposterous and absurd stories that have been circulated in some Canadian papers.

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I enclose a note on Mr.Bruce.

The only other thing that occurs to me at the moment of which something might be said is your visit to Germany, on which nothing could be added to information you have, and your speech at the opening of the Canadian Pavilion in Paris, on which I might send a short note later as I am practically certain this will come up.

Robertson's notes on UK-Can. U.S. trade cover the ground fully. - probably you would use only such parts as necessary for rebuttal at present.

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57		King George VI: Coronation of. Speeches in Parliament	Feb. 1938	D 34755 - D 34758	
57		Lapointe, Rt. Hon. Ernest. Speeches in Parliament	Feb. 1938	D 34759 - D 34760	
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4. Did the conference propose to stop the victorious Japanese advance? Did it propose to end the war, and, if so, how?

5. Who was responsible for the utter failure of this important conference?

6. Will a report of the conference be tabled?

7. What technique of diplomacy does Canada employ at these conferences?

8. Did Canada separately or with Great Britain ask the United States to join them in a note of protest to Japan?

9. Did the United States reply that they would act separately and not jointly?

Mr. MACKENZIE KING:

1. Canada, as a participant in the Nine Power Far Eastern treaty concluded at Washington, February 6, 1922, took part in the conference convened at Brussels for the purpose of examining, in accordance with article 7 of that treaty, the situation in the Far East and study friendly methods of hastening the end of the conflict now taking place there.

2. United States of America, Australia, Belgium, Bolivia, China, Denmark, France, India, Italy, Mexico, The Netherlands, New Zealand, Norway, Portugal, The Union of South Africa, Sweden, Union of Socialist Soviet Republics, United Kingdom.

The Hon. Raoul Dandurand, Senator, minister without portfolio.

3 and 4. The report of the Brussels conference, dated November 24th, 1937, as issued by the conference, which has been laid on the table, sets forth the proceedings.

5. Under the rules this question does not appear to be of a suitable character for disposition by question and answer.

6. Answered by nos. 3 and 4.

7. Canadian delegations at international conferences observe the methods of procedure customarily followed on such occasions.

8. No.

9. Answered by No. 8.

VISIT OF THE PRIME MINISTER TO BERLIN

*Mr. CHURCH:

1. On whose invitation did the Prime Minister visit Berlin and the German government of Herr Hitler in 1937, and on what days was the visit made?

2. What was the subject matters discussed and was the government of Great Britain advised or consulted about this visit?

3. Will a summary of the matters discussed be laid on the table of the house?

4. Was the subject of establishing a Canadian embassy to Germany under discussion?

5. Did the Prime Minister of Canada make any proposals during said discussions, and, if so, what were they?

6. Was the subject of the ceding of German colonies by Great Britain discussed?

[Mr. Church.]

7. Were any economic or international questions in their relation to Canada discussed, and, if so, what questions?

8. What is Canada's foreign policy with respect to Germany?

9. Is such foreign policy a Canadian policy, or is it in harmony with the foreign policy of Great Britain?

Mr. MACKENZIE KING: As this question refers more particularly to myself I am answering it orally.

It had been my intention to pay a visit to Germany at the conclusion of the Assembly of the League of Nations, at which I represented Canada, in the autumn of 1936. This, however, did not prove possible at that time. Following the imperial conference of 1937, I was able to carry out the deferred visit. As I have already indicated in public statements, the purpose of the visit was to obtain at first hand, as intimate a knowledge of conditions in Europe as the time at my disposal permitted. After leaving Great Britain I paid brief visits to France and Belgium, as well as to Germany. The British Government were fully aware of the intention to pay the visit to Berlin, which occurred on June 27th to 30th, inclusive. The interchange of views and information which took place was of a nature which it is not the practice to disclose.

NYON CONFERENCE

Mr. CHURCH:

1. Was Canada represented at the conference at Nyon to prevent piracy in the Mediterranean?

2. If so, by whom?

3. What action was taken?

Mr. MACKENZIE KING:

1. No.

2. Answered by No. 1.

3. The states represented, namely, the United Kingdom, Bulgaria, Egypt, France, Greece, Roumania, Turkey, Union of Soviet Socialist Republics, and Yugoslavia, concluded on September 14, 1937, an agreement for collective measures against piratical attacks in the Mediterranean by submarines, and, on September 17, 1937, a supplementary agreement for collective measures against piratical acts in the Mediterranean by surface vessels and aircraft; and by subsequent arrangement, Italy agreed to participate in these measures.

OPENING OF SINGAPORE DRYDOCK

Mr. CHURCH:

1. Has Canada been yet invited by the British admiralty to the ceremonial opening of the new giant drydock at Singapore on February 11?

Mr. MACKENZIE KING:

1. The government were informed of Lord Halifax's departure for a visit to Germany on behalf of the government of the United Kingdom and of the purpose of the visit, but were not asked to express an opinion in the matter and did not express an opinion.

2. The government are unable to add anything to the public statements made on behalf of the government of the United Kingdom following the visit.

3. Communications have been received from the government of the United Kingdom subsequent to the visit. It would not be in accord with established practice to lay them on the table.

4. No.

MARKETING OF IMPORTED FRUITS AND VEGETABLES

Mr. LENNARD:

1. Are the shippers of American fruits and vegetables required to mark each package with the name of the grower?

2. If not, will the government put this regulation into effect?

Mr. RINFRET:

1. No. The country of origin is required but not the name of grower.

2. Answered by No. 1.

HAMILTON POST OFFICE—TEMPORARY EMPLOYMENT

Mr. LENNARD:

1. How many extra men were temporarily employed at the Hamilton post office during the Christmas rush of 1937?

2. How many of these men were returned men?

3. How many of the returned men employed were recommended by officers of veterans' organizations?

Mr. ELLIOTT (Middlesex West):

1. 128.

2. 93.

3. 50.

WILLOW COVE, ONT., POST OFFICE

Mr. LENNARD:

1. What was the postal revenue derived from the post office at Willow Cove, Ontario, from its inception to December 31, 1937?

2. What remuneration did the postmaster receive for the same period?

Mr. ELLIOTT (Middlesex West):

1. $334.71.

2. $229.58.

TOKYO LEGATION—THE SINO-JAPANESE CONFLICT

Mr. CHURCH:

1. Who is Canada's minister to Japan?

2. What is the cost of the Canadian legation in Japan for the last fiscal year of record?

3. Has this legation been functioning during the Sino-Japanese war, and, if so, where?

4. Who is looking after the interests of Canadian nationls, and who is protecting the interests of Canadian nationals in the Sino-Japanese war zone?

5. What is Canada's foreign policy in relation to the Sino-Japanese conflict?

6. Will any correspondence or communications with the Chinese or Japanese governments be laid on the table in reference to the said conflict or its probable settlement as it effects Canada and Canadian business in the far east?

Mr. MACKENZIE KING:

1. Honourable Robert Randolph Bruce.

2. $62,253.96.

3. The Canadian legation in Japan has been functioning without interruption since its establishment in May, 1929. The address of the legation is 16 Omote-cho, 3-chome, Akasaka-ku, Tokyo.

4. The interests of Canadian nationals requiring representations to the government of Japan are in the charge of the Canadian minister at Tokyo. There is no Canadian minister in China. Inquiries concerning and assistance to Canadian nationals in Chinese territory, including the regions of the conflict, have been carried out through members of the British consular and diplomatic service and members of the Canadian government trade commissioner service stationed in China. The procedure followed in the case of the Canadian national who was killed on the SS. "President Hoover," whereby the negotiations regarding the payment of indemnity are being handled by the United States Government, is similar to that followed in the "I'm Alone" case, in which the Canadian government presented the claim in respect of a French sailor who was killed.

5. To maintain a strict neutrality and to contribute in collaboration with other Governments, as opportunity affords, to movements designed to restore peace in the orient through methods of conciliation.

6. No.

CANADA AND THE NINE POWER CONFERENCE AT BRUSSELS

Mr. CHURCH:

1. Did Canada take part in the nine power conference of the Sino-Japanese war at Brussels?

2. What other countries were represented and who represented Canada?

3. What were the results of said conference?

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57		King George VI: Coronation of. Speeches in Parliament	Feb. 1938	D 34755 - D 34758	
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Governor General's Speech

(to C.I.I.A., Montreal, Oct. 18, 1937)
(See Memo. by Mr. Read)

Objection taken to sentence of speech:

"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."

Sharp criticism by:

Hon. C. H. Cahan,

Mr. John Barrett (publisher, Montreal Gazette),

The Telegraph-Journal (of St. John).

Chief points of criticism:

1. that there can be no division of loyalty; the Crown is indivisible and while the King is King of Canadians, he is not the King of Canada;
2. that Britain is chiefly responsible for Defence and foreign policy, therefore Canada should seek to co-operate with Britain and other Dominions to develop foreign policies;
3. that Governor-General's statement expressed "either too little or too much in introducing the vexing issue of a conflict of loyalties ....."

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Position of Government re Governor General's speech:

Do not propose, at this time, to go into constitutional issues raised by Mr. Cahan and others;

If account of speech is read in its entirety, feel sure there will be general agreement that:

1. His Excellency was stating certain principles with which great majority of people of Canada would be in complete agreement;
2. His Excellency was in no way exceeding the constitutional limitation of his position -

No one would wish the Governor General, in his public and semi-public addresses to restrict himself merely to discussions of art, literature and the like;

He can make, and has already made, valuable contribution in discussion of various questions relating to the national life of Canada;

In his speech before C.I.I.A., His Excellency was giving expression to his personal views on a matter which the known attitude of the government and of prominent persons in public life of other than Liberal associations, would indicate to be neither a partisan nor a controversial issue;

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When it became apparent that the question was considered controversial in certain quarters, His Excellency thereafter refrained from any further public reference to the matter;

Feel confident that most Canadians will be in complete agreement with views expressed by Governor General, but equally confident that even those who are not, will agree that His Excellency acted entirely in good faith.

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"K" Speeches 1938

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Imperial Conference

Imperial Conference of 1937, in view of critical state of affairs throughout world, and of efforts to seek appeasement and conciliation, one of most important yet held;

While, from nature of Conference, no policies could there be formulated, or commitments made, it nevertheless, offered valuable opportunities for exchange of information and views on questions of common interest -

Summary of Proceedings already tabled -

Not attempting, at this time, to deal with conclusions of Conference - full discussion at later stage;

Conference served to demonstrate anew how peoples pursuing common ideal of freedom and peace, while preserving full measure of their independence, can find means of working together for common good;

Full and frank discussion on various subjects facilitated better understanding of each others motives and policies, not alone where there was agreement, but also where different views were held;

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Conference, like Coronation, emphasized that, while visible bonds of Empire have largely disappeared, the real bonds of sentiment and mutual understanding have never been stronger - An example to world of how nations can work together for good of all, and a positive factor in the effort to secure economic well-being and peace throughout world;

F/MC

December 6th, 1937.

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HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

FRIDAY, January 28, 1938.

The house met at three o'clock.

VACANCY

Mr. SPEAKER: I have the honour to inform the house that I have received a communication from two members, notifying me that the following vacancy has occurred in the representation, viz:

Of William Samuel Hall, Esquire, member for the electoral district of Edmonton East, by decease. I accordingly issued my warrant to the chief electoral officer to make out a new writ of election for the said electoral district.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, I should like to direct attention to the fact that climatic conditions in that part of the country are such that a winter election may be and in fact is an almost impossible task, and I hope that a date will be fixed that will make it possible, at least, for the will of the electors to be registered.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I might say to my right hon. friend that the government will take note of what he has just said. We have, in fact, considered the matter already.

IMPERIAL CONFERENCE, 1937

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I desire to lay on the table two copies in English and two in French, of the summary of proceedings of the imperial conference, 1937. Copies of the summary will be made available to the members of parliament through the distribution office of the House of Commons.

REPORTS AND PAPERS

Report of the Brussels Conference, 1937; fourteenth annual report of the proceedings under the Combines Investigation Act for the year ended March 31, 1937; copies of orders in council, dated May 6, 1937, and September 3, 1937, pertaining to rearrangements and transfer of duties in the public service.—Mr. Mackenzie King.

Report of the Superintendent of Penitentiaries for the year ended March 31, 1937; report of the Royal Canadian Mounted Police for the year ended March 31, 1937; amendments to rules of the supreme court.—Mr. Lapointe (Quebec East).

Report of the Postmaster General for the year ended March 31, 1937; Post Office Savings Bank statement and Post Office Savings Bank regulations.—Mr. Elliott (Middlesex).

Report of the Department of Trade and Commerce for the year ended March 1, 1937. —Mr. Euler.

Report of the Auditor General, volumes I and II, for the year ended March 31, 1937; statement of expenditures from the appropriation for unforeseen expenses; statement of receipts and expenditures of the National Battlefields Commission for the year ended March 31, 1937; auditor's report on the financial statement of the Canadian Farm Loan Board for the year ended March 31, 1937; annual report of the Canadian Farm Loan Board; report of the Federal District Commission and statement of receipts and expenditures for the year ended March 31, 1937; report of the Superintendent of Insurance, volume 1, for the year ended December 31, 1936; report of the Superintendent of Insurance on loan and trust companies, and small loan companies, for the year ended December 31, 1936; statement of Superintendent of Insurance concerning the operations of the Civil Service Insurance Act for the year ended March 31, 1937; statement of the Superintendent of Insurance concerning the operations of the Returned Soldiers' Insurance Act for the year ended March 31, 1937; returns of classification of loans and deposits, the chartered banks of Canada, as of October 31, 1937; statement of assets and liabilities of the Bank of Canada as at December 31, 1937; list of accounting assistance under the provisions of the Consolidated Revenue and Audit Act; list of shareholders of Quebec savings banks as at December 31, 1937; list of unclaimed bank balances, etc., in the Quebec savings banks as of December 31, 1937; annual report of the Farmers' Creditors Arrangement Act for the year ended March 31, 1937; statement of superannuation and retirement

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allowances to civil servants under the Civil Service Superannuation and Retirement Act during the year ended December 31, 1937; statement of allowances granted to civil servants under the Civil Service Superannuation and Retirement Act, 1924, during the fiscal year ended March 31, 1937; statement of allowances granted to dependents of civil servants under the Civil Service Superannuation Act during the fiscal year ended March 31, 1937; statement showing the amount of contributions and payments under the act during the fiscal year ended March 31, 1937.—Mr. Dunning.

Particulars of ministerial permits for persons to enter or remain in Canada during the calendar year 1937; copies of regulations respecting Indians, under the Indian Act; list of Indians enfranchised under the Indian Act during the fiscal year ended March 31, 1937; list of cancellations of land sales or leases under the Indian Act; orders in council under the Dominion Lands Act and the Migratory Birds Convention Act; permits issued during the calendar year 1937 to take intoxicating liquors into the Northwest territories; regulations made by His Excellency the Governor General in Council under the provisions of the Soldiers' Settlement Act; report of works carried out under the provisions of the Reclamation Act; list of cancellations of sales, leases, etc., under the Dominion Lands Act; statement of adjustments of seed grain or other indebtedness; statement of refunds under the Refunds (Natural Resources) Act.—Mr. Crerar.

Report of Commissioner of Patents for the year ended March 31, 1937; report of the Secretary of State for the year ended March 31, 1937; report of the Department of Public Printing and Stationery for the year ended March 31, 1937; report of the Public Archives for the year 1936; copy of ordinances of the Yukon Territory passed by the Yukon Council in the year 1937.—Mr. Rinfret.

Report of the Minister of Agriculture for the year ended March 31, 1937; orders and regulations passed under the authority of the Destructive Insect and Pest Act for the year ended March 31, 1937; report of the Dominion Marketing Board for the year ended March 31, 1937; report of proceedings under the Prairie Farms Rehabilitation Act for the year ended March 31, 1937.—Mr. Gardiner.

Report of the Department of Labour for the year ended March 31, 1937.—Mr. Rogers.

Hon. J. L. ILSLEY (Minister of National Revenue): I desire to lay on the table of the house the report of the Department of National Revenue for the fiscal year ended March 31, 1937; the shipping report of the Department of National Revenue for the fiscal year ended March 31, 1937; and a return showing all appointments, with salaries, under the 1928 amendment of the Department of National Revenue Act for the fiscal year ended March 31, 1937. In so far as the export petroleum and pulpwood regulations are concerned, none have been promulgated since the last return was made to parliament.

(For complete list of departmental and other reports and papers tabled, see Votes and Proceedings, No. 2, of January 28, 1938.)

AUDITOR GENERAL'S REPORT

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, it was the custom in this house for many years, when tabling the report of the Auditor General, to move that it be referred to the public accounts committee; but when large numbers of reports were tabled that was for some reason overlooked on one occasion, and it continued to be overlooked except on one or two occasions. If the minister will look at the matter I think he will find that the correct practice is as I have indicated. Possibly it might be better for him to look into it and make a motion, if he so desires, on Monday. I suggest it is the regular practice that should be followed with respect to the Auditor General's report.

Hon. CHARLES A. DUNNING (Minister of Finance): My recollection is that last year, on a subsequent occasion, after the setting up of the public accounts committee, I made the motion referred to by the leader of the opposition (Mr. Bennett). I shall be glad, however, to look into the matter.

Naval regulations, from January 28, 1937 and April 1, 1937, to December 1, 1937; Militia and Royal Canadian Air Force regulations, March 15, 1937 to January 1, 1938; report of Department of National Defence for the fiscal year ended March 31, 1937.—Mr. Mackenzie (Vancouver).

Rapport du ministère des Pensions et de la Santé nationale; règlements relatifs aux spécialités pharmaceutiques ou médicaments brevetés; marins malades: Recettes et dépenses; hygiène dans les travaux publics; rapport final de la Commission d'Assistance aux anciens combattants—M. Power.

First annual report of the Department of Transport for the fiscal year ended March 31, 1937; leases of wharves, piers and breakwaters for the calendar year 1937; summary of harbour dues for the calendar year 1936; sum-

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
57		Electoral Corruption. Speeches in Parliament	Jan.-Apr. 1938	D 34523 - D 34538	
57		Foreign Policy. Speeches in Parliament	May 1938	D 34539 - D 34720	
57		Germany. Speeches in Parliament	Feb. 1938	D 34721 - D 34722	
57		Governor General. Speeches in Parliament	1938	D 34723 - D 34725	
57		Imperial Conference, 1937. Speeches in Parliament	Jan. 1938	D 34726 - D 34729	
57		Italo-Ethiopian Conflict. Speeches in Parliament	Mar. 1938	D 34730 - D 34733	
57		Immigration. Speeches in Parliament	Feb.-Mar. 1938	D 34734 - D 34754	
57		King George VI: Coronation of. Speeches in Parliament	Feb. 1938	D 34755 - D 34758	
57		Lapointe, Rt. Hon. Ernest. Speeches in Parliament	Feb. 1938	D 34759 - D 34760	
57		League of Nations. Speeches in Parliament	Feb. 1938	D 34761 - D 34766	

"K" Speeches
D 34730

diction of federal power to levy, assess, and collect with interest, and penalties and distraint an income tax as agent for provincial authority?

2. Will a stated case by way of a reference be made by the government on matters which conflict with the case of The King vs. Caron?

Mr. LAPOINTE (Quebec East):

1. No.

2. No.

RECOGNITION OF ITALIAN GOVERNMENT AS GOVERNMENT OF ETHIOPIA

Mr. CHURCH:

On January 27 and February 9, pursuant to an order of the house, a return was laid on the table in answer to my inquiry: "Has Canada approved, or been asked to approve, of the conquest of Ethiopia by Italy." In view of the statement yesterday by the Prime Minister of Great Britain that they have recognized this conquest de facto, has the government of Canada approved of the action taken since the return mentioned was tabled?

Mr. MACKENZIE KING: The Canadian government is not aware of any statement made by the Prime Minister of the United Kingdom on March 2nd that the United Kingdom has recognized de facto the conquest of Ethiopia by Italy. A statement of March 2nd respecting this question was, however, made by the foreign office in connection with litigation at present before the courts in London. This statement is reported in press despatches as follows:

His Majesty's government recognize the Italian government as the government de facto of the part of Ethiopia which they control, and according to their information the Italian government now is in control of virtually the whole of Ethiopia. His Majesty's government therefore recognize the Italian government as the government de facto of virtually the whole of Ethiopia.

The foreign office statement does not purport to indicate that recognition of the Italian government as the de facto government of the part of Ethiopia which they control has only recently been accorded. The de facto recognition, to which reference is made, may be considered to have taken place during the latter part of 1936 or early in 1937, when the governments of the United Kingdom, France and certain other countries, after securing from the Italian authorities formal assurances of the grant of adequate facilities, decided to reduce their respective Legations at Addis Ababa to consulates.

ROWELL COMMISSION—TOTAL COST TO DATE

Mr. JAQUES:

1. What is the total cost to date of the Rowell commission?

2. What are the rates of pay and allowances (travelling and living) made to the commissioners, and the amount paid to date to said commissioners?

3. What are the rates of pay and allowances of any kind to counsel and assistant counsel of the commission, and the amount paid to date to each such official by name, under these or other heads?

4. What is the total cost to date for: (a) secretarial assistance; (b) clerical assistance; (c) preparation of stenographers' reports of proceedings of the said commission?

Mr. DUNNING: The information asked for in this question is given in an order for return tabled to-day, asked for by Mr. Edwards.

HOME IMPROVEMENT LOANS

Mr. COLDWELL:

1. What were the number of home improvement loans and the amount advanced between March 1, 1937, and February 28, 1938, by provinces?

2. What were the number of family units provided under the said Act between March 1, 1937, and February 28, 1938, by provinces?

3. What were the number of applications for loans from March 1, 1937, to February 28, 1938, by provinces?

Mr. DUNNING:

1.

	Number	Amount
Prince Edward Island	384	$ 101,337.85
Nova Scotia	2,451	758,445.74
New Brunswick	1,186	406,979.31
Quebec	4,423	2,206,391.60
Ontario	13,762	5,448,892.07
Manitoba	2,050	780,697.70
Saskatchewan	770	270,012.30
Alberta	2,279	985,489.22
British Columbia	3,192	1,021,510.27
	30,497	$11,979,756.06

2. If this question relates to the Home Improvement Loans Guarantee Act and not to the Dominion Housing Act, no information can be given. Many home improvement loans are for the purposes of converting single unit houses into multiple unit houses but the information regarding the total number of family units provided is not compiled.

3. Applications for home improvement loans are made in the first instance to chartered banks and other approved lending institutions and they do not report the number of applications received.

D 34731

CANADA-UNITED KINGDOM TRADE AGREEMENT

Mr. PURDY:

1. When do the United Kingdom-Canada trade agreements expire?

2. Is the United Kingdom bound to renew these agreements if requested to do so by Canada?

Mr. MACKENZIE KING:

1. In accordance with the provisions of article 17 of the Canada-United Kingdom trade agreement it will remain in force until the 20th August, 1940. Unless six months before the 20th August, 1940, notice of termination shall have been given by either government to the other, the agreement will remain in force until the expiry of six months from the date on which a notice of termination is given.

2. No.

*EXCHEQUER COURT CASES

Mr. BLACK:

1. How many cases are actually under advisement before each of the honourable judges of the Exchequer Court of Canada?

2. What are the parties in each of these cases?

3. How long have they been under advisement?

4. If any case has been under advisement more than three months, what are the reasons why judgment has not been rendered before?

Mr. LAPOINTE (Quebec East): The government has no information.

QUESTIONS PASSED AS ORDERS FOR RETURNS

JOSEPH PHILIPPE ROLAND ROY

Mr. MacNEIL:

1. For what period, and with what rank was Joseph Philippe Roland Roy attached with a commission to the permanent active militia?

2. What were the units to which this officer was attached?

3. Were the annual confidential reports of his senior officers throughout this period favourable or unfavourable?

4. Were any charges of misconduct made against him during service and upheld by formal inquiry?

5. Under what authority, and for what reasons was this officer retired from the force?

6. Did this officer request an official enquiry upon retirement in order to clear his record and character of any aspersions cast thereon? If such enquiry was refused, under whose authority and for what reasons?

7. Was he granted full pay and allowances until effective date of retirement or any gratuity or pension to which he might ordinarily be entitled?

8. At what rank was he retired?

[Mr. Dunning.]

VEGETABLE OIL

Mr. BARBER:

1. What is the amount in pounds of vegetable oil, not for food, imported into Canada during each of the years 1920, 1925, 1930, 1935, and 1936?

2. Is any of this vegetable oil imported, not for food, processed and sold as shortening or for other edible purposes?

3. How much vegetable oil imported, not for food was refined and sold as vegetable oil shortening during each of the years 1920, 1925, 1930, 1935, and 1936?

4. How much Canadian inedible animal tallow, grease and oil, not for food, is manufactured into edible products?

Mr. HAYHURST:

1. How many tank steamers of vegetable oils (not for food) were brought into Canada in the year, (a) 1936; (b) 1937?

2. How much shortening was made from imports of vegetable oils designated as (not for food) in, (a) 1936; (b) 1937?

3. What quantity of vegetable oils for food in pounds was imported into Canada in the year, (a) 1936; (b) 1937?

4. What quantity of vegetable oil shortening was produced in Canada in, (a) 1936; (b) 1937?

5. How much vegetable oil shortening was made from imports for food purposes in, (a) 1936; (b) 1937?

6. What is the average cargo of a tank steamer of vegetable oils?

DREDGES OWNED BY CANADIAN GOVERNMENT

Mr. HARTIGAN:

1. How many Canadian government owned dredges are there in Canada?

2. Where are they located?

3. At what amount does the government value them?

4. How many Canadian government tugs are there in Canada?

5. Where are they located?

6. At what amount does the government value them?

RURAL MAIL CARRIERS

Mr. FERLAND:

1. During the current fiscal year, what is the average rate per mile annually paid to rural mail carriers: (a) in the whole of Canada; (b) in each of the provinces?

2. During the same period, what will be the cost of mail distribution by rural carriers?

3. What would be the additional cost if all the rates for rural mail service below $35 per mile per annum were raised to $35?

FINANCIAL ASSISTANCE TO PROVINCES

Mr. PURDY:

1. What was the amount of financial assistance granted by the federal government to and/or in each province of the dominion for

"K" Speeches D34732

HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

WEDNESDAY, March 2, 1938.

The house met at three o'clock.

DIVERSION OF WATER

CORRESPONDENCE TABLED RESPECTING KENOGAMI RIVER PROJECT

Right Hon. W. L. MACKENZIE KING (Prime Minister): I wish to lay on the table a copy of a communication dated March 1, 1938, from the Prime Minister of Canada to the Premier of Ontario regarding the Kenogami river diversion project.

HARBOUR COMMISSIONS

EXTENSION OF JURISDICTION OF WINNIPEG AND ST. BONIFACE HARBOUR COMMISSIONERS

Hon. C. D. HOWE (Minister of Transport) moved for leave to introduce Bill No. 32, to amend the Winnipeg and St. Boniface Harbour Commissioners Act.

He said: The purpose of the bill is to extend the jurisdiction of the Winnipeg and St. Boniface harbour commissioners to the waters of municipalities, contiguous to the cities of Winnipeg and St. Boniface, which desire to be brought under the act.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

MONCTON, N.B., PUBLIC WHARF

Mr. BROOKS:

1. Were tenders called for the recently constructed warehouse on the public wharf at Moncton, New Brunswick, or was the work done by day work?

2. If by contract, what was the amount of each tender, and to whom was the contract given?

3. Who was appointed foreman on this work, and what amount did he receive for his services?

Mr. CARDIN:

1 and 2. Work done by day labour.

3. (a) Reid McManus; (b) $255.

PRINCE EDWARD ISLAND RAILWAY

Mr. McCULLOCH:

What was the total cost of changing the narrow gauge to the standard gauge on the Prince Edward Island railway?

Mr. HOWE: The total cost of converting the line, according to the accounts, was $1,786,565.22, of which $1,200,570.11 was charged to capital account and $585,995.11 to operating expenses. In addition, a loss of $383,667.05 was incurred in retirement of narrow gauge equipment.

EFFECT ON CANADIANS OF ITALO-ETHIOPIAN WAR

Mr. HANSELL:

1. How many Canadian citizens lost their lives in or as the result of the Italo-Ethiopian struggle?

2. What is the total estimated value of property such as buildings, land or personal enterprises, belonging to Canadian citizens, confiscated by Italy?

3. How many of the following types of property were confiscated: (a) hospitals; (b) schools; (c) homes; (d) land; (e) other?

4. If any of the above properties were confiscated, what are they being used for now?

5. How much has been paid to Canada in this connection by way of reparations?

Mr. MACKENZIE KING:

1. Two Canadian nationals are known to have been killed in Ethiopia during the period of the Italo-Abyssinian war.

2. Following negotiations with the Italian government the Sudan Interior Mission agreed to accept £12,000 as payment for properties which were taken over by the Italian representatives.

3. Complete details as to specific types of property are not available.

4. No information.

5. No payment has been made to Canada; all payments have been made to the owners of the property itself.

D34733

MASKINONGE RIVER, QUE., PUBLIC WORKS

Mr. WERMENLINGER:

1. What were the works executed on the Maskinonge river, at St. Didace, province of Quebec, in the summer of 1936?
2. What has been the total amount of money spent for the execution of said works?
3. What is the name of the resident superintendent who had charge of these works?
4. Are there any accounts still unpaid for the above works, either for material or for labour? If so, what are the names and occupations of those to whom amounts of money are still due?

Mr. CARDIN:

1. Construction of protection work.
2. $9,334.18.
3. C. A. Boisjoli, resident foreman.
4. An account for sawing of timber for $35 in favour of Mr. Clovis Denommé, lumber dealer, has not yet been paid. This account was not forwarded to the department for payment at time work was done, but the matter is now being attended to.

NATIONAL EMPLOYMENT COMMISSION

Mr. COLDWELL:

1. Who were the members of the National Employment Commission?
2. What salary did each receive in 1936, and 1937?
3. What expenses did each receive in 1936, and 1937?
4. What other emoluments, if any, did each receive during the years 1936, and 1937?
5. What was the total expenditure on account of this commission during the years 1936, and 1937?

Mr. ROGERS:

1. Arthur B. Purvis, chairman, Montreal, Quebec; A. N. McLean, Saint John, New Brunswick; Alfred Marois, Quebec, P. Q.; Tom Moore, vice-chairman, Ottawa, Ontario; Mrs. Mary M. Sutherland, Wells, British Columbia; W. A. Mackintosh, Kingston, Ontario; E. J. Young, Dummer, Saskatchewan.
2. The commissioners were not in receipt of a salary, except Commissioner Moore whilst performing the duties of vice-chairman.

Fiscal year 1936-37 (March)	$ 641 25
Fiscal year 1937-38	6,750 00

3.	Fiscal year 1936-37	Fiscal year 1937-38
Arthur B. Purvis	Nil	Nil
A. N. McLean	$1,547 16	$1,311 39
Alfred Marois	892 85	389 10
Tom Moore (travelling expenses only)	275 75	334 20
Mrs. Mary M. Sutherland	2,706 63	2,243 11
W. A. Mackintosh	1,017 58	593 88
E. J. Young	2,110 20	408 60

NOTE: The above expenses consisted of travelling expenses.

[Mr. Mackenzie King.]

4. A remuneration at the rate of $20 a day while engaged on the work of the commission (P.C. No. 1140, 13th May, 1936). The following amounts were received:—

	Fiscal-year 1936-37	Fiscal year 1937-38
Arthur B. Purvis	Nil	Nil
A. N. McLean	Nil	Nil
Alfred Marois	$2,489	$1,040
Mrs. Mary M. Sutherland	4,845	4,600
W. A. Mackintosh	1,786	1,280
E. J. Young	4,275	620

NOTE: Commissioner Moore from June, 1936, to 28th February, 1937, received salary as employment and social insurance commissioner to the amount of $6,432.50.

5.	1936-37	1937-38
National Employment Commission	$88,966 93	$72,413 80
National Employment Commission, registration branch	58,602 79	75,512 14
	$147,569 72	$147,925 94

CAMBRIDGE, N.B., LANDING FIELD

Mr. BROOKS:

1. (a) What money was expended on the emergency air-landing field at Cambridge, Queens county, New Brunswick, in the year 1937; (b) who was in charge of the work; (c) what are the names of the men employed, and the amounts received by each?
2. (a) How many buildings were sold off the said property, and to whom; (b) what amount was received in each case?
3. (a) What amount was received for standing grass sold off the said property; (b) was the grass sold by tender, and, if not, why?

Mr. HOWE:

1. (a) $344.40.
   (b) E. C. Percy, district airway engineer, Moncton, N.B.
   (c) Cambridge, N.B.

Survey work

Classified labourers

Name		Amount
John Austin	Labour	$55.80
Topographical Survey		
Russell Perry	"	54.60
Gordon Perry	"	55.80
Garfield Fowler	"	58.20
		$224.40
T. Kelly, part time caretaker, 12 months at $10		120.00
		$344.40

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
57		Electoral Corruption. Speeches in Parliament	Jan.-Apr. 1938	D 34523 - D 34538	
57		Foreign Policy. Speeches in Parliament	May 1938	D 34539 - D 34720	
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57		Imperial Conference, 1937. Speeches in Parliament	Jan. 1938	D 34726 - D 34729	
57		Italo-Ethiopian Conflict. Speeches in Parliament	Mar. 1938	D 34730 - D 34733	
57		Immigration. Speeches in Parliament	Feb.-Mar. 1938	D 34734 - D 34754	
57		King George VI: Coronation of. Speeches in Parliament	Feb. 1938	D 34755 - D 34758	
57		Lapointe, Rt. Hon. Ernest. Speeches in Parliament	Feb. 1938	D 34759 - D 34760	
57		League of Nations. Speeches in Parliament	Feb. 1938	D 34761 - D 34766	

"K" Speeches

(Le Neill's Bill)

Neill says act applies to 74% of world's population

Excludes Indians from Canada

Bill 38

D 34734

Purpose and loop holes (See notes on Bill)

Purpose same as Bill No. 11, but procedure adopted different.

turn a literary test with exclusion of Asiatics

Expression of appreciation of problem in B.C.

No. of Oriental residents.

Difficulties from juxtaposition of different civilizations, economic structure, standards of living.

No difference of opinion of problem.

Difference as to how situation can best be met.

Present Bill seeks practical prohibition of future entry of Asiatics

= exclusion -

with exceptions existing in Immigration Act.

Its effect confined to exclusion of those under existing Agreement =

81 per year, past 5 years.

Prevention of illegal entry a matter of <u>administration</u> rather than <u>legislation</u>.

This seeks to effect exclusion by <u>unilateral</u> action on part of Canada.

This undesirable and untimely in present state of tension.

<u>Its adoption at present only justified</u> -

(1) if it afforded a complete solution of problem.

will not -

for main problem due to numbers already in.

D 34736

(2) If no effective alternative method.

There was laxity and avarice at first.

Recently a definite limitation of entry of aliens,

And this by agreement - in case of Japan.

This far more acceptable to the national pride of a people, than unilateral action of a discriminatory character.

This method definitely effective 81 - average past 5 years.

Re Illegal Entry -

Matter of administration, not legislation.

No evidence to show.

D 34737

Board of Review to inquire into purpose re allegation personnel Depts. at fault.

Immigration action to stop loop holes R.C.M.P. have not been responsible in past.

External Affairs - no administrative responsibility.

Board has begun receive confidential representations.

Special squad of R.C.M.P. instructed to make detailed inquiries.

Board has co-operation of Pacific Coast representatives

of Dept. of National Defence
" " " " Revenue.

Inquiry certain to be thorough and effective.

D 34733

Government believes joint action preferable.
Not wedded to present agreement
as last word.

Spoken of adopting same method -
Chinese and Japanese.
Seek agreement on Reciprocal basis
with Govt. China and Japan
to lead to no immigration of types
not desirable.

Baron Tomii arriving this month.

Exclusion of 81 Japanese not sufficient
to warrant hasty and disturbing action.

longer action upon it is delayed the more difficult its ultimate solution is going to become.

One of the reasons why one hesitates to press for an immediate solution is to be found in the fact that events taking place in Asia would render it open possibly—possibly I say—to a wrong construction, and might place us in an invidious position in the eyes of the peoples of the world in our alleged endeavour to maintain neutrality. Therefore, while I should like to commend the hon. member who introduced the measure to the house, and hope that the government are prepared to accept the principle of it, I am one of those who, accepting that measure and believing strongly in it, would not for a moment urge its passing in its present form, as I believe it would be a very dangerous thing for us to do at this time. But I believe that we should pass it and add to it a section by which it would be provided that the measure should become effective only—I should think we might well say—on the 1st day of July, 1939. The hon. member for Comox-Alberni may think I am taking a great liberty with him when I make that suggestion, but I think the reasons for it will occur to him at once. I trust that in order that the whole Canadian people may be a unit in dealing with this question we may place ourselves on record in the manner indicated, and not embarrass the government in their endeavours to maintain neutrality by providing a lengthy period of time within which our friends—our friends I say—the people of Japan, may understand that the end of our patience has been reached and that we no longer desire to maintain an agreement which is predicated upon false principles and in its application has been found to be an incentive—I shall not use the strong word I should like to use—to entry into this country of large numbers of their citizens.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I should like, Mr. Speaker, my first word on this measure to be one of thanks to the hon. members of the house who have participated in the debate for the moderation of tone which they have shown throughout in discussing a question which they recognize is of much wider concern than to our own country alone. I should like particularly to thank the right hon. leader of the opposition (Mr. Bennett) for having helped to interpret to the house the position of the government in dealing with this situation at this time. I say frankly that I know of no single measure which has appeared on the order paper thus far, or of anything that is likely to come up for discussion in this parliament, that has caused my colleagues and myself personally the same great concern as has the appearance on the order paper of the measure which the hon. member for Comox-Alberni (Mr. Neill) has introduced. He himself has made quite clear in the debate this afternoon that the measure which he has presented is one of Japanese exclusion. I wish to emphasize that fact. The bill which we have before us at the present time, innocent as it may appear in its phraseology, and limited in its scope as the hon. member who introduced it has said it is, is nevertheless, according to his own statement, one of Japanese exclusion. That raises a question which is serious indeed. I would ask the house to consider whether in the light of the situation as we know it to-day, not only in the orient but throughout the world, it is advisable for this parliament at this time to enact an exclusion act against the Japanese.

The hon. member for Yale (Mr. Stirling) in the course of his remarks said that he thought we should speak no words that can be taken as an affront to another country. With that sentiment I think we are all most heartily in accord. I think this house and this country are to be congatulated upon the fact that in the debate which has taken place to-day, in which hon. members have had perfect freedom to express their views, there has not been, unless one might wish to be censorious, a word spoken that could be taken as an affront by any nation. That is a very great relief to my own mind, knowing the responsibility which rests upon a government as to what may be said or done with respect to the different measures that come before the house. I remember in the debate on the address expressing the hope that hon. members would realize how very grave the international situation is to-day, and that things would not be said in this house which, however well they might be understood here, might be capable of being wrongly interpreted elsewhere, and that, above everything we should be most careful at this time to avoid adding any fuel to the flames of international strife which are already far too widespread throughout the world. It is in questions of this kind that racial hatreds and prejudice have their roots. They serve so often to start a train of discussion that arouses or fosters international bitterness and hatred which lead in directions and to consequences of which those who may be responsible for them at the beginning have no conception whatever. So, to-day, in considering the position the government should take on this measure, up until almost the last moment I asked myself whether it

D 34740

would not perhaps be in the interests of Canada—and when I speak of the interests of Canada in this matter let me say I am thinking of the interests of the entire British Empire and of the democracies of the world at the present time—whether it would not be perhaps in the interest of us all that I should immediately follow the hon. member for Comox-Alberni and point out frankly to the house how a measure that meant Japanese exclusion if proceeded with at this time might be viewed on the morrow in Japan and by countries associated with Japan, and ask the house to allow me to move the adjournment of the debate. But the more I considered it the more I felt certain that hon. members would have a full consciousness of the seriousness of the international situation and could be expected to do just what they have done, namely, speak their minds quite frankly with respect to the problem, treating it as a national problem, which it is, but being careful in the expression of their views not to say anything which might be capable of being misunderstood elsewhere.

I agree entirely that this is not a problem of British Columbia alone. Those of us who come from the other provinces of Canada must have an intense sympathy with the citizens of British Columbia who have had to carry pretty much the whole burden of one of the greatest national problems with which our country is faced. It is a grave and acute problem, and is presented in its gravest and most acute form in British Columbia. I would say to our friends from British Columbia that I am sure hon. members from all parts of Canada realize that they have a very grave situation to meet there, and that we all are most anxious to join with them in every possible way in furthering its solution. But we believe that they, as well as those of us from other provinces, will recognize that we have to be more than circumspect at this time as to the manner in which we seek to arrive at a solution.

My right hon. friend has spoken about his first interest in the question of oriental immigration, and referred to it as having been some forty years ago. I have on my desk at the moment a report on immigration to Canada from the orient and immigration from India in particular which, as deputy Minister of Labour, I prepared for the government of Canada in 1908. My interest in the oriental immigration question arose naturally and inevitably in connection with the position which I held as deputy Minister of Labour from 1900 until 1908, and also during the years immediately following when I was Minister of Labour. In the course of those inquiries I had the exceptional opportunity while visiting Great Britain of conferring with many of those who had most to do with oriental problems, and particularly problems of emigration as they affected India. Later I was sent on a mission to confer with the government of India on the question of emigration from India to Canada. Subsequently I went to both China and Japan to discuss with the governments of those countries matters affecting emigration from those lands to Canada. From that time to the present I have followed this question as carefully and as closely, I think, as any question that has interested me in public life. I have realized, as everyone must who looks at world trends and movements to-day, that despite what any government may do, each year makes more inevitable the drawing nigh of the day when we shall see how the great question of differences between the peoples of the orient and those of the occident are to be finally settled, whether it is going to be possible to settle these differences by peaceful means, or whether we are to have more in the way of international conflict as in the end the means of settlement.

I personally believe that everything that can be done that may avoid conflict, should be done. I think in the attempted solution of these great international problems, we should do everything we can to avoid the possibility of conflict, and it is from that point of view that the government takes its position with regard to this particular measure.

The hon. member for Comox-Alberni, as I have said, stated that the bill he had introduced was one providing for Japanese exclusion. He put it on the ground that we had excluded the Chinese and that therefore we ought also to exclude the Japanese. May I say that I agree with the view expressed by the right hon. leader of the opposition, which I think is the view of the hon. member for Comox-Alberni and, I might say, of all hon. members here, that so far as China and Japan are concerned, the citizens of those countries deserve like treatment in matters of this kind. I do not think there is any reason why the one people should be favoured more than the other. Indeed I would go further and say this, that all that bears upon the question of immigration from Japan or China also bears upon the question of immigration from India to Canada, with this in addition, that problem as respects immigration from India is complicated still further by the fact that the natives of India are British subjects. So, in

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considering this question, we must view it in the light of its bearings upon all the oriental peoples.

My belief is that the question of oriental immigration is best settled by agreement, if it can possibly be settled in that way, rather than by exclusion acts, which are offensive in the eyes of oriental peoples. There is no single measure, I think, more likely to arouse the indignation of a people than that an act, which is avowedly an exclusion act, should be enacted against them by another country. The hon. member for Comox-Alberni says, "Well, the Chinese do not take any exception to this. They seem to be quite satisfied." May I say to my hon. friend that he is entirely wrong in that assumption. The Chinese government and the Chinese people have resented very much the fact that they are totally excluded from Canada, and they have made representations to the government time and again to that effect. I remember that the former Chinese consul general in this city—notwithstanding a consul general has not the rank of a minister and therefore has not the same immediate approach to a government to speak in the name of his nation—when we were previously in office, repeatedly came and spoke about the wrong that China felt was being done her because of the act that had been passed by this parliament. When I was at the League of Nations in 1936, Mr. Wellington Koo, who has been the chief exponent of China in the trying times with which that country is faced at the moment, spoke to me very strongly about the harm that he thought our legislation was doing Canada in the eyes of the Chinese. He pointed out that he thought China might be one of the best markets for Canadian wheat; he thought China might be a good market for much of our other produce; that China had many reasons to have kindly feelings towards the dominion, but that to his certain knowledge the act we had passed had been to the prejudice of our trade with that country.

Mr. NEILL: Was not the fundamental reason for their objection the discrimination that we exercise in allowing Japanese into the country and not allowing Chinese to come in?

Mr. MACKENZIE KING: No, that was not it. I am glad my hon. friend asked the question, for while that was mentioned, it was not the principal reason.

The question arises immediately as to whether the way to remedy a situation, if you have done an injustice in one direction, is to seek to perpetuate that injustice still further by similar action in another direction. I am not saying that we have done an injustice; I am simply stating the view which the Chinese government take of the situation, in having their nationals excluded from this country. I am not at all sure that an agreement might not be reached with both China and Japan on a reciprocal basis which would lead practically to no emigration at all from those countries to Canada or from ours to China or Japan. I do not think there are many people in Canada who in the years to come will wish to go as labourers or domestics either to China or Japan. I am sure, however, there will be many who will wish to go as merchants, and others who would wish to go for purposes of trade. I believe the people of the orient are just as wise as we are in realizing that there is a great economic question here which is bound to occasion perpetual misunderstanding between countries unless it is adjusted in some reasonable way, and I feel that if approached in the right manner they will be prepared to meet other countries in a spirit which will help to save the situation.

The problem is not one of inferior or superior races. It is not a racial problem at all. The problem is one of different civilizations, of different economic structures in the different countries. As long as there are those differences there is bound to be unrest as a consequence of immigration which leads to unfair and undue competition on the part of those who have lower standards of living and who may not assume the same measure of responsibility with regard to their citizenship as do the citizens of the country to which they come. I think it is from that broad point of view, that this question must be faced.

I do not agree with the statement that what is known as a gentlemen's agreement cannot be kept. I shall give to the house figures which prove that in the last few years the gentlemen's agreement between Canada and Japan has been kept. I venture to say that under no exclusion act would it be possible more effectively to restrict those coming into the country than has been the case under this arrangement, as administered in the last few years, since, in fact, the opening of our legation in Japan.

Regardless of what legislation or agreement exists, undoubtedly there will always be efforts to smuggle men into other countries. That effort would go on under an exclusion act just as much as it would under a gentlemen's agreement fixing numbers at a very few.

Mr. BENNETT: There is more difficulty about identification.

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Mr. MACKENZIE KING: No, no difficulty about identification, either, due to the way in which the existing agreement is being carried out. I shall have a word to say about that in a minute.

I am now pointing out that an agreement, supported by effective regulations, is just as capable of efficient enforcement as is any exclusion act. The experience of the last few years has taught us that conclusively.

I should like to say a further word about the Chinese attitude toward the present legislation. May I tell the hon. member for Comox-Alberni what has occurred since the beginning of this very year. When the new Chinese Consul-General, Doctor Chang-Lok Chen, who has just come to Canada, arrived in Ottawa, he came to call on me at my office, shortly after his arrival. Like many of his fellow citizens, Doctor Chang-Lok Chen is an exceptionally well informed and cultured gentleman. He is a graduate of the University of Chicago and of Yale University and holds the degree of Doctor of Philosophy. He acted as Consul-General in Calcutta, was a Consul-General in the United States, and is now in our capital as a Consul-General of China in this country.

On his first call Doctor Chang-Lok Chen spoke about our legislation against China. He made no mention whatsoever as to its being discriminatory against China in comparison with Japan. Rather he spoke of the friendly relations which he would like to see further developed between China and Canada. What he actually said was that his government hoped that when the unfortunate conflict in the east was ended we might find it possible to do for China what we had already done for Japan, namely send a minister to China who would be in a position to meet the Chinese government in the discussion of matters of mutual interest to the two countries, and who could be of assistance in helping to further what he believed would be a very substantial trade between the two countries. He was explicit, however, in saying that this subject could not even be tentatively discussed at the present time, because he realized that so long as there was a conflict in the orient, such as is proceeding to-day, he could not ask the government to consider the advisability of taking the step he had indicated. He thought that would not be possible until the conflict was completely over.

I said the present agreement with Japan was one which had been effective in restricting immigration from Japan to Canada. Before I conclude I shall read to the house the statement I made on June 28, 1928, with respect to the agreement reached at that time. I am not going into the history of what occurred during the past forty, thirty, twenty-five or twenty years to account for the thousands of Chinese and Japanese who came into the country during that period. All hon. members know the reason for the numbers. We recall that there were those who were seeking to develop the province of British Columbia and who believed the best way to do it was to bring labour from the orient, just as in the early days when the United States was being developed labourers were brought from Africa and from other countries to help develop the new territories and resources of that country.

To-day we are reaping the fruits of greed and avarice—if one wishes to use those terms to describe the desire of men to enrich themselves as rapidly as possible. That is only a consequence of the great law which rules the conduct of nations as well as that of individuals. The children pay for the sins of their fathers, and the extent to which we in Canada to-day are suffering from an excess in the numbers of orientals in our country is due to the fact that there was a period, not so long ago, when the country was prepared to believe that it was desirable to permit large numbers of a class of coolie labour to come into Canada to build our railways, work our mines and help develop other of our resources.

Since that period has passed, each government, as it has been in office, has sought to meet the situation as effectively as it could, in the light of the then existing conditions. There are many factors we are apt to lose sight of as the years go by. For example, in connection with this very matter of Japanese immigration, we do not think about what the Anglo-Japanese alliance meant some years ago, more particularly to other parts of the British Empire than to our own, nor what was then felt by the government of the day in Canada in recognition of a responsibility with respect to any step taken by Canada which might have ill effects in other parts of the British Commonwealth of Nations.

I wish to point out particularly that any action taken by Canada which would occasion resentment by any country in the orient would be resented, not merely as a step on Canada's part, but with the relationship of all its parts what they are, as something to be resented against the whole British commonwealth. In the light of the present world

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situation we cannot, whatever we do here, afford to lose sight of our obligation to other parts of the British Empire.

In seeking to deal with this matter of Japanese immigration it has been felt by all governments in Canada hitherto that a settlement by agreement, if it could be effected, was preferable to a step which was certain to be strongly resented. In his observations the hon. member for Yale made a further reference which I believe is worth keeping in mind. He referred to the obligation felt by hon. members from British Columbia toward those who returned them to this chamber. He referred as well to the obligation which all of us owe to those who will follow after us. I should like to emphasize that. Nations do not forget, in the working out of great international problems, the actions taken by one generation when, in a subsequent generation, a time may come when it may be more convenient to remember those actions.

I believe that acts of good-will and good intent are remembered equally with those which have occasioned resentment. If we can preserve good-will with other countries, and at the same time effect a satisfactory solution of our problems, we are not only serving our own generation, but serving future generations, and doing so in a much better way than we would by any other course.

My statement in 1928 was the following—

Mr. NEILL: What date?

Mr. MACKENZIE KING: It is to be found in the debates of this house for June 8, 1928, page 3980:

> I am pleased to be able to inform the house that following conferences with the Japanese government, in which the Canadian government made clear the difficulties created in western Canada by the economic competition of Japanese immigrants, the Japanese Minister for Foreign Affairs has informed us through the Consul-General of Japan at Ottawa, that the government of Japan does not contemplate that the total number of emigrants to Canada, including agricultural labourers and domestic servants, and wives and children of Japanese emigrants resident in Canada, will exceed a total of 150 annually. We have further been informed that steps will be taken to terminate the practice of sending for so-called "picture brides." The administrative measures directed to this end will go into force on September 1.
>
> The Canadian government has indicated to the government of Japan that hereafter in the case of immigration from Japan, as from other countries, the Immigration Act and procedure, including the provisions for viseing of passports and pre-investigation of applications will be administered by Canadian officials.

That was the position in 1928. The question that is most important at the moment is: Has the agreement been lived up to? I can say to the house that it has been more than lived up to; that instead of the government having had difficulty in restricting the numbers to 150, the numbers have not by actual check and count reached 150 per annum since the agreement was made. Since we have had our legation there, each passport has been visaëd by our own officers in Japan and inspected by our own immigration officials as these nationals of Japan have arrived in Canada. Let me give the figures. The administrative arrangements under the agreement did not come fully into practice until April 1, 1930, though the substance of the agreement became effective from September 1, 1928. The total Japanese immigration under the agreement has been as follows:

Japanese Immigration Under Agreement

Fiscal Year	Total
1929-30	135
1930-31	128
1931-32	135
1932-33	94
1933-34	99
1934-35	74
1935-36	68
1936-37	80

It will thus be seen that the number of Japanese immigrants entering Canada has been well within the maximum provided in the agreement. For the eight years from 1929 to 1937 the average is practically 100 a year, and for the past five years the average number has fallen to 81 a year.

Now I ask hon. members of the house, What is to be gained by passing an exclusion act at this time when, under an agreement made with Japan, the government of this country is bound to admit, and is glad to admit, that during the past five years the total number who have come in under that agreement has not averaged over 81 per annum?

Mr. GREEN: May I ask the Prime Minister a question?

Mr. MACKENZIE KING: Certainly.

Mr. GREEN: How does the Prime Minister account for the discrepancy between the figures he has given and the figures shown in the report of the Department of Mines and Resources, at pages 242 and 243? The figures there are quite different and show that in three or four years the gentlemen's agreement was not kept.

Mr. MACKENZIE KING: I am glad the hon. gentleman has asked the question, because he is not distinguishing between Japanese nationals admissible under the agree-

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ment, and Japanese who are admissible as British subjects. The figures he is looking at, if I am not mistaken, include not only those who have come in under the agreement but in addition some who have come in as of right, a right which they would have under an exclusion act, namely, as British subjects. They include Japanese British subjects who have been abroad and have come back to Canada, or have gone abroad and married and have brought their wives back to Canada, or have had a family and brought them back to Canada. That is a right which every Canadian citizen has. When a man is a Canadian citizen he has the right, even if he does not take advantage of it, to have a wife and family and to bring them in from any country. It is in the exercise of that right that some of these Japanese have come back, thereby increasing the total. I was just going to give those additional figures to the house.

Mr. GREEN: I think it was stated in the terms of the agreement which the right hon. the Prime Minister quoted a few minutes ago that the 150 would include the wives of Japanese who went from Canada as naturalized subjects, married abroad and brought their wives back.

Mr. MACKENZIE KING: No, I did not make any reference to them. What I said was this:

> The government of Japan does not contemplate that the total number of emigrants to Canada, including agricultural labourers and domestic servants, and wives and children of Japanese emigrants, resident in Canada, will exceed a total of 150 annually.

Mr. GREEN: Surely that third classification covers just these cases—Canadian Japanese who went back to Japan.

Mr. MACKENZIE KING: No. If a Japanese comes to this country who is not already a citizen, and brings his wife with him, she in addition to himself is counted as one of the quota of 150. If he comes back with a wife and five children, six additional of the quota have been taken up: the wife and children, with himself, making seven in all. Counted in that way the total quota has not been reached, and the figures I have given are the correct ones.

Mr. GREEN: Actually the immigrants who have come in for several years have exceeded the number of 150, have they not?

Mr. MACKENZIE KING: I am coming to just what the number was. Let me make it perfectly clear that the agreement relates to Japanese nationals coming to Canada, whether they be men, women or children, and the quota cannot exceed 150, and it has not exceeded 100 on the average in the years the agreement has been in force. The average for the last five years has been about eighty-one.

Of the other group, those who are British subjects, who have been back in Japan for a time and have returned to Canada and brought with them wives and children, there have been a certain number, but the addition is not anything like the hon. member for Comox-Alberni would have the house believe. I shall give the house the exact particulars.

There are a limited number of Canadian nationals of the Japanese race entering Canada each year. These are, of course, completely outside the agreement. For the most part they are wives or children of Canadian nationals who returned to Japan and married, and later have come back to Canada. The number in the past eight years averages twenty-five women and fewer than ten children a year. In the past five years only fourteen women and three children a year have come in. The complete total of immigration from Japan is to be found in the figures I have given, and I say, Mr. Speaker, that if there are any others outside that number who have come in, they have come in surreptitiously and illegally, and they could and, in all probability, would come in in exactly the same way, though perhaps in larger numbers, if there was an exclusion act.

In the light of these figures, which cannot be challenged, for they are authentic, as recorded by our own government officials who have been watching the whole business very closely, I ask hon. members, Is it desirable at this time to go further and pass an act which will totally exclude the Japanese? What would be the effect of passing such an act? We have one instance of record which might help us to discover what would be the result. The United States Government in 1924 passed an act. They did not call it an exclusion act, but it came to that, and the minute that act was passed an international situation developed which was a very, very serious one indeed, one the like of which I think none of us would care to see precipitated at this particular time. Let me give the house the particulars because they illustrate exactly what would inevitably follow from the course which the hon. member for Comox-Alberni has suggested, were it adopted as his bill proposes.

The United States law of 1924 took the form of an amendment excluding "aliens ineligible to citizenship." Under existing statutes, citizenship of the United States was confined to persons born in the United States, regardless of race, and to naturalized persons, naturalization being limited to "free white

persons and to aliens of African nativity and to persons of African descent." While aimed at the Japanese, it applied to all Asiatics. According to the Japan Chronicle, an English paper published in Kobe:

No diplomatic event for many years aroused so much comment and excitement as the passage of the exclusion law in the United States.

Resolutions of both houses of the Japanese diet, public demonstrations, newspaper articles, missionary societies, all protested vigorously.

If that was the case in 1924 upon the enactment of an act by a great country like the United States, I wonder what would be the effect in Japan to-morrow if it were announced that one of the British dominions—and it would not be distinguished at all from the British Empire as a whole—had taken this particular measure.

May I pause here to say that one of the most regrettable features of the international situation to-day is that there are busily at work in Japan at the present time numbers of persons who are doing all they possibly can to foment differences between Japan and Great Britain. That is generally known. The British government in its reports has referred over and over again to that fact. It has endeavoured to have the public distinguish between what is the true feeling and the feeling that is being stirred up for ends that are anything but justifiable or worthy. That is the situation to-day. We must remember also that in every country to-day which is engaged in conflict there is a peace party as well as a war party. It so happens that in some countries the war party has gained control. That is the situation in Japan; and the party in control has taken measures with which, unquestionably, a large number of the people have no sympathy. There are those in Japan who are struggling to maintain the friendship which has existed over so many years between the British and the Japanese, and I say that we, as one of the dominions of the British commonwealth, ought to do, and I believe will do, all that we can to preserve that friendship to the greatest degree possible, and certainly we ought to do nothing to increase the emnity that is being fostered.

I have in my hand a copy of a treatise on Oriental Exclusion, by Mr. R. D. McKenzie Ph. D., professor of sociology in the University of Washington. Let me read a paragraph or two of what is said in that publication about the effect upon the Japanese, and the Chinese of the United States act of 1924. At page 42 the writer says:

To the Chinese the act of 1924 was but another form of persecution and "gratuitous affront" added to a condition that was already severe enough.

At page 45:

To the Japanese, the passing of the law came as a bolt from the blue, at once a suggestion of lack of national good faith in carrying out the gentlemen's agreement, and a reflection on national pride and racial dignity. The Japanese opposed the act during the period of its inception and still oppose it on political rather than on practical grounds.

Then he quotes what is an extremely interesting and valuable dispatch, one which bears directly on the measure that is before us at the present time. It serves to illustrate what we might expect if the bill of the hon. member from Comox-Alberni were to be enacted. It is a communication from Ambassador Hanihara to Secretary Hughes of the United States dated April 10, 1924. This is what the Japanese ambassador had to say to the government of the United States:

To Japan the question is not one of expediency but of principle. To her the mere fact that a few hundreds or thousands of her nationals will or will not be admitted to the dominions of other countries is immaterial, so long as no question of national susceptibilities is involved. The important question is whether Japan as a nation is or is not entitled to the proper respect and consideration of other nations. In other words, the Japanese government asks of the United States government simply that proper consideration ordinarily given by one nation to the self-respect of another, which after all forms the basis of amicable international intercourse throughout the civilized world.

In concluding his volume, this writer, at page 180, makes the following observation after a careful study of the whole situation:

Exclusion differs from restriction principally in the mental attitudes involved. The practical results of the two methods are about the same. Each limits the number of arrivals. Each presents about the same kind of individual and administrative problems. Exclusion, however, differs radically from restriction from the standpoint of group attitudes. Exclusion discriminates in a manner that is offensive to the racial and national dignity of the group excluded. This is especially true when exclusion is based on the principle of ineligibility to citizenship. For then it conveys the obnoxious implication that the people excluded are biologically inferior.

Both China and Japan, according to the repeated utterances of their representative leaders, accept the principle of immigration restriction. They realize that it is in the interests of all concerned to prevent a too rapid intermingling of the races. They do object, however, to being discriminated against on the basis of race when such discrimination is unnecessary to achieve the end desired. There seems to be no fundamental difference of opinion regarding the objective. The conflict arises in connection with the method employed. It has been pointed out on numerous occasions

that the quota principle, as at present applied to Europeans, if applied to Asiatics, would admit such a negligible number that the practical end of exclusion would be achieved and without the sacrifice of international good-will.

I say, Mr. Speaker, that these words are words of wisdom, which should be carefully pondered at this time with respect to the course that is proposed in this bill.

My right hon. friend the leader of the opposition has said that he agrees that the bill should not become operative immediately but that a date should be fixed some time hence when it would come into force. May I ask the right hon. gentleman if he really believes that this would at all relieve the situation which would be certain to develop once parliament passed a measure of this kind. I come back to what the hon. member for Yale said, that he hoped no words would be uttered in this house which would cause any affront to any nation. Well, if that is the hope of all of us here, must we not be doubly careful to see, not only that no words cause an affront but, what is much more important, that no act of the parliament of Canada causes an affront? That is the really serious thing. That is a consequence we have to consider with regard to this measure.

Other countries will understand that in our parliament as in all parliaments there are hon. members who express themselves in different ways, some of whom may say things which they themselves may come greatly to regret later on; and most countries fortunately are prepared to make allowances for all that kind of thing. But when it comes to a parliament enacting a measure, there one nation speaks to another. I therefore submit that at this time, with the affairs of the world what they are, this parliament of Canada should not contemplate for one minute putting an exclusion act upon its statutes, especially an act directed against Japan, where we have before us the evidence that, so far as Japan is concerned, she has been perfectly loyal to the agreement that now exists and has more than carried out its terms.

I know that at a time like the present, with feelings aroused as they have been by the conflict in the orient, passions are more easily stirred, people discuss these questions much more freely; they go much further in their language and assertions; reports become exaggerated, and little by little a new situation is created. And I am afraid it is only too true that in British Columbia at the present time there is an extremely serious situation arising from that very fact, and from the further fact that the depression has emphasized the extent of the competition of the oriental with our own people. I would ask this question however: Shall we be making the situation any better so far as British Columbia is concerned if we take the course that is proposed here to-night? Would not the effect rather be, so far as British Columbia is concerned, that instead of being faced with one problem, which is very difficult, that province would be faced with a second problem which would be equally menacing if not more so? We are finding it necessary now to take all the steps we possibly can to ensure the security of the people of British Columbia. We must, therefore, be doubly careful to see that our actions give no cause for offence.

During the past few years and particularly of late the government has been investigating very carefully and fully the matter of surreptitious immigration into the country. As I have said, whether you have an exclusion act or you limit by agreement, there are bound to be efforts at entry on the part of those who wish to get into the country and who are not free to do so under existing arrangements. Those efforts may succeed in part; for although a country does its best in its administration of its laws, it is not possible entirely to frustrate such efforts. But the different departments of this government have been exercising a careful scrutiny of the whole situation, and in the light of recent developments, doing so to an extent that has not been attempted in the past. The hon. member for New Westminster (Mr. Reid) mentioned this evening that he himself had learned that the Royal Canadian Mounted Police had discovered many cases of illegal entry and that some nine hundred persons had been sent out of the country in consequence. The officials of the immigration department, the fisheries department, the external affairs department, the mounted police, the intelligence branch of the defence department, have all been working together, at Ottawa, with respect to regulations, and in British Columbia in actually seeking to enforce the laws and regulations and to prevent aliens from coming into the country surreptitiously and to send out those who have come in illegally. They have been doing so of late to a degree that has never been attempted heretofore. We intend to intensify that investigation into illegal entries into Canada, and I wish to assure the house that everything that the government can possibly do to prevent anything in the nature of illegal entries will be done.

With that assurance, Mr. Speaker, perhaps I have said enough to cause the house to feel that I would be justified in moving the

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adjournment of this debate. I think it would be unfortunate were hon. members compelled, with the international situation what it is to go on record at this particular time with regard to this bill. A division would certainly serve only to place in a very false position many of those who are desirous of doing only what is best from a national and international point of view and who realize that the time has come when we must look at all controversial questions in the light of the present world situation. Their position would certainly be misunderstood. There are, I know, many who for local reasons would wish to support the measure, who for international reasons might well feel they could not. I hope they may be spared that necessity.

I would therefore move that this debate be now adjourned, and in doing so I hope the house will fully appreciate the motives which actuate the government in taking that step.

Mr. NEILL: The motion is not debatable, Mr. Speaker?

The ACTING DEPUTY SPEAKER: The motion is not debatable. Mr. Mackenzie King moves, seconded by Mr. Dunning, that the debate be now adjourned. Is it the pleasure of the house to adopt the motion?

Mr. NEILL: No.

The ACTING DEPUTY SPEAKER: Carried.

Some hon. MEMBERS: No.

Some hon. MEMBERS: On division.

Motion agreed to on division.

COPYRIGHT AMENDMENT ACT, 1931

FURNISHING OF LIST OF DRAMATICO-MUSICAL OR MUSICAL WORKS OWNED OR CONTROLLED—PUBLIC RADIO RECEPTION OR GRAMOPHONE REPRODUCTION

Mr. W. K. ESLING (Kootenay West) moved the second reading of Bill No. 12, to amend the Copyright Amendment Act, 1931.

He said: I desire to preface my remarks on this bill with the assurance to hon. members that it does not in any way prejudice the rights and privileges of authors or composers. It does not refer to literary copyrights; it refers only to dramatico-musical or musical works. Specifically the bill refers to the Canadian Performing Right Society, a corporation engaged in the business of acquiring copyrights and collecting fees in compensation for the use of music. This society claims to hold, by assignment, from the American society and from English and European societies the copyright to between two and three million titles, but in reality it does not know just what it does own. It claims to own practically everything on the air, and with that assumption there has been no interference. The society has actually registered between 150,000 and 200,000 titles and the purpose of the amendment to the Copyright Act is to require the society to furnish to those from whom it exacts payment a certified list of the music which it actually does control.

Invariably when an amendment to the Copyright Act is suggested we are reminded Canada is a signatory to the Berne international copyright convention and that as such we have certain obligations. May I again assure hon. members that this bill does not in any way violate any such obligation. Successive international conventions have made it clear that the means of redress and the extent of protection of authors and composers are governed exclusively by the laws of the country in which protection is sought. Canada has an excellent Copyright Act. It affords to composers and authors as much protection as is afforded by the copyright act of any country in the world.

The purpose of this amendment is to protect the public. This bill is not offered in a spirit of partisanship, because the Copyright Act has been administered by governments of both parties. The great difficulty is in the wording of one section, which gives this society authority to collect fees for all the music which it claims to own. Now that is a pretty large order, because a man can claim almost anything. Not many hon. members pay out money to someone merely because he claims a right to collect it; they want to know more about it. It is this authority claimed by this society which has permitted it to run wild. It has run so wild, has carried on its business by such aggressive and dictatorial and oppressive measures that it has harassed the small users of music. Surely it cannot be said that the proposal merely to require this society to furnish people with a list of the music it controls is a very great burden. If a person in British Columbia, say Prince Rupert, desires to know from this society whether it has the copyright on a certain piece of music the society simply tells him to go to Ottawa and ascertain for himself. That is not a very courteous answer. Those people far away cannot, without considerable difficulty, send to Ottawa or have people in Ottawa look up for them a copyright registration. I have printed matter showing that

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if you write to the society asking whether they control this, that or the other piece of music the society maintains the right to charge for the information.

As to the exact ownership of these two or three million titles which the society claims, let us see whence it comes. In the first place there was an assignment from the American society. The American society is not in very good odour in the United States. If hon. members were to look at the magazine Time, the issue of December, 1935, they would find that four very large companies owning about forty per cent of the music controlled by the American society had withdrawn from that society and they did not return to the fold for nearly a year. Yet the Canadian society is collecting fees from Canadian citizens for music belonging to a company which had withdrawn from the American society. Therefore it is not a very dependable assignment. Furthermore, if you look to the United States, you find that the American society is in continuous trouble; that the states of Washington, Montana, Nebraska, Wisconsin and Florida have outlawed the society by legislation, and that some eighteen other states have passed legislation to curb its activities. In Canada we find that twice, the Manitoba legislature has passed resolutions asking this government to curb the activities of this society. It is because of the society's oppressive tactics and because of complaints which I have from my own district that I think it advisable to refer to some of them.

Take first the fact that this society is capitalized with ten thousand shares of which only two are held in this dominion, the remainder being owned in the United States and England. The society is practically dictated to by the directors in New York. The society started collection of fees at a minimum of $10. There never was a maximum limit. Then the charges increased in accordance with certain conditions and the number of times music was produced. Then arbitrarily the society raised the minimum fee to $30. It was that increase and the many protests which resulted from it which brought about the appointment of His Honour Judge Parker as a royal commissioner to inquire into the matter. What did he find? Hon. members will see from his report that there were no Canadian authors having membership in the society, no Canadian authors or composers participating in its profits; that the funds collected were remitted to the United States after deducting only sufficient to carry the overhead. It was as a result of that report that the government appointed this appeal board to revise the society's tariff.

That appeal board is to be commended, because had they not acted as they did we do not know what figure these fees would have reached. First there was a minimum of $10; then up it went to $30, then down to $5, a figure fixed by the appeal board. And where the society went out to collect $30 and could not get $30 they were willing to take $20, and if they could not get $20 they would take $10. I know of specific instances in my own community.

They also take advantage of the fact that the government through the appeal board revises their tariffs. They say to the people: This is our tariff as revised and approved by the government appeal board. The application forms also refer to their repertoire. It is an application to use the society's repertoire and the licence issued is a permission to use the society's repertoire. Well the society has no repertoires and never had. It does not know to-day what it owns. When they tell us through their paid lobbyists who have been patrolling the lobbies of this building that it would be impossible to prepare a list, that a list would be so expensive, I do not think it is asking very much, because a list of the works this society owns would hardly make a book larger than the Montreal telephone directory.

The provision is that titles shall bear the date of the copyright, so that it may be readily seen when that copyright expires. Then, as occasion requires, additional leaves can be handed the licence holders in order that they may know what is the new music. As to the work which they contend the preparation of these lists will entail, I should like members to read some of the application forms and the printed matter of this society, in which they impose upon licence holders requirements which are absolutely incredible. First of all they ask the applicant to fill out his forms according to periods. That period may be for a week, for a month or for a quarter, and when he makes that application he undertakes to fill out a weekly, monthly or quarterly report. Then they require him to tell, first of all, whether the music is vocal or instrumental or mechanical. They want him to tell whether it is produced by a piano, a piccolo, a gramophone, a saxophone or a radio. They want him to tell the name of the author and the name of the arranger and he must tell just how many minutes, how many hours and how many days this music is performed.

Then they tell the applicant how to arrive at the basis of charges, and I am reciting this because it indicates the work which this corporation imposes upon applicants from whom it seeks to collect licence fees. Why, it requires one to tell first of all the title of the

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could help China to forget the way in which our ambassador treated them. We sent to Japan an infirm, old man, unversed in diplomacy, not acquainted with the country, and he allowed himself to be loaded up to the hilt with Japanese propaganda. Then he came back and disseminated it throughout Canada. It was not a globe-trotting tourist who could be passed by with a smile; he was our accredited ambassador. Do you think China has forgotten that? If we passed this bill it would be a gesture which would help them to forget it.

Perhaps it is a question of expediency; perhaps it is the goddess of expediency that governs. Let us take her off her pedestal and treat everybody on the same basis; let us check off our ambassador and treat them all alike. If expediency is to govern, by all means let us play with China, because Japan will not be a powerful nation for very much longer, and she does not know the meaning of the word gratitude. China will come back a strong, virile, united nation, with a sense of gratitude to those who have been here friends, and offering an enormous potential market of four hundred million people to take our goods. With no country in the world is it so dangerous to adopt an attitude of not standing up for your rights as it is with Japan. The school bully always gets more and more aggressive, pushing around people who do not want to quarrel with him, until some small boy half his size punches him on the nose and then everyone wonders why someone did not do it before. We cannot afford to adopt an attitude like that. Let us, as the French say, "Ayez du courage"; let us stand upon our own feet. "Dare to be a Daniel; dare to stand alone; dare to have a purpose firm." We need not be truculent; but let us stand up for our rights. That is the best way by which to bring about peace abroad and prosperity at home.

I have been accused of trying to stir up racial projudice. Not at all; I have only pointed out the impossibility of assimjlating such an alien race. One of the greatest obstacles to assimilation is the lack of marriage between the two races. The other day I saw a record of the births of one hundred thousand Canadian children; of that number I think only seven were Eurasian, and nearly all of those were the issue of white individuals and Chinese, not Japs. I think there was only one or possibly two out of the one hundred thousand born to white and Japanese parents. They do not want to marry us and we do not want to marry them. Look at Europe, where for centuries the Greek and the Turk have lived together in enmity. The best that civi ation has been able to do is to move th by the hundreds of thousands back to wh they came from. Look at the Arabs and J in Palestine, where the best solution that be devised by the British government i put a fence down the middle of the cou and keep each race on its own side. we talk about assimilating these people.

There is another point, perhaps the m important of all. A new policy has been de veloped in the countries of the world. It is now considered right and proper for a nation to interfere in the affairs of another nation, provided the second nation contains enough nationals of the first nation. That is what happened in Austria; that is what will happen in Czechoslovakia. Never in the world has there been such coup d'etat as occurred in Austria the other day, because they had so many German sympathizers in that country ready to take action. Supposing we should be told some day that because Japan had thirty thousand nationals in British Columbia she insisted that they must be given the vote and all the privileges our own citizens possess, the opportunity to become lawyers, doctors and all the rest of it. What would we do about that?

Will the government meet the wishes of British Columbia or defy them? Will the government say that it is going to govern without regard to the wishes of those governed? That is not democracy; that is autocracy.

It is nine o'clock, Mr. Speaker.

Mr. SPEAKER: The hour for private and public bills having expired—

Some hon. MEMBERS: It is not nine o'clock.

Right Hon. W. L. MACKENZIE KING (Prime Minister): It is not nine o'clock yet, Mr. Speaker. Seeing there is still a little time left, I should perhaps direct your Honour's attention to the fact that, under the ruling which Your Honour gave just a moment ago, this bill too is out of order; in fact, it would seem to me that the rule cited is even more applicable to this bill than the previous one, because, according to the words of the mover himself, it is impossible to understand this bill without some explanation. Again I would quote the paragraph from page 348 of Beauchesne:

In the text of the bill, on the left hand page, new matter shall be indicated by such typographical means as may best suit the varying circumstances of each case, such as brackets, underlining, asterisks, etc.—

9 o'clock called

tes to do that. The United States at one ne imposed a quota against immigration om Canada; we did not like it but we knew was their right. How ready we are to take nce against British public men expressing ions concerning our affairs! Let one even humble capacity travelling through ada as a tourist make some casual ob- ation touching upon the way we govern rselves, and we rise up in arms and almost ave the bloody sword and say we will not be dominated by Downing street; let the British people mind their own business. I have often blushed at the way in which we have treated British visitors. But no offence is taken; Britain smiles and says: They are a young nation; they will learn better as they get older. Apparently it is right and proper that we should insult our friends but accept insults from other nations. Let me quote a despatch from Tokyo. This comes through the Associated Press; it is no propaganda of mine got in some hole-and-corner way:

Tokyo, March 7—Foreign Minister Koki Hirota declared in the Diet to-day that American-born Japanese, even though living in America, "should be educated as Japanese."

The statement was in reply to questions from Bunji Suzuki, labour leader, who asked if the government had any educational policy for those of the "second generation."

Hirota replied: "A majority of Japanese born in the United States in recent years cancelled Japanese citizenship. They must receive an American education. But they remain Japanese, and they should be educated as Japanese in order to retain Japanese virtues. For this purpose the semi-official migration association keeps close connection with them."

We know what that means. It means that Japanese born in this country are maintaining a dual nationality. They leave our schools and get educated in their own schools. I wonder whether we would tolerate that if it were proposed in the British parliament, for instance.

Both the Prime Minister (Mr. Mackenzie King) and the Minister of Mines and Resources (Mr. Crerar) referred to what happened in the United States. What did happen? In 1924 the United States put a complete ban upon oriental immigration, and both hon. gentlemen quoted what Japan said at that time, with the vague suggestion that we had better be careful. That was all that was said, and what happened; I asked the Minister of Mines and Resources? Just exactly nothing happened. Even trade continued to flow along the usual lines between Japan and the United States. Nothing happened because they knew the United States were well within their rights. Did they go to war with the United States over that? They did not. The other day Brazil did the same thing. Japan made one of these infamous gentlemen's agreements with Brazil, and I see that Brazil has become fed up with it and has passed a law cancelling the gentlemen's agreement, imposing a very effective restriction against the Japanese. Did they go to war with Brazil over that? They did not. We read in the papers the other day that the government of Panama issued a most unfriendly, almost hostile, order that no Japanese fishermen were to come within so many miles of the coast of that country or they would blow them up. That is going pretty far; I would call that an unfriendly act. Did they go to war over that? They did not. Did they go to war with South Africa when that country negotiated a total exclusion agreement? Did they go to war with Australia or New Zealand when they did the same thing? They did not. If the Japanese swallow exclusion by these other countries but become insulted when Canada does the same thing, I say that is evidence of their insincerity, unsupported by any claim in international relationship or anything that governs as between friendly nations. When they say their pride will not permit them to be excluded, they are just as insincere as they are with all their talk about the loyalty of second generation Japanese. It comes out in their own parliament that they are arranging to have these second generation Japanese remain Japanese in thought and education.

Apparently the government is too apt to look at the Japanese angle and none other. Let us forget the Japanese viewpoint for a moment. Let us consider Canada; let us consider British Columbia, which will be a bloody shambles if there is a war in the Pacific. Let us think of that. Let us think of the Chinese viewpoint. The other day on the second reading of this bill the Prime Minister said that nations were slow to forget any injuries they thought they had sustained. Quite so; and he applied that to Japan. It also applies to China, does it not? Let us consider the Chinese viewpoint. In days to come we might be glad if we do something to make the Chinese forget that for sixteen years they have been excluded from Canada entirely, while we have let in Japanese. We have entirely excluded East Indians but have allowed Japanese to come in. It might be a good thing if we did something to make China forget that. It would be a fine gesture, would it not, not to give them any favour but to put the Japanese on equality with the Chinese, to put the two countries on the same basis. And it might be a good idea if we

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Right Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, the case of Mr. Powell will of course be dealt with on its merits, and independently of the case of Mr. Unwin. As my hon. friend knows, his sentence was for a longer period, six months, while the sentence on Mr. Unwin, by the same judge, was for three months. I may assure my hon. friend, however, that all his representations are being fully considered. I should like if possible to meet his views, but of course any action taken must in the first place serve the ends of justice.

MARIEVAL, SASK., HALFBREEDS

DISTRESS OF PEOPLE IN DISTRICT NORTH OF BROADVIEW AND TRIBUTARY TO CROOKED LAKE INDIAN RESERVE

On the orders of the day:

Mr. E. E. PERLEY (Qu'Appelle): I should like to direct a question to the Minister of Mines and Resources (Mr. Crerar). It is based on a report that I have received setting out the unfortunate situation facing the halfbreeds of the Marieval district north of Broadview and tributary to the Crooked Lake reserve. The report states that these people have no land and no prospect of employment. Such relief as they have been receiving will be cut off at the end of March, and they claim that they are now facing starvation. Has the minister been made acquainted with this situation, and will he have an investigation made and action taken?

Hon. T. A. CRERAR (Minister of Mines and Resources): I have no information on the question which the hon. member has raised. I might remind him that the halfbreeds are not a responsibility of the federal government. They are wholly separate from and outside the federal government's obligation to Indians, and are in the same category as any other class of citizens who may be in need.

JAPANESE IMMIGRATION

QUESTION AS TO PERSONNEL OF INTER-DEPARTMENTAL COMMITTEE

On the orders of the day:

Mr. A. W. NEILL (Comox-Alberni): Might I ask a question of the Prime Minister (Mr. Mackenzie King)? I am sorry I have not under my hand the appropriate Hansard, but no doubt the matter is within his knowledge. Some weeks ago, in answer to a question from, I think, the hon. member for Vancouver South (Mr. Green) he announced the setting up of two bodies, one a board of review and the other a committee, in connection with the oriental situation in British Columbia. We have had an announcement of the personnel of the British Columbia body. I should like to ask now whether the Prime Minister can give us the names of what I think he called the interdepartmental committee that was to be appointed here, and whether he can tell us when they will be appointed.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The interdepartmental committee was appointed some time ago, in fact before the board of review, as it is termed, was appointed. It is composed of officials of different departments of the government. I may happen to miss one or two in enumerating them, but as I recall at the moment there is on the board a member of each of the following departments: External Affairs, Mines and Resources, National Revenue, National Defence, Justice, Labour, Trade and Commerce. The gentlemen who represent these different departments are officers of the departments who are most familiar with the questions which the interdepartmental committee has to consider.

Mr. NEILL: The Prime Minister is not prepared to give their names?

Mr. MACKENZIE KING: If my hon. friend had told me he was going to ask this question I should have been very pleased to give the names. I shall do so to-morrow, if that is his wish.

INQUIRY FOR RETURN

ROYAL MILITARY COLLEGE AND BARRIEFIELD BUILDINGS—COAL AND COKE

On the orders of the day:

Mr. F. E. LENNARD (Wentworth): I should like to draw the attention of the government to an order for return standing in my name which was passed February 28, in connection with the delivery of coal to the Royal Military College. The return has not yet been received.

Hon. IAN MACKENZIE (Minister of National Defence): I shall look into the matter immediately.

ELECTRIC POWER

TRANSFER TO PARLIAMENT OF CONTROL OF EXPORT EXCEPT IN INTERNATIONAL EMERGENCY

The house resumed from Thursday, March 17, consideration in committee of Bill No. 21, to amend the Electricity and Fluid Exportation Act—Mr. Mackenzie King—Sir Eugène Fiset in the chair.

Section 3 agreed to.

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HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

TUESDAY, March 22, 1938.

The house met at three o'clock.

SHOP CARDS REGISTRATION

QUESTION OF VALIDITY OF BILL NO. 22, PROVIDING FOR REGISTRATION OF DISTINCTIVE CARDS OF LABOUR UNIONS AND PREVENTING UNAUTHORIZED USE

On the orders of the day:

Hon. C. H. CAHAN (St. Lawrence-St. George): May I ask the Minister of Justice (Mr. Lapointe) whether he has yet obtained the opinion of the officers of his department with regard to Bill No. 22, an act respecting the registration of shop cards by labour unions, as to whether the proposed act is intra vires of the parliament of Canada?

Right Hon. ERNEST LAPOINTE (Minister of Justice): Yes, I have, and I am going to hand the document over to my hon. friend the Secretary of State (Mr. Rinfret).

Mr. CAHAN: Has the minister any objection to telling us the purport of it?

Mr. LAPOINTE (Quebec East): The opinion is that the act is valid.

DUTCH ONIONS

REQUEST FOR IMPORTATION OF DUMPING DUTY ON IMPORTATIONS

On the orders of the day:

Mr. F. C. BETTS (London): I should like to ask the Minister of National Revenue (Mr. Ilsley) a question of which I gave him notice a few minutes ago by telephone, not having had an opportunity to advise him earlier.

The American market is flooded at the present time with Dutch sets of onions which are being offered in this country at a cent and a half a pound. The cost in Canada is six cents a pound. I would ask the minister whether, having regard to the fact that this particular crop has a value in western Ontario alone of some $200,000, the government is prepared to impose the dumping duty, as was done in 1931, by adding four and a half cents a pound to the invoice cost?

Hon. J. L. ILSLEY (Minister of National Revenue): An application somewhat similar to my hon. friend's request was made by the Canadian Seed Trade Association very recently and I can only say to my hon. friend, what was said to them, that the department has asked the Department of Agriculture for a report as to surplus stocks now in Canada. When that information is received the application will be given consideration.

Mr. BETTS: May I ask another question turning upon the last one. Does the minister appreciate that this is a matter in which very speedy action will have to be taken if any result is to be achieved?

Some hon. MEMBERS: Order.

POWELL AND UNWIN CASES

RELEASE OF J. H. UNWIN—QUESTION AS TO CONSIDERATION OF CASE OF G. F. POWELL

On the orders of the day:

Mr. J. H. BLACKMORE (Lethbridge): Many hon. members of this house and hundreds of thousands of Canadians outside rejoiced last evening when it was announced that at six o'clock Mr. J. H. Unwin was released from the penitentiary. The department's delicacy in choosing a time after the polls were closed and before the results could be known was noted and appreciated. I beg the minister's permission to bring to his notice the name of G. F. Powell, who was a fellow sufferer with Mr. Unwin, and to point out that Mr. Powell is a British subject, a citizen of Great Britain, our motherland; that he is here upon the invitation of the people of a British province called Alberta; that his record prior to his coming to Canada was without blemish, and that his freedom is much desired by millions both here and overseas. I respectfully ask the Minister of Justice (Mr. Lapointe) if he could give us some encouragement touching the case of Mr. Powell.

"K" Speeches

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the fiscal year 1936-37, and also from April 1, 1937, to February 28, 1938, including any commitments not fully implemented?

2. What were the respective amounts under the principal headings?

COST OF RELIEF—INCOME TAX COLLECTIONS

Mr. CHURCH:

1. How is the item one hundred millions, mentioned by the Minister of Labour as the cost if the government assumed and took over the total cost of relief in Canada, made up?

2. If the amount spent as at present per annum under provincial agreements is deducted, what will the balance be?

3. What is the total income tax collected in Canada for the last year of record?

4. How much does Ontario contribute?

5. What does the Toronto district contribute?

6. How much is now spent on relief for all Canada?

7. How much a year is spent on drought relief in Saskatchewan per annum?

JAPANESE IMMIGRATION

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, on Friday last the right hon. leader of the opposition (Mr. Bennett) inquired if it has been ascertained, as the result of the investigations that have been made, how many Japanese have entered this country illegally.

My right hon. friend proceeded to say that possibly the minister would be unable to give an answer at this stage. That is correct. The inquiries which have been proceeding have given a very considerable amount of information, but it would not be possible to give any definite or conclusive reply to the question at the present stage. One of the main purposes of establishing the board of review to which I referred on Friday is to procure this full information. I may add that as the result of inquiries by immigration officers and the Royal Canadian Mounted Police, 145 Japanese have been deported for illegal entry in the period 1931 to date.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, I was going to ask the Prime Minister, not knowing that he would answer my other inquiry to-day, whether or not the jurisdiction of the board of review will extend to the whole question of Japanese immigraion and penetration into our country, or would it be limited, as a reading of his remarks might indicate? There is a good deal of interest in the matter, and I have been asked to ascertain, if possible, just what the jurisdiction would be in the premises.

Mr. MACKENZIE KING: The board has been appointed to deal with the subject of illegal entries—

Mr. BENNETT: Only?

Mr. MACKENZIE KING: Only, yes. However, I would assume that in any inquiry directed to illegal entries, much information that was incidental thereto would be ascertained.

MOTIONS FOR PAPERS

PRAIRIE FARM REHABILITATION ACT

Mr. MITCHELL (for Mr. Hansell):

For a copy of all letters, telegrams, correspondence, contracts, tenders and other documents in the possession of the government, dated during 1937, with respect to the proposed scheme under the Prairie Farm Rehabilitation Act, at Enchant, Alberta.

CHARGES AGAINST OFFICERS OF ROYAL 22ND REGIMENT

Mr. COLDWELL (for Mr. MacNeil):

For a copy of all orders, decisions, letters, telegrams, recommendations and recorded evidence relating to the court of enquiry held by the Department of National Defence in Quebec, August 24 to August 28, 1936, to deal with charges against officers of the Royal 22nd Regiment.

Mr. POWER: Mr. Speaker, I am informed that the proceedings of the board of inquiry are of a confidential character and that the documents and memoranda relating thereto come within the category of privileged communications. I would therefore suggest that this motion be not passed.

Mr. SPEAKER: Dropped.

DISALLOWANCE AND RESERVATION OF ALBERTA LEGISLATION

Mr. COLDWELL:

For a copy of all petitions, correspondence, and other documents, relating to the disallowance of the three Alberta acts (August, 1937), the reservation of the three Alberta bills (October, 1937), and the reports of the Minister of Justice on these acts and bills.

Mr. MACKENZIE KING: Mr. Speaker, just before the motion is adopted, may I say to my hon. friend that, as he no doubt must surmise, there has been an immense amount of correspondence, much of which is communications from private individuals, and a good deal of it in the nature of what might be described as form letters, resolutions of social credit groups and communications from various bodies. It would take a long time to have it all copied, and I assume it

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would be of little value to my hon. friend if it were; but if what he is really anxious to obtain, as I believe it is, are the important documents and everything that would really be relevant for purposes of consideration and debate, I should be very glad to have the order passed in that way. I might add that if my hon. friend wishes at any time to see the files for himself I shall extend a welcome to him in the Prime Minister's office, and I am sure the Minister of Justice (Mr. Lapointe) will in his.

Mr. COLDWELL: I thank the right hon. gentleman for his suggestion. I am interested only in the important documents.

Mr. SPEAKER: Carried, with the reservation mentioned.

Mr. COLDWELL:

For a copy of any instructions sent to the Lieutenant-Governor of Alberta in regard to the reservation of the three Alberta bills in October, 1937.

Mr. LAPOINTE (Quebec East): Mr. Speaker, there were no instructions sent to the lieutenant-governor of Alberta.

Mr. SPEAKER: Dropped.

PROPOSED DISALLOWANCE OF ONTARIO POWER COMMISSION ACT, 1935

Mr. COLDWELL:

For a copy of all correspondence, petitions, and other documents, relating to proposed disallowance of the Ontario Power Commission Act, 1935, and any reports of the Minister of Justice thereon.

Mr. MACKENZIE KING: Mr. Speaker, perhaps my hon. friend would allow what I said with reference to his previous notice of motion to apply also to this one.

Mr. COLDWELL: I understand that.

Mr. SPEAKER: Carried, with the same reservation.

STATE MEDICINE

PROPOSED PROVISION BY THE GOVERNMENT FOR THE MEDICAL CARE OF THE SICK

Mr. DANIEL McIVOR (Fort William) moved:

That, in the opinion of this house, it is most urgent that state medicine be established in the Dominion of Canada.

He said: Mr. Speaker, I must admit that in introducing this resolution I do not feel as comfortable around my stomach as I did before dinner, but the motion is to be seconded by one who is thoroughly worthy, the hon. member for St. Boniface (Mr. Howden), my former family doctor.

[Mr. Mackenzie King.]

I should like to say in opening that I am indebted for help on this big question from many sources. I of course have had first-hand information. We have also listened to many radio addresses; we have had information from health magazines, and from material disseminated by health boards throughout Canada. Many of our church leaders have also given us much help.

When one thinks of state medicine in any form, it certainly appears as a gigantic task, I can only say, in the words of the hon. member for Rosthern (Mr. Tucker), that we cannot expect to change our whole system at once, or even rapidly; we must do it gradually and be thankful for the success that we are getting.

A definition seems necessary at this stage. I would say that state medicine means this: a system of socialized medicine making available to all complete medical service at public expense.

This, Mr. Speaker, is a living question. It is a living question to those who see the need for it daily; it is a dying question to those who are afflicted and cannot get necessary medical care. State medicine is not a dominion question only, but is linked up closely with the provinces. Hon. Doctor C. M. Weir, provincial secretary for British Columbia, says it is necessary to have cooperation with the dominion government. We appreciate that, and I am sure the members from British Columbia and the other provinces are ready to say, in the words of Dickens, "Barkis is willin'."

There may be hon. members who think that because I am not a doctor I have no right to speak on this question. But I maintain I have every right to speak because of what I know, and because of the reality of the things I have seen, and because, too, of the number of times that I have seen the doctor do all he can, serve faithfully to the end, and then say to the minister: I have done my best, and I must now hand the patient over to you. I should like to give you an example of that. In the town of Souris two doctors were called in to attend one who was seriously ill. When they left I asked them if there was any hope, and they shook their heads. The finger nails of the patient were purple, his lips were purple, and his eyes were becoming glassy. His temperature was 105⅘ and his pulse was over 140; he had the death rattle in his throat. I said, "I suppose I can put on all the mustard I like;" they said, "It won't hurt." So I stood in the door of that room; I asked the Great Physician to take charge, and I was willing to cooperate

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57		Germany. Speeches in Parliament	Feb. 1938	D 34721 - D 34722	
57		Governor General. Speeches in Parliament	1938	D 34723 - D 34725	
57		Imperial Conference, 1937. Speeches in Parliament	Jan. 1938	D 34726 - D 34729	
57		Italo-Ethiopian Conflict. Speeches in Parliament	Mar. 1938	D 34730 - D 34733	
57		Immigration. Speeches in Parliament	Feb.-Mar. 1938	D 34734 - D 34754	
57		King George VI: Coronation of. Speeches in Parliament	Feb. 1938	D 34755 - D 34758	
57		Lapointe, Rt. Hon. Ernest. Speeches in Parliament	Feb. 1938	D 34759 - D 34760	
57		League of Nations. Speeches in Parliament	Feb. 1938	D 34761 - D 34766	

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Mr. HOWE: The management of Canadian National Railways advise that the above questions relate to matters of internal management, and it is felt that the answers thereto would not be of public interest.

CANNED BEEF IMPORTATIONS

Mr. SENN:

1. What quantities of canned beef were imported into Canada for each of the last three years?
2. From what countries?

Mr. EULER:

1 and 2.

Imports into Canada of Canned Beef (Calendar years, 1935, 1936 and 1937)

Imported from	1935(*) Pounds	1936 Pounds	1937 Pounds
All countries	10,363,006	12,056,904	11,694,759
United Kingdom	350	498,000	26
United States	.....	10,324	50,920
Argentina	7,331,904	9,704,990	8,721,485
Paraguay	.....	.....	208,265
Uruguay	3,018,914	1,834,914	2,665,139
Australia	11,838	8,640	48,924
Alaska	.....	36	.....

(*) From April 1, 1935, to December 31, 1935.

CORONATION OATH

Mr. CAHAN:

By whom, and under what statutory or other authority, was the coronation oath, which was prescribed in 1689 by The Coronation Oath Act (1 Will. and Mary c. 6), and which had been administered at every coronation thereafter, changed in its terms and a new form of oath administered to His Majesty George VI, upon his coronation on May 12, 1937?

Mr. MACKENZIE KING:

The coronation oath provided for in 1689 by The Coronation Oath Act (1 Wm. and Mary c. 6) had not been administered at every coronation thereafter in the terms prescribed in the Act. While the form of coronation oath was laid down by statute and could not be altered without statutory authority, it had always been recognized that if a statute was passed altering the constitutional position in such a way as to render words of the original oath no longer applicable, that statute might be treated as impliedly authorizing and indeed requiring a corresponding alteration in the wording of the oath. This procedure was followed in the case of the act of union with Scotland and the act of union with Ireland. The position in Ireland and the enactment of the statute of Westminster altered the constitutional position of the United Kingdom in relation to the dominions, in such a way as to render the existing words of the coronation oath inapplicable. Accordingly, it was necessary that an alteration should be made, and the present form of oath was administered upon the statutory authority of The Coronation Oath Act and the intervening statutes affecting the constitutional position up to and including the statute of Westminster.

[Mr. Dubois.]

The alteration was made by the coronation commission, after consultation with and the concurrence and approval of all the governments of the British commonwealth of nations.

*PUBLIC UTTERANCES OF GOVERNOR GENERAL

Mr. CAHAN:

Has the constitutional rule ever been abrogated, which was expressed in 1879 by the prime minister of that day, to the effect that the governor general of Canada in his public utterances shall preserve absolute silence on matters of policy or of a public nature?

Mr. MACKENZIE KING: This question I believe is out of order. It would appear to be asked not so much to obtain information, as to supply it. I am not aware that a statement was made in 1879 by the Prime Minister of that day in the terms set forth in the question and I should appreciate information as to where it is to be found.

TRANS-CANADA AIR LINES—CIVIL AVIATION

Mr. BLANCHETTE:

1. Will the Trans-Canada air lines be completed by the end of the present year?
2. What is the government doing towards the training of youths for civil aviation?

Mr. HOWE:

1. West of Montreal to the Pacific coast—yes.

2. The government has supported the flying club movement for the past ten years, so as to make available facilities for flying instruction in all parts of the dominion.

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HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

MONDAY, February 28, 1938.

The House met at three o'clock.

ST. LAWRENCE WATERWAY

TABLING OF CORRESPONDENCE—ST. LAWRENCE DEEP WATERWAY TREATY 1932, NIAGARA CONVENTION 1929, OGOKI RIVER AND KENOGAMI RIVER (LONG LAKE) PROJECTS, AND EXPORT OF ELECTRICAL POWER

Right Hon. W. L. MACKENZIE KING (Prime Minister): I desire to lay on the table a copy of a white paper containing correspondence and documents relating to the St. Lawrence deep waterway treaty, 1932; Niagara convention, 1929, Ogoki river and Kenogami river (Long lake) projects; and export of electrical power. The French translation has been completed, but there has been a slight delay in the printing. I hope to be able to lay it on the table to-morrow.

I received this morning from the Premier of Ontario a communication stating that he is forwarding to me to-day a reply to my letter to him of February 22. My letter is included in the white paper, which was printed and bound for distribution before I received this telegram. If the letter from the Premier of Ontario is received by to-morrow I shall table it in order that the correspondence may be complete. I imagine that would be the wish of the Premier of Ontario.

I desire also to table a photostatic copy of an extract from the Congressional Record of February 16, 1938, containing a letter of February 12, 1938, from the Premier of Ontario to Congressman W. G. Andrews referring to the St. Lawrence waterway, the great lakes and related problems. Seeing that this correspondence has just been brought down, I do not think it will be possible to proceed to-morrow with the second reading of the bill respecting the export of power.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

PORT COLBORNE, ONT., ELEVATOR EARNINGS

Mr. DAMUDE:

1. What were the net earnings of the Port Colborne grain elevator for the years 1933, 1934, 1935, 1936, and 1937?

2. How many are employed at this plant?

3. When was the superintendent appointed, and by what method was his appointment made?

Mr. HOWE:

The following information is furnished by the National Harbours Board:

1. Net earnings before charges for interest and depreciation have been made.

April 1, 1933—March 31, 1934	61,001 35
April 1, 1934—March 31, 1935	83,371 41
April 1, 1935—March 31, 1936	112,781 84
April 1, 1936—December 31, 1936 (9 months)	49,829 14
January 1, 1937—December 31, 1937.	27,058 17

2. Permanent (full time) 23
Seasonal (period from April 16 to December 15) 3
Temporary and casual (for period of navigation season and as required) 85

3. October 1, 1930, by promotion.

CANADIAN NATIONAL RAILWAYS—NICOLET STATION REMOVAL

Mr. DUBOIS:

1. What was the cost of the removal last summer of the Canadian National Railways station at Nicolet?

2. Who secured the contract for its removal?

3. To whom was the old station of the Quebec, Montreal and Southern Railway sold?

4. At what price?

have no doubt that, after his little escapade last summer and autumn in provincial politics, he has come back a much wiser though perhaps a somewhat sadder man.

Now may I say to my right hon. friend (Mr. Bennett) that we all enjoyed very much some of the humour of his speech. We have been entertained by his digressions in many directions, although it has been a little difficult to follow him in some of his denunciations, exclamations, innuendoes and insinuations. I am not going to try to follow him along that devious course. I was however somewhat surprised that he was not a little more courteous to one of the hon. members who has just come into this house, whom he had heard speaking for only a very few minutes and whom he would not permit even to ask a question when, in the mind of the hon. member for Renfrew North, the right hon. gentleman himself was misconstruing what that hon. member had just been saying.

My right hon. friend said that the hon. member for Renfrew North had been drawing on his imagination for the facts. Well, there are some things with respect to which we need not draw on our imagination to be perfectly sure of the facts. One is that the present administration received from the people of this country the largest majority that any administration has had in the history of Canada. Nor do we need to draw on our imagination to recall that while for a time my right hon. friend was the leader of a very large party, he got at the end of one term of office one of the worst lickings any prime minister ever received. Nor do we need to draw on our imagination for a further fact, which I think is also important, in view of what my right hon. friend has had to say by way of criticism of the government, particularly with reference to what we have failed to do, as he says, in the matter of improving conditions. Let me ask: How has the country itself viewed the actions of the government since it took office? We have had seventeen by-elections since the general elections of 1935. Of that number my right hon. friend has carried three and the present administration fourteen. Of the three which my right hon. friend and his party have carried, one was in the city of Victoria. Since that by-election, there has been another and the seat has been lost by my right hon. friend's party. One of the other two was the by-election which returned my hon. friend from Dufferin-Simcoe, to whom I spoke a moment ago. Evidently he was quite overcome by the few kindly remarks which were made about him, for he has left the chamber. The hon. member was allowed to leave this house by one door and to come back unopposed by the same door.

There is another fact to be kept in mind, it is not something imagined. While this government was returned to power after the general elections of 1935 with the largest majority any administration has ever had in the history of Canada, to-day, at the beginning of the third session of the present parliament, we enjoy an even larger majority than we had at the time we came into office.

It is the country's opinion, I value. So, Mr. Speaker, I do not intend to devote too much time to what my right hon. friend has said about our failure to help meet the situation as it exists in this country. He has said a great deal about unemployment, which he states is continuing. May I remind the house of what my right hon. friend told the electorate when he was appealing to them and when they returned him to office in 1930? He promised that he would end unemployment or perish in the attempt. Far from perishing, he is here in livelier form than ever. My right hon. friend talks about the number of unemployed, but the number of unemployed to-day is very different from what they were during his period of office, fortunately for the people and for the incomes of the people, to which his amendment to-night relates.

I was pleased, as we all were, to hear the reference the right hon. gentleman made to Their Majesties the king and queen. Those of us who were privileged to attend the coronation ceremonies were deeply impressed by what we witnessed in Westminster Abbey. Even more impressive, however, than the consecration by Their Majesties of their lives at that service, is the devotion which they have shown to the public service in their high post of duty since His Majesty's accession. I doubt if at any time in the history of any country there have been upon the throne a king and queen more devoted to each other and to their subjects, and whose lives have been more completely consecrated to the well-being of their fellow men, than King George VI and Queen Elizabeth. The affection in which they are held in the old land itself is already all but equalled by the affection entertained for them in all parts of this great empire.

The speech from the throne affords, I think, an appropriate opportunity for a reference to the recognition given in the coronation ceremoney to the complete nationhood of the Dominion of Canada. I confess that as I listened to the oath which was administered to His Majesty, and heard His Majesty promise

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to obey it, I felt great pride as a Canadian to hear for the first time in history my own country in its relation to the crown mentioned in terms exactly the same as those applied to Great Britain itself. The oath administered at the time of the coronation ceremony was as follows:

> Will you solemnly promise and swear to govern the peoples of Great Britain, Ireland, Canada, Australia, New Zealand and the Union of South Africa, of your possessions and the other territories to any of them belonging or pertaining, and of your empire of India, according to their respective laws and customs?

The reply was:

> I solemnly promise so to do.

That oath marks the end of any suggestion, remote or otherwise, of anything in the nature of subordinate or colonial status. It is the enunciation by the crown itself of the complete nationhood of Canada on equality, so far as status is concerned, with all other nations of the British Commonwealth.

I found it somewhat difficult to follow the observations of my right hon. friend with regard to the imperial conference. So far as I am able to recollect, his observations were to the effect that speeches were reported to have been made by me, or that something had appeared somewhere referring to me, purporting that, at the imperial conference, I had acted as the chief interpreter of the views of the chief executive of another country with respect to that country's relationship with Great Britain.

Why did my right hon. friend not come right out and state that many Tory papers, here and there, have been saying that Mr. Mackenzie King was seeking to be of some service to the President of the United States in connection with his desire to conclude a trade agreement with Great Britain. That is what he meant, but he did not say it. He left it as a sort of vague impression, one which has been fostered right and left in the press supporting my right hon. friend. In fact, in an editorial in one of the papers of this city there appeared the statement that, when last year I visited Washington as the guest of the President, the purpose of my visit was to discuss the proposed trade agreement with Great Britain, that I had gone very fully into the whole matter with the President and with the Secretary of State, and that I had then gone to the imperial conference and at the conference had been the advocate for the United States with respect to an agreement with Great Britain.

May I say to you, Mr. Speaker, and to hon. members, that at the time I visited Mr.

Roosevelt at the White House in the early part of last year, and had the privilege of discussing a great many questions with him in an intimate way, the subject of a trade agreement between the United States and Great Britain was never so much as mentioned. The same is literally and absolutely true with respect to any conversation I had with the Secretary of State for the United States at that time, or with any member of the United States government.

It was from the British Ambassador in Washington, and from our own minister in Washington who, in turn, had received his information from the British Ambassador, that I learned for the first time that for some little time there had been explorations, negotiations, conversations, whatever the proper description may be, with respect to the possibility of a trade agreement between the United States and Great Britain. It was information given, not with any request attached to it, but a simple statement of the fact that these two countries were contemplating negotiations and had begun discussions.

When, with some of my colleagues, I was present at one of the sessions of the Imperial conference in London, the matter was brought up, not at my instance, as was stated from some inspired source, but by a minister of the crown in Great Britain. The question was discussed openly before the representatives of the empire countries there represented, in which number Canada was included. We were told of the nature of the negotiations under way and were asked to express our views with regard to them. I need not say to this House of Commons that any expression of views from any of my colleagues or myself was wholly to the effect that, while Canada was anxious in every way to be of service in the matter of furthering friendly relationships among different countries, we would necessarily wish to see that every privilege we enjoyed in the British market was fully protected, and that any change which might be made in that position could be made only as the result of what in our opinion were adequate compensations therefor.

I do not propose to-night to go into the matter of trade negotiations between Great Britain and the United States, or for that matter into trade negotiations between Canada and the United States. I shall have something to say on these matters at a later date. Part of the business of a leader of the opposition is, so far as possible, to draw out the government in advance of the time at which discussions on certain subjects may

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57		Germany. Speeches in Parliament	Feb. 1938	D 34721 - D 34722	
57		Governor General. Speeches in Parliament	1938	D 34723 - D 34725	
57		Imperial Conference, 1937. Speeches in Parliament	Jan. 1938	D 34726 - D 34729	
57		Italo-Ethiopian Conflict. Speeches in Parliament	Mar. 1938	D 34730 - D 34733	
57		Immigration. Speeches in Parliament	Feb.-Mar. 1938	D 34734 - D 34754	
57		King George VI: Coronation of. Speeches in Parliament	Feb. 1938	D 34755 - D 34758	
57		Lapointe, Rt. Hon. Ernest. Speeches in Parliament	Feb. 1938	D 34759 - D 34760	
57		League of Nations. Speeches in Parliament	Feb. 1938	D 34761 - D 34766	

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SHOP CARDS REGISTRATION

PROVISION FOR REGISTRATION OF DISTINCTIVE CARDS OF LABOUR UNIONS AND PREVENTING UNAUTHORIZED USE

Hon. FERNAND RINFRET (Secretary of State) moved for leave to introduce Bill No. 22, respecting the registration of shop cards by labour unions.

He said: Mr. Speaker, this bill is designed to establish a system for the registration of shop cards by labour unions, and authorizes the keeping of a register of shop cards. It prescribes the conditions upon which registration may be granted, and provides that a labour union may authorize the use of any shop cards registered by it under agreements for the use of the cards. It provides machinery for the cancellation of registrations and for correction of the register.

Motion agreed to and bill read the first time.

THE MINISTER OF JUSTICE

CONGRATULATIONS TO RIGHT HON. MR. LAPOINTE UPON THE THIRTY-FOURTH ANNIVERSARY OF HIS ELECTION TO PARLIAMENT

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, before proceeding with the business of the day I should like on behalf of those with whom I am associated to convey to the right hon. the Minister of Justice (Mr. Lapointe) our heartiest congratulations upon the celebration of the thirty-fourth anniversary of his election to the House of Commons.

Thirty-four years is a long time in the life of any man; looking back, it must seem to the right hon. gentleman a very long time indeed. It is a fact to be remembered by all, and especially by the younger members, that the right hon. gentleman, who came here with little knowledge of the English language, by persistence and perseverance has made himself one of the most complete masters of the English language in this chamber. This should be a source of inspiration to the younger members of the house.

During the period of thirty-four years that has elapsed since he came to this chamber the right hon. gentleman has travelled far. We have not always agreed with him, and looking back I see less reason than ever why we should have—perhaps he would be the first to admit the correctness of that statement. He has made great progress, and, under Providence, has been permitted to play a not unimportant part in the life of our country. It is well that, where possible, continuity should be perserved in the representation of constituencies. The right hon. gentleman has been able to give an example of the affection and regard in which it may be possible for a member to be held by his constituents, and the fact that he has not always represented the same constituency goes to prove the universality of the affection in which he is held in his native province.

We congratulate the right hon. gentleman because he has served with distinction his day and generation, not only his own province but he country as a whole. In the profession to which we both belong, he has added lustre and distinction to the title of "Minister of Justice." In the Canadian Bar Association, as honorary president, he has rendered valient service to the cause for which that organization was created. We wish him many years of useful service. All of us in this chamber, whatever the motives that brought us here in the first place, have after all, the same desire to render service to the country we love so much. Whatever may have been the political predilections of the right hon. gentleman when he entered this chamber for the first time at the age of under thirty, I feel quite sure that to him party ties have lost much of their acrimony, blended smoothly and easily as they have been into that high regard for his country which has characterized his efforts in recent years and I am sure will be apparent in the years to come. We congratulate him upon his years of service and trust that in whatever capacity it may be—whether to the right or the left of you, Mr. Speaker, is a matter wholly unimportant—he may long continue to render service to Canada.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, on behalf of hon. members on this side of the house may I express to the right hon. leader of the opposition (Mr. Bennett) our warm appreciation of his thought and courtesy in extending the congratulations he has just extended to the one who in point of years of membership and service is, at the present time, oldest member of the Canadian House of Commons. I need not say how wholeheartedly all of us endorse his remarks. It would be impossible for any of us, most of all myself, to begin to say what we on this side of the house owe to the exceptional abilities, wise counsel and helpful guidance of the right hon. member for Quebec East (Mr. Lapointe). He has been at my side—my deskmate in fact—during all of the years I have held the position either of leader of the government or of leader of

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the opposition. His presence, I need scarcely say, has made my task very much easier and my place infinitely more secure, than it otherwise possibly could have been. I am glad to have this opportunity of saying in public and in this House of Commons, what I feel I owe to the loyalty, cooperation and constant help I have had from my right hon. friend during my entire public life.

The right hon. leader of the opposition has referred to the remarkable manner in which the right hon. member for Quebec East has mastered the English language and the example he has been to us all in that particular. There is another particular in which he has also been a great example, not only to hon. members of this house but to the citizens generally of our country. He has taught us the wisdom of moderation and of toleration in all that pertains to differences between classes, between races, between provinces and between creeds. I am sure that there is but one wish in this house and that is that our right hon. friend may be spared for many years to come as a member of the House of Commons in order that he may continue to give in parliament his exceptional abilities and qualities to the public service of our country.

Mr. A. A. HEAPS (Winnipeg North): Mr. Speaker, had the leader of the Cooperative Commonwealth Federation group been in his seat this afternoon I am sure he would have been only too happy to join in the compliments that have been paid this afternoon to the right hon. Minister of Justice (Mr. Lapointe). In his absence I desire on behalf of our group to concur in the sentiments expressed by the leader of the government (Mr. Mackenzie King) and the leader of the opposition (Mr. Bennett). If there is one thing that we appreciate about the Minister of Justice, it is his courtesy to all members of the house, no matter in what part of it they may sit. In this he sets another fine example which may be added to those referred to by the previous speakers. Even though we may not agree with what he says, he says it in such a way that we cannot but enjoy listening to his remarks. I wish to associate myself most heartily with those who have expressed the desire that the right hon. gentleman may sit in this chamber for many years to come.

Miss AGNES C. MACPHAIL (Grey-Bruce): Mr. Speaker, since I do not belong to any group I cannot let this opportunity pass without saying that I have always felt that the Minister of Justice (Mr. Lapointe) has been the one member of this house who has sustained my faith in human nature. Many times during the sixteen years I have sat in this house my faith has been threatened, but the Minister of Justice has always conducted himself in such a way as to restore my faith in my fellow men and in the members of this House of Commons. I do not think it would be going too far to say to the Minister of Justice, who is to-day celebrating the thirty-fourth anniversary of his first entrance into this chamber, that he is a greatly admired and beloved member of the House of Commons.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, ever since I came into this house the right hon. Minister of Justice (Mr. Lapointe) has impressed me as being a thoroughly good man. I believe he is enjoying to-day the harvest of a life well spent and I rejoice greatly with him in this day of celebration.

Right Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, it is indeed pleasant for one to hear so many nice things said about him during his lifetime. I did not expect to receive this afternoon any flowers, either in the form of roses or of speech. I am deeply grateful to my right hon. friend the leader of the opposition (Mr. Bennett) for his kind words. He is a prince in handling these delicate matters. As he says, very often we have not been in agreement, but I hope I shall always be able to keep his warmest friendship. I thank my right hon. leader (Mr. Mackenzie King) for the kind things he has said about me, and I thank also the other hon. members of the house who have been so kind.

It is not an unmixed blessing to be a sort of dean of the house. I am just as proud of being a member of this parliament as I was of being a member of the eighth parliament, the first session of which was in 1900. I was pleased when I was first elected a member of the House of Commons in 1904. During all my years in parliament I have made it a point to follow attentively the debates of the house. The poor English I speak to-day has been achieved by listening in the house to masters of the English language such as the leaders of the Liberal and Conservative parties. I repeat what I said the other day, that an association of thirty-four years with the members of this House of Commons has convinced me that there is no body of men more patriotic or more fully prepared to serve their country in the best way they can.

I thank my colleagues in the house for the kind words they have said of me. I hope I shall be in this house for a few more years,

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57		Imperial Conference, 1937. Speeches in Parliament	Jan. 1938	D 34726 - D 34729	
57		Italo-Ethiopian Conflict. Speeches in Parliament	Mar. 1938	D 34730 - D 34733	
57		Immigration. Speeches in Parliament	Feb.-Mar. 1938	D 34734 - D 34754	
57		King George VI: Coronation of. Speeches in Parliament	Feb. 1938	D 34755 - D 34758	
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2. The officers in charge of construction for the city of Toronto notified the Department of Transport that though construction will not be completed it will be sufficiently advanced to permit of its use by high-speed aircraft not later than July 1, 1938.

MONTREAL HARBOUR BRIDGE

Mr. WALSH:

1. At what figure is the Jacques Cartier (harbour) bridge now carried on the books of the government?

2. What loss, if any, has been sustained by the port of Montreal for the year ending December 1, 1937?

3. What loss, if any, has been sustained by the port of Montreal during the seasons of 1933, 1934, 1935, 1936?

4. What savings, if any, have been effected by putting the harbour of Montreal under the National Harbours Board?

5. What increase in revenue will accrue to the port of Montreal if advertised increase in rates is put into effect (based on the volume of traffic handled in 1937)?

Mr. HOWE:

The following information is furnished by the National Harbours Board:

1. Capital cost of Jacques Cartier bridge is not carried on the books of the government except as an indirect liability in respect of guaranteed bonds outstanding. It is carried on the books of Jacques Cartier bridge at a capital cost of $18,649,077.80. Operation, maintenance and carrying charge of the bridge are covered by a set of accounts which are separate and distinct from those kept in respect of general harbour operations at Montreal, and the deficits of the bridge are provided for by annual votes of parliament.

2. Net income deficit, 1937, $1,066,514.60, exclusive of Jacques Cartier bridge.

3. Net income deficit (exclusive of Jacques Cartier bridge): 1933, $1,407,916.21; 1934, $1,787,795.57; 1935, $1,467,889.78; 1936, $1,263,654.52.

4. Expenses of administration, operation and maintenance in 1935, the last year under local commission, were $2,394,967. In 1936, the corresponding figure was $2,209,179, and in 1937, $2,136,800. In the meantime operating revenues increased from $4,032,770 in 1935, to $4,238,836 in 1936, and $4,377,350 in 1937. The net improvement on operating account over 1935 figures was, therefore, $391,854 in 1936 and $602,747 in 1937, a total in two years of $994,601, made up of $443,955 in reduced expenses and $550,646 in increased revenues.

5. Publication of any estimate of anticipated revenue must be regarded as premature at this stage. The National Harbours Board has placed before carriers, shipping agents, consignees, and other users of the harbours, draft tariffs of harbour dues, dockage and top wharfage, and is preparing to receive any representations which may be offered. The object of the board is to have substituted for present tariffs, established when the harbours were under local boards, a coordinated series of charges, designed to remove any anomalies and unfair discriminations which may now exist as between harbours that are competitive and to secure, in view of the deficits shown by the harbours, such increase in revenues as may be justified, due consideration being given to comparable charges elsewhere, costs on alternative transportation routes and other factors influencing the movement of traffic. No changes in rates are made except upon the authority of the governor in council.

*LEAGUE OF NATIONS—ATTITUDE OF CANADIAN DELEGATION ON FAR EASTERN SITUATION AND REELECTION OF SPAIN TO COUNCIL

Mr. COLDWELL:

1. Did Canada's League of Nations delegation at Geneva vote on October 6, 1937, on the report of the drafting committee of the League of Nations, recommending that signatories of the Nine Power Treaty be invited to meet to examine the far eastern situation?

2. What instruction or advice was given to the Canadian delegation by the government of Canada or the Department of External Affairs on or about September 20, 1937, regarding the question of the reelection of Spain to a seat on the council of the League of Nations?

Mr. MACKENZIE KING: Hon. members will see that this question is really two questions, and both involve matters on which there has been a good deal of misunderstanding, but neither question is so framed that an answer limited to the point raised would be of much assistance in making the situation clear. I therefore propose to answer the question orally and in the form of a statement on the questions referred to.

The first question refers to press reports last October to the effect that the Canadian delegation in the league assembly had abstained from voting on the resolution regarding the Sino-Japanese war, and to the effect further that this was due to failure on the part of the Canadian government to send instructions promptly.

The Sino-Japanese conflict was referred by the assembly to a committee termed the far eastern advisory committee, on which Canada was represented. Some phases of the question were referred by this committee to a sub-committee on which Canada was not represented, and this sub-committee finally

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REID HILL DISTRICT, ALTA., MAIL CONTRACT

Mr. HANSELL:

1. What persons tendered on contracts for carrying mail throughout the Reid Hill district adjacent to Vulcan, Alberta, on or about the first part of January, 1938?
2. What was the amount of each tender?
3. Who obtained the contract?
4. When did he, or will he, commence his duties?

Mr. EULER: The tenders submitted for the conveyance of mail over a proposed rural mail route from Vulcan, which were opened in the Post Office department on January 28, 1938, are still under consideration,—the awarding of a contract being suspended until the result of a canvass for boxes is known.

Information concerning the tenders will be available as soon as contract is awarded and executed.

CANADA'S WAR DEBT

Mr. ISNOR:

1. What is the total outstanding war debt (in dollars and cents) of the Dominion of Canada.
2. Is this amount now being carried on the balance sheet of the public accounts?
3. If so, under what heading?
4. Is there at present a special war tax?
5. If so, what is the total revenue from such source?
6. Is said war tax being used to liquidate war debt?
7. If not, to what fund is it being credited?
8. What was the total amount received from war tax during the fiscal year of 1937?

Mr. DUNNING:

1. It is impossible to determine with accuracy what portion of the outstanding debt of Canada is "war debt." All loans issued during the war have been refunded one or more times; in some cases portions of maturing issues were paid off and in other cases refunding issues were increased to provide funds for other purposes. War expenditures were charged when made to the consolidated revenue fund, likewise other expenditures attributable to the war, such as war pensions, treatment and after-care of returned soldiers, soldier settlement, interest on and administration of public debt, etc. All revenue received by the government goes into a common fund, the consolidated revenue fund, and all expenditures are made therefrom. It is impossible, therefore, except by the use of highly hypothetical assumptions, to calculate the proportion of the present total net debt of Canada which may be attributed, directly or indirectly, to the war.

In the public accounts for the year ended March 31, 1937, a table is given (see page 51) showing war and demobilization expenditures (including adjustment of war claims) year by year since 1915, and totalling $1,695,958,569.66 as at March 31, 1935. This total, however, does not include any expenditures for war pensions, treatment and after-care of returned soldiers, soldier settlement, interest on war debt, or other indirect or consequential expenditures arising out of the war.

2 and 3. Answered by No. 1.

4. Income tax is collected under a statute entitled "The Income War Tax Act." Various excise taxes, the tax on bank note circulation and the tax on net premium income of insurance companies other than life, are collected under a statute entitled "The Special War Revenue Act."

5. In the fiscal year ended March 31, 1937, the amount collected under the Income War Tax Act totalled $102,365,241.75, and under the Special War Revenue Act to $154,457,679.76.

6 and 7. All government receipts are credited to the consolidated revenue fund from which all government disbursements are made.

8. Answered by No. 5.

TORONTO MUNICIPAL AIRPORT

Mr. GRAYDON:

1. What proportions of the cost of the new Toronto municipal airport at Malton, Ontario, will be borne by the dominion government, provincial government, and the municipal corporation of the city of Toronto?
2. When will the said airport be opened for aerial traffic?
3. What is the estimated total contribution of the dominion government towards the construction and completion of said airport?

Mr. HOWE:

1 and 3. An agreement has been entered into between the Department of Transport and the city of Toronto for assistance in the development of the Malton and Island airports, which are now being constructed by the city authorities. This agreement calls for contributions as follows:

Fiscal year 1937-38	$100,000
" " 1938-39	250,000
" " 1939-40	100,000

The municipal authorities have advised the department that the province of Ontario is contributing similar amounts and that the proportion of the total cost of the two developments will be approximately:

Dominion government	24 per cent
Provincial government	24 per cent
City of Toronto	52 per cent

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set up a drafting committee. The drafting committee reached agreement on the text of a report on the afternoon of October 5. An attempt was made to rush the report through the three remaining stages that same day, regardless of the consideration that a large number of members of the assembly were not represented on the sub-committee or on the committee itself. After adoption by the sub-committee it was referred to the full committee. The senior Canadian representative quite properly refrained from voting, giving his reasons as follows:

> This is the first time I have seen the two reports under discussion. I notice that they contain conclusions of great importance. I have no instructions from my government, to which I would at least like to communicate the conclusions with a view to obtaining their approval as soon as possible. Therefore, in the circumstances, I am bound to suspend my adhesion to these reports until such time as I have received these instructions. I hope they will be available before the matter is discussed by the assembly, when I hope that I shall be able to support the reports.

Later in the same evening, at eight-thirty, the report was sent on to the assembly, and it was proposed to proceed immediately with the discussion and voting. The delegates of Norway and the Union of South Africa protested that they had had no time to study the report and resolution or communicate with their governments. It was agreed to adjourn to the following afternoon.

The Canadian delegation at once cabled the resolution and their own views. That telegram was received and decoded at ten o'clock in the morning and delivered to me personally at once. The procedure adopted left no opportunity for consulting my colleagues, as it was then three p.m. in Geneva, but I concluded, in view of previous discussions and the tenor of the resolution, that no material question would arise, and therefore directed that a cable be sent in reply authorizing the Canadian delegation to support the resolution. This cable was dispatched in an hour and a quarter after the cable from Geneva had been received and decoded in the department. I brought the question before my colleagues at the first opportunity. When the reports and the resolution based on them came before the assembly that afternoon the Canadian delegation gave its support. No formal vote was taken. The procedure adopted was a negative one, which seems to be growing in use at Geneva, of considering all delegations present as supporting, unless voting contrary or declaring that they abstain. Two of the delegations present, Poland and Siam, abstained. It will thus be seen that there was no delay whatever at Ottawa, and that the Canadian delegation at Geneva was entirely justified in declining to vote on a resolution on a matter of first importance without having had adequate opportunity to consult the Canadian government. No other course would be possible if the work of the league is to be taken seriously and if members at a distance from Europe are to take a considered and responsible part in its deliberations.

The second query has to do with the voting on a question of lesser importance, namely, the election of members of the council.

Members of the house will recall that in addition to the permanent or great power members of the council, now reduced to Great Britain, France and Russia, and also Italy, which has announced its resignation, it is the practice to elect temporary members, usually for a three year term. Certain countries have developed claims in the past ten years to semi-permanent seats. Before any temporary member which is retiring can be considered for reelection the rules provide that it must obtain from the assembly a declaration of re-eligibility for a two-thirds vote. If successful it may then be a candidate for reelection. On the present occasion Spain and Turkey failed to secure the necessary majority for re-eligibility. The countries elected in place of Chile, Spain and Turkey were Belgium, Iran (formerly Persia) and Peru.

As to Canadian instructions, none were given on this occasion and none have been given for some years past. The full list of candidates is not known until the assembly is in session. I may add that information on every phase of the assembly agenda, to the extent of some hundred pages, was furnished the members of the delegation, and some points of special importance were discussed in council before the Canadian delegation left.

Following the vote the Geneva correspondent of an English paper telegraphed that the empire delegates had split on the question of Spanish re-eligibility; Canada, the Irish Free State, India and Egypt voting against Spain's re-eligibility, and the United Kingdom, Australia and New Zealand for it. This irresponsible statement was relayed to Canada by two Canadian correspondents in London, and in due course various editorials and resolutions appeared criticizing the alleged stand. Not one of the critics appeared to have stopped to consider whether the report could have any foundation, or what the league procedure was in such voting. The fact is that under article 2 of the rules adopted by the assembly for the election of non-permanent members it is provided:

> The assembly shall pronounce separately by secret ballot upon each request for re-eligibility.

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I need only say that the correspondent who sent out this story had no information or facts whatever to base the story upon. It was an irresponsible cable, based upon guess or gossip. The Canadian delegation did not give any statement as to its vote.

I am not aware that any responsible country has ever made a statement as to how its delegation voted on a question which the league assembly had expressly provided should be balloted upon in secret. The secrecy imposed upon such balloting is a league regulation, not a Canadian decision. To break this rule because a Geneva correspondent sends out reports on subjects of which he has no knowledge would simply encourage the circulation of guesswork in the hope of provoking a denial or confirmation. For this reason, at the time the dispatches appeared, I felt it desirable and necessary to refrain from indicating how the Canadian delegation voted. I intimated, however, at the time that I thought it might be possible, in the event of the matter being brought up in parliament, to give to parliament the information sought. As the question has been asked, and a refusal to give the information requested might only lead to renewed controversy and misrepresentation of Canada's position, I have decided to inform the house what in fact was the stand taken by the Canadian delegation in this case. I am not sure that in so doing I am justified under the league regulations. I hope however that my so doing may serve to emphasize the necessity for avoiding reckless news stories and unconsidered comment on questions which easily arouse acrimony and friction, and do something to prevent similar incidents in future.

The Canadian delegation voted for the re-eligibility of Spain. The reasons why the Canadian delegation voted for the re-eligibility of Spain are very concisely set forth in a letter which I received from Senator Dandurand shortly after the vote was recorded. It is dated Brussels, November 10, 1937, and is as follows:

The Right Hon. The Prime Minister,
Secretary of State for External Affairs,
Ottawa, Ontario.

My Dear Prime Minister,

I have taken cognizance of the debate which has taken place in the Canadian press over the attitude of the Canadian delegation in relation to the request of Spain to be again allowed to present its candidature for a seat in the council of the league. The query repeatedly made to you bore on the vote which Canada gave on that question. You answered quite properly that the vote had been taken by secret ballot and that the public was not made aware of the way in which the various nations had recorded their will.

[Mr. Mackenzie King.]

I may say that to this date I am unaware as to the individual action of the members of the league. I do not know how Great Britain voted, nor the other members of the commonwealth, although I met them daily.

Since you stated publicly that you would give that information to parliament, if it were asked and if you were allowed to by the rules governing the assembly of the league of nations, I have no hesitation whatever in informing you that the Canadian delegation voted in favour of the re-eligibility of Spain, for the following reasons:

1. When Spain expressed in 1926 its intention of withdrawing from the League of Nations, if the assembly did not allow her a permanent seat in the council, it was suggested that an opportunity would be afforded of obtaining election to a non-permanent seat, with the right of re-eligibility on a two-thirds vote. Two years later, in 1928, the same procedure was proposed again. In order to secure the collaboration of Spain in the work of the league, a resolution to that effect was carried in the assembly by a vote of 44 to 5. Canada supported the resolution.

2. Because the Canadian delegation did not feel that the calamity of war in Spain could justify the members of the league to inflict upon this unhappy country the further humiliation of the loss of its seat in the council;

3. Because the Canadian delegation had solely Spain in mind, without asking themselves what government would represent her, to-day or to-morrow, in the assembly and in the council;

4. Because the Canadian delegation could not take sides for one faction or the other, as Canada had faithfully followed the policy of non-intervention in the affairs of Spain.

The sole duty of the Canadian delegation was to think of Spain as an entity, without interfering in its domestic quarrels.

Yours very faithfully,
R. Dandurand.

LANSDOWNE, ONT., POSTMASTERSHIP

Mr. STEWART:

1. Was the postmaster at Lansdowne relieved of duties within the last year?

2. If so, what were the reasons for his dismissal?

3. Upon whose recommendations was the appointment of the present postmaster made?

Mr. EULER:

1. Yes.

2. The postmaster tendered his resignation.

3. Canadian Legion and D. E. Lewis.

LANSDOWNE, ONT., RURAL MAIL ROUTES

Mr. STEWART:

1. What are the names and addresses and the amount of tenders of the parties who tendered for current mail service on each of the following rural mail routes,—1, 2 and 4 Lansdowne, Ontario?

2. What is the name and address of the contractor for each of said routes?

K. Speeches D34765

HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

MONDAY, February 21, 1938.

The house met at three o'clock.

BANKING AND COMMERCE

Mr. G. W. McPHEE (Yorkton—for Mr. Moore) moved that the first report of the standing committee on banking and commerce be concurred in.

Motion agreed to.

FISH TRAP LICENCES

Mr. A. W. NEILL (Comox-Alberni): I wish to present a petition, signed by W. W. R. Mitchell, president of the Associated Boards of Trade of Vancouver Island, and 9,594 others, all citizens of British Columbia. The prayer of their petition is that this honourable house may be pleased to order the abolition of fish trap licences in the waters of British Columbia.

REPORTS AND PAPERS

Order in council, P.C. 361, relating to a loan to the province of British Columbia.—Mr. Dunning.

Report of work done and expenditures made during the calendar year 1937 respecting construction of a Canadian National railway line from Senneterre to Rouyn in the province of Quebec; report of work done and expenditures made to the end of December 31, 1937, together with the estimated expenditures for 1938, respecting the construction by the Canadian National Railway Company of certain terminal facilities, grade separation and other works at and in the vicinity of the city of Montreal.—Mr. Howe.

CANADIAN WHEAT BOARD

Hon. W. D. EULER (Minister of Trade and Commerce): I wish to lay on the table the report of the Canadian wheat board for the crop year 1936-37. The report has been printed and will be available for the members within a day or two.

LEAGUE OF NATIONS

BRITAIN'S FOREIGN POLICY—CANADA'S RESPONSIBILITIES AS MEMBER OF THE LEAGUE

On the orders of the day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Before the orders of the day are proceeded with I should like to direct a question to the Prime Minister (Mr. Mackenzie King). In view of recent occurrences indicating a change in Britain's foreign policy, will the Prime Minister make a statement at an early day on the government's attitude to Canada's responsibilities as a member of the League of Nations?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I might answer my hon. friend's question at once. The attitude of Canada towards the League of Nations remains precisely as set forth by myself in this House of Commons at the last session of parliament.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

CANADIAN FARM LOAN BOARD—LOANS IN SASKATCHEWAN

Mr. COLDWELL:

1. What was the amount of loans placed by the Canadian Farm Loan Board in northern Saskatchewan?

2. What individual or firm acted as solicitor in the Prince Albert and adjacent area?

3. How much money, if any, was paid to the firm of Davis and Davis, barristers and solicitors, Prince Albert, Saskatchewan, in solicitors' fees for said board?

4. Who are the partners in or members of the firm of Davis and Davis, Prince Albert, Saskatchewan?

Mr. DUNNING:

The following reply is furnished by the Canadian farm loan board, with respect to questions 1 to 3:

1. As the loan records of the board are kept on a provincial unit basis only, the information asked for is not now available.

D 34766

2. The services of J. G. Deifenbaker, Prince Albert, in the period September to November, 1935, and C. S. Davis, Prince Albert, in the period November, 1935 to May, 1937, were utilized. None at present.

3. None. The board has paid to J. G. Deifenbaker, Prince Albert, the sum of $12.75 and to C. S. Davis, Prince Albert, the sum of $207.00, on account of legal services rendered the board.

4. C. S. Davis is sole partner of the firm of Davis and Davis.

FEDERAL INCOME TAX—QUESTION OF SHARING WITH MUNICIPALITIES

Mr. CHURCH:

Is it the government's intention to grant a share of federal income tax to the municipalities where it is collected as a subvention for services rendered the government in the way of exempt property, by giving the municipalities a share of this federal collection in the same way as provincial authority shares income tax?

Mr. DUNNING: This question relates to a matter of policy and it is not usual for the government to make statements on matters of policy in giving replies to questions.

ST. LAWRENCE RIVER DREDGING FLEET

Mr. POOLE:

1. Was the government dredging fleet of the St. Lawrence river ever kept idle while work was being done by the General Dredging Company?

2. How many vessels, dredges, boats, tugs, etc., have been sold by the government to the General Dredging Company since 1922?

3. What was the price obtained on any sale made?

4. What sales were made without tenders being called, and what were the prices?

Mr. HOWE:

1. The number of dredges employed by the contractors and by the department on the St. Lawrence work has varied from time to time, and it has happened that work has been done by contractors' dredges when departmental dredges were not fully employed, This has been due in part to the urgency of the work of providing a deeper and wider ship channel from Montreal, and also to the fact that contractors' dredges were able to do more work with the money available than could be accomplished by departmental dredges.

2. The following units of the dredging fleet, St. Lawrence ship channel, were sold to General Dredging Contractors, Limited, together with Sorel shipyard, on July 22, 1937:—

Dredge No. 3 (at south channel) (scrap), dredge No. 4 (at south channel), dredges Nos. 5, 8, 12, 13, 14, 15, 16, 17, dredge No. 18 (unfinished), Churchill No. 1.

[Mr. Dunning.]

Tugs:—Deschaillons, Becancour, Lake St. Pierre, Varennes (scrap), Contrecœur (scrap), Iberville (at south channel) (scrap).

Coal barge No. 6, hopper barges Nos. 1, 3, 4, and 5 (all at Quebec), rockbreaker No. 1, steel sand dumping scow No. 22 (at south channel).

Steel dumping scow No. 23; Nos. 24, 25, 26 (at south channel); No. 27; No. 28 (at south channel); No. 29; Nos. 30 and 31 (at south channel); No. 32.

Steel sand dumping scow No. 33; wood dumping scow No. 34 (scrap); wood dumping scow No. 35 (scrap); steel dumping scows Nos. 36 and 37 (at south channel); No. 38; No. 39 (at south channel); Nos. 40 and 41.

Winch scow No. 1, 11—Barrel floats, 3—small wood flat scows, fire scow No. 1, fire scow No. 2.

Also the following surplus marine equipment, Montreal harbour:—

Tug "Aberdeen", tug "David Sneath", dipper dredge "John Kennedy", dipper dredge No. 5; floating derricks Nos. 1, 4 and 8; launch "Messenger"; dumper scows Nos. 36, 37 and 38; flat scow No. 2 (equipped with hand derrick); hull of old concrete mixer; flat scow "A6"; flat scow No. 22; flat scow No. 31 (equipped with steam derrick); flat scow No. 55 (equipped as floating sawmill); flat scows Nos 50, 51, 52, 58, 59, 61; 3 derrick floats.

3. The lump sum consideration for the entire transfer of the shipyard property, and appurtenances thereto was $1,708,544.

4. Sale was by negotiation.

SHORT MEASURE IN GASOLINE SALES

Mr. BERTRAND (Prescott):

1. Has the Department of Trade and Commerce through its branch of weights and measures, or otherwise, been made aware of short measure in sales of gasoline, wholesale or retail?

2. If so, how many complaints from each province: (a) from wholesale sales; (b) from retail sales?

Mr. EULER:

1. The department receives from time to time (nearly all in the winter) incidental complaints of short measure in gasoline, but most of them relate to apparent shortages due to the contraction of the gasoline under low temperatures (1 per cent for every 20° F.)

2. Answered by No. 1.

RASPBERRY PULP IMPORTATIONS

Mr. LENNARD:

How much raspberry pulp was imported into Canada for the twelve months ending December 31, 1937?

Mr. EULER: Raspberry pulp is not separately recorded in Canadian import statistics.

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
57		Marketing in U.K. Speeches in Parliament	1938	D 34767 - D 34780	
57		Massey, Hon. Vincent. Speeches in Parliament	Jan. 1938	D 34781 - D 34784	
57		National Employment Commission. Speeches in Parliament	1938	D 34785 - D 34786	
57		Obituaries. Speeches in Parliament	1938	D 34787 - D 34875	
57		Paris Speech: Speeches in Parliament	Apr. 1938	D 34876 - D 34883	
57		Power, Export of. Speeches in Parliament	Mar. 1938	D 34884 - D 34947	
58		Procedure: Speeches in Parliament	1938	D 34948 - D 34955	
58		Radio. Speeches in Parliament	Feb.-May 1938	D 34956 - D 34972	
58		St. Lawrence Waterway. Speeches in Parliament	Mar. 1938	D 34973 - D 34974	
58		Spanish Civil War. Speeches in Parliament	Mar. 1938	D 34975 - D 34978	
58		Sino-Japanese Conflict. Speeches in Parliament	Jan.-May 1938	D 34979 - D 34994	

"K" Speeches
Marketing: Debate on Address

D34767

MARKETING IN UNITED KINGDOM

including

SHAW REPORT

(See Memo: "Advertising and Publicity")

1. **Publication of Shaw Report:**

Section of press has attempted to make capital out of certain criticisms implied in Report re Government's efforts to facilitate marketing of Canadian goods in United Kingdom;

Sought to find in Report evidence of misunderstanding between members of Government responsible for services in question -

Some have professed to find indication of major Cabinet crisis;

Happy to say that a disappointment is in store for those who looked for such an outcome;

Report issued by authority of Minister of Agriculture

December 9, 1937

Intended primarily to bring home to Canadian farmer importance of ensuring that his produce was of quality, and in form, acceptable to U.K trade;

D 34768

Report was inaccurate in certain respects, and unhappily expressed in others - consequently, gave rise to certain misinterpretation;

Government has, therefore, thought it expedient not to re-issue report;

Government now giving consideration to the constructive suggestions which it contains and to best form in which circulation may be given to its recommendations for improve of processing and preparing for market of Canadian agricultural goods;

2. Transfer of advertising appropriation from External Affairs to Trade and Commerce -

Here, also, certain persons have professed - or perhaps, hoped - to see evidence of dissention among members, and departments, of government;

As Secretary of State for External Affairs, I have a direct concern with question of transfer of $550,000 yearly estimate from Department of External Affairs;

D 34769

Vote being restored to estimates of T. and C. from which it was transferred in 1933-34; restoration to T. and C. has been under consideration for some time - long before issue of Shaw Report.

(See Prime Minister's statement to press re, attached)

Purpose of transfer in 1933-34 from E.A.

to facilitate co-ordination of advertising and publicity activities in U.K. under direction of High Commissioner;

Former High Commissioner, (Mr. Ferguson) fully realized need for such co-ordination and his efforts in this direction have been successfully completed by present H.C.;

Mr. Massey has performed valuable services in organizing and developing, on most effective basis, governmental advertising assistance to marketing of Canadian produce in U.K.;

Work of co-ordination and elimination of overlapping in effort and expenditure facilitated by fact vote was administered by External Affairs -

D 34770

Work of co-ordination now satisfactorily completed;

Advisory publicity committee, established under High Commissioner will continue its functions;

will be under supervision of High Commissioner as in past;

Long-range considerations indicate publicity and advertising should be integral part of general programme for promotion of overseas trade -

closely linked as possible with work of Commercial Intelligence Service and Exhibition Commission;

Time now appropriate to place vote under supervision of Minister of Trade and Commerce -

Minister of T. and C. already directly responsible for allied services to Canadian exporter -

Restoration of vote to Trade and Commerce in accord with Government's policy of seeking to attain miximum efficiency and saving through consolidation and co-ordination of similar services;

Proper for Minister of Trade and Commerce to take responsibility for vote to House in Commons;

(In past, Prime Minister had of necessity to get his information from Minister of T. and C. in explaining estimate to House of Commons.)

Hankey 212

Revised

D 34772

MEMORANDUM FOR THE PRIME MINISTER

ADVERTISING AND PUBLICITY

If the Leader of the Opposition refers to Government publicity and advertising policy overseas in the course of the Debate on the Speech from the Throne, he is likely to raise the question under the following heads:-

1. Publication of the Shaw Report

Mr. Bennett will probably wish to know under whose authority the Report was issued, whether copies are now available and if not whether it has definitely been withdrawn from circulation, or is to be reissued in revised form. He doubtless has a copy of the Report (there were some 5,000 issued) and will want to know what action the Government proposes to take in respect of the Report's implicit criticisms of the administration of the Trade Commissioner Service by the Minister of Trade and Commerce and of the advertising and publicity activities conducted under the supervision of the Secretary of State for External Affairs.

D 34773

The first answer is that the Report was issued by the authority of the Minister of Agriculture on the 9th December, 1937, and that it was primarily intended to bring home to the Canadian farmer the importance of putting his produce into shape acceptable to the United Kingdom market. The Report was inaccurate in some respects, unhappily expressed in others and had in consequence been subject to a certain amount of misinterpretation. In these circumstances, it was not thought expedient to reissue it. Its constructive suggestions are being taken under consideration by the Government and further circulation in some form will be given to its recommendations to producers for improving the processing and preparation for market of Canadian agricultural products.

3. Transfer of the appropriation for advertising and publicity from External Affairs to Trade and Commerce Estimates.

This vote is being restored to the Estimates of the Department of Trade and Commerce from which it was transferred in 1933 - 1934 with a view to

facilitating the coordination of Canadian Government advertising and publicity activities in the United Kingdom under the direction of the High Commissioner for Canada, who is an officer of the Department of External Affairs. The House will probably remember that there was a real need for unified direction of Government activities in these fields in the United Kingdom. Mr. Ferguson fully realized it and his efforts in this direction have been successfully completed by the present High Commissioner who has done an extremely competent and business-like job of organizing and developing Governmental advertising assistance to the marketing of Canadian produce in the United Kingdom. The coordination of existing agencies and the elimination of overlapping in effort and expenditure was undoubtedly facilitated by the fact that this vote was administered by the Department of External Affairs but that job is now satisfactorily completed. The advisory publicity committee, established under the chairmanship of the High Commissioner, will continue to carry out the work it has been doing in connection with the

D34775

vote for Government advertising and publicity in the United Kingdom.

Long-run considerations, however, indicate that Government assistance to the advertising of Canadian products should be an integral part of its general programme for the promotion of overseas trade and, as such linked as closely as possible with the work of the Commercial Intelligence Service and the Exhibition Commission. The time is now appropriate to place this vote under the supervision of the Minister of Trade and Commerce, who is already directly responsible for allied services to the Canadian exporter. The transfer of this particular vote from External Affairs to Trade and Commerce is, therefore, a direct consequence of the general policy of the Government in this matter which may be stated as follows:-

> All financial provision for Governmental assistance to the promotion of Canadian trade abroad (including any appropriations for advertising and trade publicity) shall be made in the Estimates of the Department of Trade and Commerce and shall be subject to the supervision of the Minister of Trade and Commerce.

D 34776

3. Prevention of duplication of expenditure and effort in Government activities in relation to advertising and publicity overseas.

The Government have taken the first major step toward the realization of this objective in formulating the policy in respect of financial provision for advertising services overseas, which has just been quoted. By eliminating overlapping in Departmental estimates and concentrating expenditure on advertising and publicity abroad in the estimates of the Department of Trade and Commerce, we are confident that real economies can be achieved and better value got for monies appropriated for these purposes.

The second step designed to facilitate co-operation between the several Departments of Government which can contribute to the more effective development and utilization of the advertising and trade promotion services administered by the Department of Trade and Commerce is the establishment of a permanent advisory committee on trade publicity overseas. It will consist of

representatives of the Department of Trade and Commerce, External Affairs, Agriculture and Fisheries. Its duty will be to assist in securing effective collaboration between the several Departments concerned with special aspects of Government advertising and publicity abroad.

To prevent any misunderstanding of the arrangements outlined, I might repeat that the Department of Trade and Commerce is the responsible body charged with promoting the development of Canadian export trade. It is in charge of Government assistance to the marketing of Canadian goods abroad. In performing that task effectively, it will have to have the active cooperation of such Departments as Agriculture, Fisheries and Mines and Resources, each of which is directly in touch with domestic producers on farms, in the fisheries, forests and mines.

The role of the Department of Agriculture in this programme of a vigorous marketing policy is particularly important. With its recently reorganized marketing services, it is now in a

D 34778

better position than before to promote the sale of agricultural products in the domestic market. It has charge, in cooperation with the Provinces, of all activities, relating to the preparation of these products for the home as well as the external market, such as grading, packaging, classifying and generally encouraging the production and shipment of agricultural products in form acceptable to our customers at home and abroad. The only permanently satisfactory basis for a healthy export trade to the United Kingdom or any other market is a production policy designed to improve and maintain the quality and regular volume of goods available for export. In the case of farm products, this is particularly true. The Government through the Department of Agriculture, can render valuable aid to producers in keeping them informed of the requirements of particular markets, assisting them in the maintenance of grading and quality classifications and advising in respect of the packaging and labelling of their produce.

D 34779

We believe that, as a result of the proposed concentration of the financial responsibility for all overseas marketing activities under the Minister of Trade and Commerce and of the establishment of more effective machinery for interdepartmental co-operation than has existed heretofore, it will be possible to render continuously more effective aid to the expansion of Canada's export trade without any proportionate increase in the outlay on the responsible Government services.

NORMAN ROBERTSON

January 29th, 1938

D 34780

Marketing

Mr. King's description of division of responsibility between Department of Agriculture and Department of Trade and Commerce re

Agriculture has to do, in Canada, with the work of production, grading, standards, inspection, etc., and abroad, with inspection services. Apart from this latter aspect, its work is completed on this side of the Atlantic. Sales, marketing, publicity, etc., in foreign countries, the responsibility of Trade and Commerce.

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58		Procedure: Speeches in Parliament	1938	D 34948 - D 34955	
58		Radio. Speeches in Parliament	Feb.-May 1938	D 34956 - D 34972	
58		St. Lawrence Waterway. Speeches in Parliament	Mar. 1938	D 34973 - D 34974	
58		Spanish Civil War. Speeches in Parliament	Mar. 1938	D 34975 - D 34978	
58		Sino-Japanese Conflict. Speeches in Parliament	Jan.-May 1938	D 34979 - D 34994	

my right hon. friend will recall that prior to 1933, I think it was, the Minister of Trade and Commerce brought into the house estimates with respect to the work of publicity overseas, and he himself changed that arrangement and had them brought in by the Minister of External Affairs, which office he held, because, as I understand it, he felt, from representations which the Hon. Mr. Ferguson had made—Mr. Ferguson was high commissioner at the time—that there was need for closer coordination of effort with respect to publicity in the old country, and that there should be more immediate control by the high commissioner. He believed that he himself was in a better position than anyone else to bring about the desired result. When we came into office Mr. Massey continued the work which Mr. Ferguson had carried on in that regard; and Mr. Massey has done that work as efficiently and effectively as could be expected of any high commissioner.

What is the change that has been made? In reality none, so far as Mr. Massey is concerned. Mr. Massey's position remains exactly as it is with respect to the supervision of the work of publicity. He will be assisted in the future, as in the past, by an advisory committee composed of representatives of the departments that are doing advertising there. The only difference is that instead of my presenting, as Secretary of State for External Affairs, the estimate for overseas publicity, advertising and the like, in the estimates of the Department of External Affairs, these estimates will be presented hereafter by my colleague the Minister of Trade and Commerce.

Mr. BENNETT: Instead of the high commissioner's office?

Mr. MACKENZIE KING: Yes, instead of their being presented in connection with the vote for the high commissioner's office they will be presented with the estimates of the Minister of Trade and Commerce. That change was made at my own instance after the experience I went through in the house last year in presenting the estimates to the house. After having endeavoured to tell this house about the overseas advertising publicity campaigns, and the like, I said to Doctor Skelton, the Under-Secretary of State for External Affairs, that I did not see why I should have to do this, that it properly belonged to the Minister of Trade and Commerce, and that I hoped that, when the estimates were prepared this year, that vote would be submitted in the name of the Minister of Trade and Commerce.

Mr. BENNETT: Then there is no change at all?

Mr. MACKENZIE KING: There is no change at all, and the effort to have it appear that in some way there has been some difference which accounts for the change is as erroneous as it could possibly be. I think that what was felt most keenly in connection with the Shaw's report was that references, which were not intended in any way to relate to the advertising campaign which Mr. Massey had put on for the Canadian government in England, were construed as relating to that campaign. They did not refer to that campaign at all. I think it has been generally conceded that that work was done most effectively and efficiently. It is very much to Canada's interest that it should be distinctly understood in the old land that there is nothing but the highest approval on the part of the government, and I believe on the part of the opposition and all hon. members of the house, of the campaign put on by Mr. Massey in the old country in the last year or two. In fact one of the strongest endorsations of that campaign came from the other side of the house last year.

In order that there could be no difference of view, and that the matter might be presented more clearly to the house when parliament met, I submitted a recommendation on the 25th of this month, and an order in council was passed with respect to advertising and the promotion of trade overseas, defining the relation between the work of the Department of Trade and Commerce and the high commissioner's office regarding advertising in the United Kingdom. The recommendation adopted is as follows:

1. All financial provision for governmental assistance to the promotion of Canadian trade abroad (including any appropriations for advertising and trade publicity) shall be made in the estimates of the Department of Trade and Commerce and shall be subject to the supervision of the Minister of Trade and Commerce.

2. An advisory committee on trade publicity overseas shall be set up of representatives of the Department of Trade and Commerce, External Affairs, Agriculture, Fisheries, whose duty it will be to assist in securing effective collaboration between the several departments concerned with special aspects of government advertising and publicity policy abroad.

3. The advisory committee on publicity in the United Kingdom established under the chairmanship of the High Commissioner shall continue to carry out the work it has been doing in connection with the vote for government advertising and publicity in the United Kingdom.

With the permission of the house I should like to table the order in council.

I hope this will clear up the situation. I deplore very much the criticisms that have

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thousand in all having been ordered. When the matters to which I have referred were brought to the attention of the government, the minister himself suggested to me that it would be inadvisable for him to continue the distribution further. He said he would retain what he had and that the part of the report which contains constructive suggestions, with respect to production might later be made available in another form in connection with any statement of policy which might be based upon recommendations contained in the report. That is where the matter stands at the present time.

Mr. BENNETT: Was there an order in council?

Mr. MACKENZIE KING: With respect to the report?

Mr. BENNETT: No, with respect to the consolidation of the department.

Mr. MACKENZIE KING: With respect to the consolidation of the department, that has been a matter of internal organization in the department, the minister managing his own department and arranging its affairs within the terms of the law.

So that there may be no mistake about the line of demarcation between the functions of the two departments, may I say what my understanding of it is—and I think it is correct. The marketing of agricultural produce in so far as it relates to Canada is a matter that belongs entirely to the Department of Agriculture. There can be no doubt about that. There are in Canada provincial departments of agriculture as well as the federal department, and it is necessary for the minister so far as the federal Department of Agriculture is concerned, to have supervision over the entire work of marketing throughout all parts of Canada. As Minister of Agriculture, he is equally interested in seeing that all agricultural commodities for sale in foreign countries are so processed, packed, classified, packaged, transported and inspected, that there can be no doubt regarding their quantity and quality when they reach the market. In other words, he has to see to the quality and acceptability of the commodities that are exported.

Mr. BENNETT: "Acceptability" might be open to a wrong construction.

Mr. MACKENZIE KING: "Acceptability" in this sense, that the effort of the Minister of Agriculture is to ascertain the particular form and the quality and the kind of commodities most desired in the markets of the world. The jurisdiction of the Minister of Trade and Commerce begins with the matters of trade and of sale. The Minister of Trade and Commerce has to do with the business of sales, the business of trade in foreign countries. There need not necessarily be a conflict between the two. The line of margin where possible differences may arise, or at least have arisen in the past—they need not in the future if proper safeguards are observed—is with respect to the borderline I have described, where the Minister of Agriculture sees to it that products reach the old country and are there in a form for marketing that will be acceptable, and the part which the Minister of Trade and Commerce and his officials play in seeking to advertise these goods and to gain for them the widest possible sale.

All along there have been a number of inspectors in the old country, under the Minister of Agriculture, to inspect live stock and commodities as they reach that country. They have been there since 1912. It is proposed that there shall be—in fact the government has agreed to it—a commissioner to supervise the work of these various inspectors, and who is to be free to travel in foreign countries for the purpose of gathering information which he can send to his own department to be of assistance to the minister in having agricultural products prepared as necessary and in the manner most desirable. That is the extent to which his organization is expected to operate beyond the bounds of Canada; the rest of the work is all under the control of the Minister of Trade and Commerce.

That brings me to another matter which has been the subject of discussion, to which my right hon. friend referred when he was speaking to-night, namely that in some way the supervision of advertising had been taken from the High Commissioner for Canada, Mr. Massey, in consequence of the estimates having been transferred from the Department of External Affairs to the Department of Trade and Commerce.

Mr. BENNETT: I did not mention advertising.

Mr. MACKENZIE KING: What was it my right hon. friend had in mind?

Mr. BENNETT: I had in mind the question of the relation between the two departments in connection with the high commissioner's office. The statute says he shall act as agent for Canada in connection with all business.

Mr. MACKENZIE KING: What my right hon. friend says is correct; the high commissioner's position is that of agent for Canada with respect to all departments. However,

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been made of the high commissioner in London. I think they have been most unfair and unjust.

While speaking of the high commissioner, may I refer to one other criticism that has been made. It has been alleged anonymously that Mr. Massey did not show the attention he should have shown to some Canadians who were in London during the period of the coronation. I believe if it were left to hon. members who were in London at the time of the coronation to speak for themselves, they would agree with me that the high commissioner did all that any man could have possibly been expected to do in meeting the difficulties with which the high commissioner's office was faced at that time, and that what Mr. Massey and his small staff accomplished was really most remarkable in face of the situation as it existed. The coronation and the imperial conference made exceptional demands on the high commissioner's office. I wonder if hon. members realize how great that additional obligation was. There were arrangements for invitations to and the placing of Canadians in the abbey; the allocation of 4,800 tickets for Canadians to view the possession on the line of march, as well as the financing and administration of the sale of those tickets. This involved the writing of approximately 30,000 letters by a small staff hurriedly improvised for the occasion. There were arrangements for the erection of the stand at Canada House, the allocation of 525 seats thereon and the financing of this enterprise through receipts from tickets. This was entirely a Canada House initiative. Canadian visitors registered at Canada House during the coronation period to the number of 7,360. Efforts were made to assist them in a variety of ways, securing them accommodation, tickets for luncheons, hospitality, and looking after their mail. Approximately 30,000 letters were distributed or readdressed, to visitors by the Canada House staff during this period, while some 13,000 invitations to official, semi-official and private functions were arranged. The high commissioner himself entertained at his own house during the coronation period some 2,000 Canadian visitors. I submit that with a task of that size thrown upon the organization at Canada House, what was accomplished in the circumstances was truly remarkable.

Before leaving this subject, I desire to refer to an insinuation, if not a statement made by one newspaper correspondent, that money voted by this parliament for publicity purposes had been used by Mr. Massey as high commissioner for entertainment and social purposes. I deny that statement emphatically and totally. I wish to add that if more statements of that kind appear in future, the government will not hesitate to institute prosecution of those responsible for them.

Mr. BENNETT: It could not happen anyway.

Mr. MACKENZIE KING: No, certainly not. There will be other opportunities to discuss the work of the royal commission appointed to deal with dominion-provincial relations. I should like, however, to say at once that the criticism my right hon. friend has directed against the personnel of the commission is not so much a criticism of individuals of this particular commission as it is a criticism of all royal commissions. It is a criticism of the integrity of men who undertake judicial duties. My right hon. friend knows as well as anyone living, better than most people, that any attack of the character upon the judiciary would be wholly indefensible.

Mr. BENNETT: This is not judicial duty.

Mr. MACKENZIE KING: These are judicial duties, very much so. The commission is presided over by a chief justice of one of our provinces. I was surprised that my right hon. friend should make the attack he did upon the personnel of the commission. He has told us to-day that he did not make the criticism of the chief justice attributed to him. But he did, I think, include him as belonging to the pack of Grits to which he referred. He now nods his head to that effect. But the chairman of the commission was not so classified at the time he was president of the Privy Council in Sir Robert Borden's government. I think the present administration has shown pretty clearly in this appointment as in the appointment of Mr. Dafoe, the attitude of those who were supporters of Sir Wilfrid Laurier throughout the whole of his leadership. We have not been hidebound by a narrow or bigoted party point of view. We have sought to take what we believed was the right and large view of liberalism in this country. May I ask my right hon. friend a question? I suppose there is no greater political partisan in the country to-day than himself. And I think he would agree that there are few men in Canada—and I say this with pride and pleasure—who are more admirably equipped intellectually and by high legal attainments and learning for a position on the bench than himself. Would he regard the fact that he had been in politics, and is to-day the bitter partisan that he is, as evidence that he was wholly unsuited to occupy

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a position on a royal commission or wholly unsuited to occupy a place on the bench? The judiciary of this country is filled with men who at one time or another have occupied seats in this House of Commons, who have been extreme party men or perhaps I ought to say very sincere party men, who fought their political battles in the open, feeling that others believed in their integrity and sincerity of purpose. When they have gone on the bench or have acted as members of royal commissions or have been given other positions of honour and trust and confidence, they have sought to bring to those positions the integrity which their fellowmen had come to know and admire while they were sitting in parliament.

The same is true of the gentlemen who have been appointed to this royal commission. There is not in this country a man, with the possible exception of the chief justice of Ontario, who has given more careful thought and study to constitutional questions than Doctor Dafoe. I do not believe there is a man whose integrity of mind and purpose is stronger and firmer or more respected than that of Doctor Dafoe.

No one knows better than my right hon. friend that this commission is not deciding on the future constitution of Canada. The work of the commission is concerned with the finding of facts and the expressing of opinions in reference to those facts. Whether or not the opinions reached prove to be wise and such as to commend themselves to the judgment of others will depend upon what those opinions are, in the light of all the facts put before the commission. My right hon. friend says we should have had the matter so arranged that there would be a convention where, as soon as one opinion was put forward, in the very next moment it could be combated by another. I wonder what would be accomplished at a convention of that sort, where every time a speaker got up to make one proposal from one province he would be combated by someone with a counter proposal from another province. It was precisely to avoid that sort of thing that this commission was appointed, and that is the reason most commissions are appointed. The commission will make its investigation thoroughly, as it is doing now, with respect to facts and opinions from coast to coast, being prepared to receive any representations presented to it in a responsible way for consideration. All this information will be at the disposal of hon. members of this house and the members of provincial governments when estimating the value of the opinions of the commission. Whether or not the government itself will accept the views of the commission, or the opinions of the commission, is not by any means certain. The government like everyone else, will wish to study the report. We are not obligating ourselves in advance to accept whatever this or any other commission may recommend or suggest. The terms of reference have been drafted in specific terms to make clear that what the commission is expected to do is to give opinions and the grounds for those opinions and endeavour so to elucidate matters that when public bodies come to deal with the great questions with which the commission is concerned, they will have accurate and adequate information before them.

I venture to say that the commission has more than justified its establishment already, if for no other reason than that the country sees to-day, as it has never seen before, the reasons for the differences that exist between different parts of Canada and the difficulties in the way of meeting the various situations that arise. I venture to say there is not an hon. member of this parliament who has not already had his eyes opened by the representations that have been made to the commission in different parts of the country; as to what was expected of the central government; as to what is to be expected in years to come, and as to the impossibility of the acceptance of some of the proposals that are being advanced. It is just because the whole situation is so complex and involved that it is necessary to have a commission to sort out the material and go through it in a thorough manner, reviewing it so that it can be taken up intelligently by those who later will have to deal with the question of policy.

So far as policy is concerned, what is to be done with the information that will be put before parliament as a result of the work of the commission, is a matter which will come up entirely independently of the commission. Anyone who seeks to say that we are seeking, by means of the commission, to change the constitution of this country, and that we are changing it, is stating something that is wholly without foundation. The commission has been appointed, not to change the constitution, but to examine facts with regard to economic conditions, financial responsibilities and the like. There is a difference between changing and examining. When it comes to the question of change, this parliament and the legislatures of the different provinces of Canada will have their full say in the matter.

Mr. BENNETT: The order in council speaks of the distribution of legislative powers.

Mr. MACKENZIE KING: Yes, the commission is empowered to examine into the distribution of legislative powers, but not to change them. My right hon. friend knows

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
57		Marketing in U.K. Speeches in Parliament	1938	D 34767 - D 34780	
57		Massey, Hon. Vincent. Speeches in Parliament	Jan. 1938	D 34781 - D 34784	
57		National Employment Commission. Speeches in Parliament	1938	D 34785 - D 34786	
57		Obituaries. Speeches in Parliament	1938	D 34787 - D 34875	
57		Paris Speech: Speeches in Parliament	Apr. 1938	D 34876 - D 34883	
57		Power, Export of. Speeches in Parliament	Mar. 1938	D 34884 - D 34947	
58		Procedure: Speeches in Parliament	1938	D 34948 - D 34955	
58		Radio. Speeches in Parliament	Feb.-May 1938	D 34956 - D 34972	
58		St. Lawrence Waterway. Speeches in Parliament	Mar. 1938	D 34973 - D 34974	
58		Spanish Civil War. Speeches in Parliament	Mar. 1938	D 34975 - D 34978	
58		Sino-Japanese Conflict. Speeches in Parliament	Jan.-May 1938	D 34979 - D 34994	

"K" Speeches

Notes prepared by Mr. Fredenburgh for debate on address.

D34785

NATIONAL EMPLOYMENT COMMISSION

Liberal Opposition, in early years of depression urged establishment of such a Commission to undertake comprehensive survey of situation and to make recommendations on basis of its studies;

Bennett Government refused to accept Liberal proposal - Labour Department left to struggle with problems arising out of depression and unemployment;

Present Liberal Government sought, as soon as possible after taking office, to carry out its undertaking - (N.E. Commission Act, assented to April 8, 1936; Commission appointed May 13, 1936);

Commission has more than justified its establishment:

Government's efforts to alleviate distress, create employment and stimulate industry have largely been based upon its investigations and recommendations;,

(1) Registration of all persons on relief throughout Dominion -

has provided the basis for dealing in a more effective way with problem of relief;

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(ii) Projects already undertaken by government on basis of Commission's recommendations have proven highly beneficial -

Youth training,

Home Improvement Plan,

Farm Improvement and Employment Plan;

Commission was appointed as an advisory body -

(although Act provided that administrative functions might be accepted)

Final report tabled (April 1) by Minister of Labour -

Contains very important and far-reaching views and recommendations -
(See memorandum attached)

Government now giving careful consideration to terms of Report.

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Notes re the late William Michael Ryan, B.A., M.A., B.C.L., K.C.

(Liberal Member for St. John-Albert, N.B.,
died January 4th, 1938.)

Death occurred on the same day as that of Sir George Perley:

Within a few hours after word had been received of the passing of Sir George Perley, news came of the death, on the same day, of Mr. Ryan;

Having been ill for some time, his death was not entirely unexpected, but coming at such a time, added greatly to the shock;

A sad circumstance that the same day saw the passing of two men from opposite sides of the House, one at the close of a long political life, and the other at the very threshold of what gave promise of being a successful career;

Heavy toll since Parliament prorogued; 5 Members taken from our ranks during recess; on few previous occasions has House suffered so grievously;

Born and educated in New Brunswick:

Mr. Ryan was born in St. John, November the 22nd, 1887;

Educated at University of St. Joseph's College, and King College Law School;

Before practising profession as barrister, had worked as a newspaper man in St. John and Regina;

D 34788

A King's Counsel, 1934;

A candidate in the 1926 and 1930 elections;

determination, and the qualities traditionally associated with his race made him persevere in his efforts;

In 1935 election successful by substantial majority.

His work as Member of House of Commons:

Journalistic and legal training stood him in good stead when he entered House of Commons;

An effective advocate of the principles and policies of his party;

An energetic worker with wide interests, Mr. Ryan took leading and active part in the work of the House;

In both 1936 and 1937 sessions he played a useful part as a member of a large number of the standing committees -

("Marine and Fisheries, Debates, Library, Railways and Shipping; Member of the Special Committee on Radio, 1936, and took an active part in the deliberations of that body;)

A measure of his interest in public questions indicated by his participation in debates on many subjects of nation-wide concern including -

(agriculture, trade, finance, pensions and national health, pensions for the blind, freight rates, harbour boards, Canada-United Kingdom Trade Agreement, Canadian National Railways, Foreign Enlistment Act, labour problems, New Brunswick affairs, trade and commerce, Trans-Canada air lines, unemployment;)

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Mr. Ryan showed outstanding fidelity to the interests of his constituents.

Death at the beginning of a promising political career:

Mr. Ryan had just passed his fiftieth year;

In brief term as Member, had already given evidence of outstanding ability;

Forthright in the expression of his views, yet genial in manner, with a capacity for making friends;

Some measure of his character and ability indicated by fact that, although a newcomer to the House, he was selected by his fellow-members from New Brunswick to be the Government Whip for the New Brunswick members; In this capacity he rendered the Chief Government Whip, and his fellow-members generally, a deeply valued measure of co-operation and assistance;

Much to be regretted that his passing should have come so early in his new-found field of endeavour.

he had made many friends on both sides of House, and will be much missed;

I personally found in him a loyal and devoted friend and supporter;

A particularly tragic circumstance that he should have been struck down with the illness which later proved fatal, just prior to the Christmas season;

Sympathy of all Members of the House will extend to his widow and four children.

January 8, 1958
WJT/PM

D 34791

Notes re the late Joseph A. Verville

(Liberal Member for Lotbiniere)
(died November 20, 1937)

Mr. Verville's passing a distinct shock:

Still comparatively a young man - only fifty years of age - sixteen years junior to Mr. Cameron and twenty years junior to Dr. Tolmie;

This circumstance, coupled with that of his sudden passing as a result of a heart seizure, added to the shock felt when news of death received;

Born and educated in Quebec:

Born at Ste-Gertrude, Quebec, in 1887;

Educated at Nicolet College;

Graduated as a notary from Laval University;

One-time mayor of St. Flavien;

Political career entirely in federal field:

Unlike Mr. Cameron and Dr. Tolmie, who made names for themselves in the provincial legislatures, as well as in the Dominion Parliament, Mr. Verville's activities were confined to federal affairs;

First elected as a Member for Lotbiniere in the general election of 1925;

Re-elected at each subsequent general election;

D 34792

Quiet and effective worker:

Although not a farmer himself, Mr. Verville represented a farming constituency and was genuinely interested in farm problems;

Quiet in manner, Mr. Verville did not hesitate to express his convictions, even when they ran counter to the general opinion of members of his party; he was an indefatigable worker on behalf of his constituents, and believed it was his duty, at all times, to express the sentiments of his riding (spoke against increased defence estimates, although voting with government);

In addition to taking an active part in debates of the House dealing with agricultural matters, Mr. Verville was also a member of the standing committees on public accounts and private bills;

Passing will be regretted on all sides of House:

In the twelve years since his first election, Mr. Verville made many friends in this House;

A real loss to the Liberal party and particularly to the constituency which he represented;

He was a valued friend and a most loyal supporter;

All present will desire to express deep sympathy to his sons and daughters, who survive him (4 sons, 3 daughters).

D 34793

Notes re late Honourable Simon Fraser Tolmie, P.C., LL.D., M.P., V.S.

(Conservative Member for Victoria, B.C.,
died October 13, 1937)

His career had much in common with that of Mr. Cameron:

both were native sons of the provinces which they represented in Parliament;

both had taken active part in provincial affairs;

both remained close to the people on whose behalf they had worked, which fact contributed to the affection in which they were held and to their understanding of the problems of their fellow-men;

Dr. Tolmie's life identified with colonial days:

his father, William Fraser Tolmie, a pioneer of the Pacific Coast, arriving at Fort Vancouver, Washington, as an M.D. in the Hudson Bay service, 1838; afterwards a member of the Legislative Assembly of the colony of Vancouver Island before it merged with the mainland to form present Province of British Columbia;

his mother, a daughter of a Hudson's Bay Company chief factor, was also of those people who contributed much to the building up of Canada, and with her husband, played a part in Canadian colonial history;

Dr. Tolmie, himself, was born only a few months after the colonies were united, and was four years old when British Columbia entered Confederation;

D 34794

Long associated with agricultural life of Canada:

born on a farm - Dr. Tolmie retained his love of the soil and his pride in his associations with the farming community;

a veterinary surgeon - he was able to keep his contacts with agricultural life;

was outstanding in his chosen profession;

following service as Inspector of Animals for government of British Columbia, Dr. Tolmie became Inspector of Animals for Dominion government as well;

reputation then made, brought him the post of Chief Inspector of Animals for the federal Department of Agriculture;

in later life, a farmer and breeder of pure bred livestock;

President of Dominion Holstein Breeders; B.C. Veterinary Association; B.C. Holstein Breeders;

A prominent figure in provincial and Dominion politics:

first entered political life in 1917, when he was elected federal Member for Victoria;

was returned to three successive parliaments - 1921, 1925 and 1926; (in all, was elected five times to represent his constituency at Ottawa);

in 1919, appointed Minister of Agriculture in government of Sir Robert Borden;

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held same post in Meighen Ministries of 1920 and 1926;

also served his party as National Organizer in 1923;

resigned from House of Commons, 1928, to become leader of British Columbia Conservative party;

premier of the province in 1928;

his defeat in 1933 meant a temporary abandonment of his political career;

re-elected to the House of Commons June 8, 1936, in by-election (Victoria);

Personal qualities largely responsible for his successes:

Dr. Tolmie had a great capacity for making friends;

he was of a jovial nature, and had a ready wit - altogether a most human person;

his boundless energy expended in public service;

had no personal enemies, but rather a legion of friends, of whom I was proud to be one;

when he came back to House of Commons after by-election of 1936, those who sat with him in previous parliaments welcomed him as an old friend, regardless of political differences;

his passing a loss to his party, to public life, and to those in all parts of Canada who will mourn the death of a friend;

This House will wish to extend its sympathy to his sons and daughters;

NOTE: Mrs. Tolmie died in 1935; Dr. Tolmie survived by 2 sons and 2 daughters.

D 34796

Notes re the late Daniel Alexander Cameron

(Liberal Member for Cape Breton - North Victoria,
died September 4, 1937)

Since prorogation of Parliament, two Members have passed away - one from each side of the House;

The first to be taken from our midst - D. A. Cameron - a newcomer to the House (elected in general election, 1935), but a veteran in the public service;

Born and educated in Nova Scotia:

born at Sydney River, N.S., in 1870;

educated in the schools of his province;

a graduate of Dalhousie;

a classmate of Rt. Hon. R. B. Bennett, with whom he graduated in 1893 (newspaper report);

Mr. Cameron's legal attainments of a high order:

outstanding in many cases at the Nova Scotia Bar;

Crown prosecutor for Cape Breton County;

a stipendiary magistrate in the City of Sydney from 1905-1917;

solicitor for the Municipality of Cape Breton for 20 years;

A long and active career in provincial affairs:

in 1900, elected a member of the Cape Breton Council, in which body he retained membership until 1911;

treasurer of Cape Breton County for 14 years;

first entered provincial politics in 1916, winning in Cape Breton County;

D 34797

entered Legislative Council in 1922, at which time he became the Liberal leader in the Upper House, also holding position of Minister without portfolio in the Murray government;

received acclamation at by-election in Victoria County and appointed Provincial Secretary in Armstrong government;

resigned early in 1925;

returned to Provincial House in 1928;

Active in Federal Parliament:

Mr. Cameron's election as Member for Cape Breton - North Victoria by a substantial majority (2,390) indicated esteem in which he was held by the electors;

his long experience in provincial politics made him well equipped for participation in House of Commons work;

a great capacity for perseverance and thoroughness;

quiet in manner, restrained in his utterances, he was nevertheless an effective debater with wide interests;

a recognized authority on the coal and steel trade of Nova Scotia;

during 1936 session he spoke on many subjects, including trade, shipping, civil aviation, tariffs, mail services, transportation, fishing, weights and measures, and a variety of labour questions;

in 1937, he contributed to the debate on provincial parks and on the old age pensions;

D.34798

he was, in addition, a most active Member of Committees;

was a member of the following:

Railways, Canals and Telegraph Lines;

Public Accounts;

Marine and Fisheries;

Library Committee;

Special Committee on Dominion Elections;

A Liberal of the old school;

staunch in his convictions;

restrained in his presentation of them;

kindly disposition;

fair to his opponents;

enjoyed the respect and affection of friends in all parts of the House;

The sympathy of this House will go out to his widow# and the people of his constituency, on whose behalf he so long laboured.

- Mrs. Cameron only surviving relative.

"K." Speeches 1938

D 34799

Suggested Notes re the late Sir Robert Borden:

Desire to say a word of appreciation of Sir Robert, not only as a former M.P. and Prime Minister, but also as a close personal friend;

Fortunately, in our political life, differences of policy and of party affiliation do not preclude warm personal friendships -

happy to say that, while Sir R. and I sometimes found ourselves taking a different point of view, our personal friendship, so far from being impaired thereby, grew with the passing of the years;

Early Associations with Sir R.:

As deputy-Minister of Labour, as Member of Parliament and, later, Minister of Labour, when Sir R. was Leader of Opposition -

As Leader of Opposition (1919-20) when Sir R. was Prime Minister;

Shall always remember consideration which, as an older man, more experienced in political life, he

D 34800

showed me in my efforts to discharge newly assumed responsibilities;

Political Career:

Unlike most persons who have achieved prominence in public life in Canada, Sir R. did not enter the political field till he was in his forties (42);

Entered H. of C. for Halifax in 1896 - year in which first Laurier Administration took office;

Became Prime Minister in 1911, when Laurier, after 15 years of office, laid down the responsibilities of government;

For 10 years, during which he led his party in opposition, before the reward of office finally came, Sir R. required all the patience which he possessed in so large a measure;

For the next 9 years he was P.M. -
the trend towards war,
years of conflict on unprecedented scale,
demobilization and the beginning of
reconstruction and civil re-establishment;

No need to stress the critical nature of those years -
Critical for Canada, the Empire and the world;
At length, on July 10, 1920, at the age of 66, he laid
aside the mantle of office, exhausted, and
with health impaired -
Not too much to say that he, like many a soldier
in the field, was a "casualty of the war";
Certain of his policies gave rise to long and bitter
controversy -
however much one disagreed with some of the measures
administration
enacted during his ambition, one could not
doubt the sincerity of Sir Robert's views, or
fail to admire the quiet determination with
which he pursued his ends;
Throughout the years he was in office, his personality
and his leadership were a dominant force in
the national life;

Beautification of Ottawa:

Born in the beautiful Grand Pré (N.S.) country, he had
an abiding love of the beauty of nature -
Never tired of the lovely view of the Rideau River
from his Ottawa home ("Glenmore");

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Greatly enjoyed excursions into the Gatineau country (fishing);

A lover of nature, he also derived much pleasure from the planned beauty of fine buildings, streets, parks -

like his great predecessor (Laurier) he was immensely interested in the beautification of Ottawa -

both sought to ensure that Canada should have a Capital worthy in beauty and amenities of the Dominion;

Nationhood of Canada:

Has taken his place in history of our country as "Canada's Wartime Prime Minister";

His name also associated with constitutional events, during war, and at time of Peace Conference, which sought fuller recognition of the nationhood of the Dominion, alike in the Commonwealth and among the nations of the world;

On the basis of this country's tremendous sacrifices in the war, he successfully asserted Canada's claim to sign the peace treaties, and to become a separate member of the League of Nations -

D34803

By these achievements he facilitated the complete recognition of Canada's nationhood which later found expression in Imperial Conferences of 1923 and 1926, in exchange of Ministers with other countries; negotiation and signature of treaties with foreign powers, and in Statute of Westminster in 1931;

Personal characteristics:

broad intellectual capacities, strong convictions, a wide range of knowledge, quiet dignity and personal charm - these qualities made him a forceful leader and won for him a host of friends throughout Canada and elsewhere;

while not a great orator like Laurier, his clear, reasoned discussion of a topic, seldom failed to gain him a sympathetic audience;

a man of letters - while his own writings were largely concerned with constitutional and international subjects, his interests covered a wide field of literature -

deep interest in development of Canadian Archives;

Sir R.'s political activities were never permitted to overshadow his broad humanitarian outlook

D 34804

and his interest in all that pertained to human well-being;

His retirement from office (July 10, 1920) brought little diminution of his interest in public affairs and in the great social, constitutional and international issues of our day;

Having been so intimately concerned with the prosecution of the Great War, and having learned in so direct a way the horrors of modern warfare, few had a deeper concern in furthering peace and understanding between nations;

Took a leading part in organization and work of League of Nations Society in Canada;

At the time of formation of League of Nations, he recognized the importance of United States membership;

Sympathy for Lady B. and others:

In the press and pulpit, on the public platform and in the many messages which poured in at the time of his passing, the sympathy and the sorrow of people in this country and elsewhere,

D 34805

and the profound admiration and respect
in which he was held, found full expression;

At Imperial Conference in London, highest tribute paid
to Sir Robert - message of condolence to
Lady B.;

General satisfaction that the government's offer of a
public funeral found acceptance;

Feel sure I am voicing feelings of all members, as of
people of Canada as a whole, in expressing
sympathy felt for Lady Borden, who for almost
half a century, shared so fully and sympatheti-
cally the struggles and the achievements which
marked Sir Robert's career;

Sympathy also for his sister - Miss Julia - who still
makes her home on the hold homestead at
Grand Pré;

also for brothers - Henry C. (Halifax);
J. William (Florida);

and for nephew - Henry Borden - who was at
Sir Robert's bedside at the time of his
passing;

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Sir Robert's place in national life:

Following his retirement, he quickly came to occupy a position largely removed from party differences;

Pleased that one of his last public acts was his acceptance of Government's invitation to participate in unveiling of monument at Vimy (July 26, 1936);

Alike in office and in retirement, he set a high example of public service;

Like his great predecessors in office, Macdonald and Laurier, he strove to achieve real and lasting unity of Canadian people - to overcome differences of race, religion, of economic and social interests, and of sectional as opposed to national point of view;

Need of broad Canadian point of view today, as at other times, in seeking to solve the social, constitutional and economic problems confronting us.

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Notes re the late William Samuel Hall

(Social Credit Member for Edmonton,
died January 26, 1938)

Death of Dr. Hall has brought to six number taken from ranks of House since prorogation of Parliament;

Born and educated in Ontario:

Dr. Hall was born at Mount Forest Ontario in 1871;

Educated at Hawkesbury, Ontario, Royal College of Dental Surgeons, and Toronto University;

A practising dentist in Edmonton;

Had also spent number of years in New Zealand and in Vancouver, but returned to Edmonton, to which city he had first moved in the early 1900's (1903 or 4);

A newcomer to Parliament:

Unsuccessful candidate in provincial elections of 1935;

Was elected to House of Commons in 1935;

Dr. Hall made no speeches in House, and perhaps preferred to spend first years in study of procedure and other details of the activities of Parliament;

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Time of his passing added to shock:

Death of Dr. Hall occurred within few hours of the Opening of Parliament;

A sad reminder of the depletion of the ranks of the House when it is recalled that, since the beginning of the New Year, no less than three Members have been taken from our midst (Sir George Perley, W. Ryan, W. Hall);

Dr. Hall well advanced in years when he became active in public affairs;

Death came practically at beginning of Parliamentary career;

First loss in the ranks of his party;

Sympathy of House will go to his colleagues and to his widow and daughter.

D 34809

Notes re the late Right Honourable Sir George H. Perley, G.C.M.G., M.P.

(Conservative Member for Argenteuil, P.Q., born Sep. 12, 1857) died January 4, 1938)

His passing a great loss to this House, to the public life of our country and to Canada as a whole;

I do not think Sir George would wish us to strike a sorrowful note; in his life and in his death, much to make those, who were his friends, rejoice -

had been granted many years of unimpaired vigour -

spared prolonged suffering, and went in the fulness of his strength;

As he had lived, - at peace with the world, so in peace he ended his days;

On New Year's Day he had taken his part in the life of the Capital;

Sunday saw him at his accustomed place of worship;

I understand that on Monday, the day before his death, he had been taking his usual part in the life of the city, and that night he passed quietly in his sleep - "as one who draws the drapery of his couch about him, and lies down to pleasant dreams".

D 34810

Personal attributes:

Simplicity of life; of tastes and habits -
a man of means, lived unostentatiously, doing his duty and quietly performing good works where he saw them to be done;

Courtesy and kindliness;

Democratic instincts and feelings; generosity; never lost his friendly contacts with those in the humblest walks of life; maintained to close his deep concern for wellbeing of less fortunate of his fellows;

The gift of winning, all along the journey of life, the esteem and the friendship of men and women of all shades of political opinion;

Character and disposition reflected in the calm and kindliness of his countenance;

The substantial traits of character were also his - dignity; integrity; loyalty;

Strong sense of duty - never avoided any task; no undertaking too onerous or too humble if it lay in path of duty;

Unassuming; without vanity or selfish ambition -

D 34811

willing to act in any capacity where his services might be of use;

always prepared to efface himself for others;

always willing to work in the background - his main concern that the task be done;

A long and distinguished career:

His father represented Ottawa in the House of Commons and was an outstanding citizen of the community;

Sir George himself grew up in the picturesque surroundings of the Ottawa valley - in the days of the early lumbering industry;

How long a career his was, and how much of change he witnessed and of experience he brought to his public life, we realize when we recall that he was ten years of age at Confederation and lived in Ottawa before it was chosen to be Canada's Capital; that he could remember, as he told us in a broadcast but a few months ago, the time when the settlement consisted of but two small struggling communities, one in Lower Town and one at the Chaudiere - separated by some two miles of poor road; while in between, there were practically no buildings, except the Barracks, standing on the site of these very Parliament Buildings;

Entering Parliament when all but fifty years of age, he occupied, for over three decades, in years of war and peace alike, a foremost place in our public life;

Disinterested service, at home and abroad, characteristic of entire career in high offices of state, and in positions of great trust, honour and responsibility;

(Contested unsuccessfully Argenteuil, general election 1900 and by-election, 1902;
He first entered House of Commons for Argenteuil, 1904;
Chief Whip in 1910;
Chief aide to Sir Robert Borden;
An effective organizer for his party in 1911;
Minister without portfolio in Borden cabinet;
Acting Prime Minister as early as 1912-13;
During visit to England in early part of 1914, he assumed temporary charge of the then vacant office of High Commissioner for Canada;
With the outbreak of the War, Sir George remained in charge of this office, and added to the duties of it these of the First Minister of Overseas Military Forces;
When he relinquished the latter post in October 1917, Sir George accepted the appointment as High Commissioner for Canada, and remained in that office until March 1922;
Member of Imperial War Cabinet;
Delegate at Imperial Conference, 1917;
Conference at Versailles, 1919;
Assembly of League of Nations, 1921;
Acting Prime Minister during absences of both Sir Robert Borden and Mr. Bennett;)

D 34813

Life identified with worthy causes:

Sir George's whole life dedicated to worthy causes - of a private as well as a public nature;

His charity was not a matter of philosophy only - it found constant and practical expression in many philanthropic enterprises, which will long remain memorials of his generosity;

(As early as 1897, he served as chairman of the Prescott and Russell Fire Relief Fund;
Again in 1900, served as chairman of the Ottawa-Hull Fire Relief Fund;
In 1918, he presented to the City of Ottawa the hospital which bears his name.)

His concern in national matters did not diminish his interest in the community in which he spent virtually all his life;

he took his full share of responsibility as a citizen of Ottawa and in everything which affected its welfare;

Significance of political career:

Maintained and enhanced the best traditions of public life; never more needed than in these times of changing values and loyalties;

(a) Amenities of public life -

staunch partisan; yet always fair, tolerant, respectful of opinions of others; believed in

D 34814

sincerity of his opponents; political strife did not prevent him from observing amenities of public life, or from forming those friendships with men of other convictions which removed the asperity from debate and strengthen the political institutions of our land;

(b) Moderation -

Career characterized by essential reasonableness of view; temperate in opinion as in language; not a man of great extremes; realized the need for accommodation of conflicting views in interest of national unity; moderation, and change by evolutionary methods essential to working of democratic institutions;

(c) Ideal of public service -

Career throughout one of large and unbroken public service; a life given so completely to furthering the public wellbeing cannot fail to be an inspiration to others; need today of men following Sir George's example and giving their time and energy in service to the state; good government cannot be attained without men of large experience, broad vision, whose lives are devoted disinterestedly to public affairs; -

D. 34815

whose public acts are determined not by a fitful or selfish response to questions as they arise from day to day, but by long and understanding knowledge of national problems;

(d) Value of experience -

Tendency today to minimize value of experience in conduct of affairs; life of Sir George demonstrates fallacy of this view; years sat lightly upon him and passing of time, rather than impairing his usefulness, added to it; his vitality, youthfulness, interest in new problems and aspects of our day, maturity of his judgment, steadiness in the years of the war, and in the harried years of peace which have followed - all were a source of envy to those much younger;

Loss to his party:

Practical knowledge, sound judgment of men and affairs - meant much to his party, both in office and opposition;

At all times trusted confidant of his colleagues;

An intimate associate of three Prime Ministers - experience and personal loyalty such that duties of an acting prime minister might be left in his

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hands at any moment;

as one who has known something of responsibilities of office, can appreciate what his services meant to successive leaders of his party;

his understanding of the burdens and problems which beset the leader of a party or a government, and his capacity to share them, must always have been a source of security as well as assistance;

Sir George had reached and passed his 80th year, without impairment of his powers;

in a sudden blow, his party is thus deprived of one foremost in its councils; effective in debate; and possessed of great discernment and experience;

To the Leader of the Opposition, who will more especially miss his former desk-mate and colleague, and to the members of Sir George's party generally, extend sincere and deep sympathy of government and supporters;

D 34817

A personal friend for over forty years:

Proud to have had Sir George as a close personal friend;
He had been a friend of my mother and father;
His home one of the first to extend a welcome, when, almost forty years ago, I came to Ottawa;
Our friendship had strengthened and ripened with the years;
In House of Commons, I never failed to receive, at his hands, an understanding consideration and courtesy; recall with pleasure occasions when Sir George had been acting Prime Minister;
Outside the House, we had many pleasant associations;
We had met at His Excellency's Levee on New Year's Day, and renewed the greetings then exchanged at Laurier House during the afternoon;
His passing a deep personal loss to me;

All will wish, Mr. Speaker, to extend the deep and genuine sympathy of this House to Lady Perley, who, throughout a quarter of a century, was so closely associated with Sir George's public activities, and herself played such a large part in the many works of charity for which their names will long be remembered.

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TRIBUTES TO DECEASED MEMBERS

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, since we last assembled here no fewer than six of our number have been removed by the hand of Death. Three of the hon. members were supporters of the government; two hon. members, each a former minister of the crown, were members of the official opposition, and one hon. member belonged to the Social Credit party. This, I believe, is in the history of our parliament the largest number of deaths which have taken place, at any time, in the recess between the prorogation of one session and the opening of the next. This, undoubtedly, is accounted for in part by the fact that the recent recess has been somewhat longer than the average. No fewer than three of the deaths have occurred in the present month.

It will I know accord with the feelings of all who shared the proceedings of the previous sessions if before entering upon the work of this session, some expression is given to the loss which this house has sustained in its membership and some slight tribute paid to the memory of those whose lives and public services have been brought to a close, and who are so much in our thoughts at the present time.

The hon. members who have been taken from us, and the constituencies they represented, were: Mr. Daniel A. Cameron, Cape Breton North-Victoria, whose death occurred on September 4, 1937; the Hon. Doctor Simon F. Tolmie, Victoria, B.C., who died on October 13, 1937; Mr. Joseph A. Verville, Lotbiniere, who died on November 20, 1937; the Right Hon. Sir George Perley, who represented Argenteuil, and whose death occurred on January 4 of this year; Mr. William M. Ryan, St. John-Albert, who died on the same day; and Doctor William S. Hall, Edmonton East, who died the day before yesterday.

Of this number, Messrs. Cameron, Verville and Ryan were supporters of the government. All three were members of the legal profession. Mr. Verville entered this house in 1925 and was here in all subsequent sessions. Mr. Cameron and Mr. Ryan came into the house only at the beginning of the present parliament. Mr. Ryan and Mr. Verville were each in their fifty-first year, Mr. Cameron was in his sixty-eighth.

Mr. Verville was born at Ste. Gertrude, Quebec, in 1887. He received his education at Nicolet college and at Laval university; from which he graduated as a notary. At one time he was mayor of St. Flavien, where he was residing at the time of his death. Although not a farmer himself, Mr. Verville represented a rural constituency. He took a keen interest in agricultural problems as well as in other matters of concern to his constituency and the province. He was a man of a retiring disposition. He did not take much part in the debates of this house, but he held strong convictions, and did not hesitate to express his views when he felt it was in the interests of his constituency that he should do so. His career has been ended prematurely, but he has left a record of service to his constituency which will be remembered not only by those whom he immediately served but by the people of his province generally.

Mr. Ryan was born in Saint John, New Brunswick, and was educated at St. Joseph's University and at King College Law School. Before practising his profession as a barrister, Mr. Ryan had had considerable experience in journalism, both in his own province at Saint John, and at Regina. He was created a King's Counsel in 1934. The experience gained in law and in journalism stood him in good stead when he came to this parliament. He had previously, on two occasions, unsuccessfully contested Saint John, but at the last election was returned by a large majority. Hon. members will recall that while here for only two sessions, Mr. Ryan took an active part in the discussions in this house, and also served faithfully on a number of committees. He gave evidence of outstanding ability. I feel that his death, occurring at the age of fifty years, closed a promising political career.

D34819

Mr. Cameron was born at Sydney River, Nova Scotia, in 1870 and received his training at Dalhousie university. If I am not mistaken he was at Dalhousie in the same years as my right hon. friend the leader of the opposition (Mr. Bennett). Mr. Cameron before entering this parliament had already had a fairly long and active career in politics. He had taken quite an exceptional part in the affairs of his native province. He also had had an exceptionally fine career as a member of the legal profession. It was to be expected therefore that, even in the short time he was here, he would render real service to this parliament.

Mr. Cameron's public life may be said to have commenced with his interest in municipal affairs. In 1900 he was elected a member of the Cape Breton Council. He subsequently in 1916 and the years immediately following represented Cape Breton county in the provincial legislature. In 1922 he was made a member of the legislative council, and became the leader of his party in that house. When the legislative council was abolished Mr. Cameron sought re-election to the legislature and was returned by acclamation at a by-election as the member for Victoria. While a member of the legislative council Mr. Cameron had also been a minister without portfolio in the government of the late Hon. George Murray. After his return to the legislature as member for Victoria he became provincial secretary in the government of the Hon. Ernest Armstrong, which position he held until 1925. He was returned again to the legislature in 1928. As already mentioned, he was elected to this house at the last general election.

I am sure hon. members recall the effective manner in which Mr. Cameron discussed public questions. In his contributions to the debates the evidence he gave of wide reading, knowledge and experience and his calm judgment, avoidance of extremes of language in asserting his position, all helped to make his words bring conviction, and to leave a real impression upon the house. His death is a distinct loss to this parliament.

Mr. Cameron, Mr. Verville and Mr. Ryan were all outstanding Liberals. They were strong and firm in their convictions, faithful to their party and its principles, and very loyal to my colleagues and myself. They had friends in all parts of the house, but their loss will be felt particularly by those on this side, and by none more than my colleagues and myself, to whose administration they gave such loyal and whole-hearted support.

As I said a moment ago, it is not, however, from this side of the house alone that familiar forms and faces have vanished. The Conservative party has lost two of its outstanding members, two gentlemen who for many years were among the foremost in the public life of our country. And the Social Credit group has experienced the first loss in its ranks. I hasten on behalf of hon. members on this side to express both to my Conservative friends and to my friends of the Social Credit party the sympathy which is felt by members of the government and its following in the losses which they have sustained.

Sir George Perley and Doctor Tolmie were, as I have just said, foremost for many years in the affairs of their party and prominent in the affairs of our country. Each of them had been in public life for a considerable time. Doctor Tolmie was returned five times to this house from the constituency of Victoria, British Columbia. Sir George Perley was returned seven times from the constituency of Argenteuil in Quebec. Doctor Tolmie served eleven years in this House of Commons, and Sir George Perley twenty-five years. Each of them had served in more than one administration as a minister of the crown and each had occupied, elsewhere, positions of high honour, trust and authority. While they were very different in many respects there were some distinct similarities in their characters as well as in their careers. Each of them had inherited an interest in public life and an aptitude for public service.

Doctor Tolmie's father, a physician, was one of the pioneer settlers of the Pacific coast, and was a member of the legislature of the colony of Vancouver island before the island became part of the province of British Columbia. Sir George Perley's father was one of the pioneer settlers of Upper Canada before the days of the Union. He too had seen service in public life. From 1887 to 1890 he was a member for Ottawa in this parliament. I might add that Doctor Tolmie's mother and Sir George Perley's mother in those early days each contributed much to the communities in which they lived. That service is still gratefully remembered.

Both Doctor Tolmie and Sir George Perley had natures which were kindly and generous. Each possessed a real capacity for making and holding friends. I doubt if either of them had personal enemies among their political opponents while each had many friends in all parties. Doctor Tolmie and Sir George Perley were alike in yet another respect, what I might term their modesty. Each despite the prominence of his position was anything but

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D. 34821

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Mr. Ryan was born in Saint John, New Brunswick, and was educated at St. Joseph's University and at King College Law School. Before practising his profession as a barrister, Mr. Ryan had had considerable experience in journalism, both in his own province at Saint John, and at Regina. He was created a King's Counsel in 1934. The experience gained in law and in journalism stood him in good stead when he came to this parliament. He had previously, on two occasions, unsuccessfully contested Saint John, but at the last election was returned by a large majority. Hon. members will recall that while here for only two sessions, Mr. Ryan took an active part in the discussions in this house, and also served faithfully on a number of committees. He gave evidence of outstanding ability. I feel that his death, occurring at the age of fifty years, closed a promising political career.

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Mr. Cameron was born at Sydney River, Nova Scotia, in 1870 and received his training at Dalhousie university. If I am not mistaken he was at Dalhousie in the same years as my right hon. friend the leader of the opposition (Mr. Bennett). Mr. Cameron before entering this parliament had already had a fairly long and active career in politics. He had taken quite an exceptional part in the affairs of his native province. He also had had an exceptionally fine career as a member of the legal profession. It was to be expected therefore that, even in the short time he was here, he would render real service to this parliament.

Mr. Cameron's public life may be said to have commenced with his interest in municipal affairs. In 1900 he was elected a member of the Cape Breton Council. He subsequently in 1916 and the years immediately following represented Cape Breton county in the provincial legislature. In 1922 he was made a member of the legislative council, and became the leader of his party in that house. When the legislative council was abolished Mr. Cameron sought re-election to the legislature and was returned by acclamation at a by-election as the member for Victoria. While a member of the legislative council Mr. Cameron had also been a minister without portfolio in the government of the late Hon. George Murray. After his return to the legislature as member for Victoria he became provincial secretary in the government of the Hon. Ernest Armstrong, which position he held until 1925. He was returned again to the legislature in 1928. As already mentioned, he was elected to this house at the last general election.

I am sure hon. members recall the effective manner in which Mr. Cameron discussed public questions. In his contributions to the debates the evidence he gave of wide reading, knowledge and experience and his calm judgment, avoidance of extremes of language in asserting his position, all helped to make his words bring conviction, and to leave a real impression upon the house. His death is a distinct loss to this parliament.

Mr. Cameron, Mr. Verville and Mr. Ryan were all outstanding Liberals. They were strong and firm in their convictions, faithful to their party and its principles, and very loyal to my colleagues and myself. They had friends in all parts of the house, but their loss will be felt particularly by those on this side, and by none more than my colleagues and myself, to whose administration they gave such loyal and whole-hearted support.

As I said a moment ago, it is not, however, from this side of the house alone that familiar forms and faces have vanished. The Conservative party has lost two of its outstanding members, two gentlemen who for many years were among the foremost in the public life of our country. And the Social Credit group has experienced the first loss in its ranks. I hasten on behalf of hon. members on this side to express both to my Conservative friends and to my friends of the Social Credit party the sympathy which is felt by members of the government and its following in the losses which they have sustained.

Sir George Perley and Doctor Tolmie were, as I have just said, foremost for many years in the affairs of their party and prominent in the affairs of our country. Each of them had been in public life for a considerable time. Doctor Tolmie was returned five times to this house from the constituency of Victoria, British Columbia. Sir George Perley was returned seven times from the constituency of Argenteuil in Quebec. Doctor Tolmie served eleven years in this House of Commons, and Sir George Perley twenty-five years. Each of them had served in more than one administration as a minister of the crown and each had occupied, elsewhere, positions of high honour, trust and authority. While they were very different in many respects there were some distinct similarities in their characters as well as in their careers. Each of them had inherited an interest in public life and an aptitude for public service.

Doctor Tolmie's father, a physician, was one of the pioneer settlers of the Pacific coast, and was a member of the legislature of the colony of Vancouver island before the island became part of the province of British Columbia. Sir George Perley's father was one of the pioneer settlers of Upper Canada before the days of the Union. He too had seen service in public life. From 1887 to 1890 he was a member for Ottawa in this parliament. I might add that Doctor Tolmie's mother and Sir George Perley's mother in those early days each contributed much to the communities in which they lived. That service is still gratefully remembered.

Both Doctor Tolmie and Sir George Perley had natures which were kindly and generous. Each possessed a real capacity for making and holding friends. I doubt if either of them had personal enemies among their political opponents while each had many friends in all parties. Doctor Tolmie and Sir George Perley were alike in yet another respect, what I might term their modesty. Each despite the prominence of his position was anything but

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mary of wharfage collections for the fiscal year 1936-37; copies of amendments to radio regulations; statement showing lands sold by the Canadian Pacific Railway Company during the year ended September 30, 1937, together with names of purchasers; copy of order in council P.C. 2844 of November 17, 1937, amending Canadian air regulations.—Mr. Howe.

Seventh annual report of Department of Fisheries; copy of approved minute of council authorizing payment of fishing bounties for the year 1936-37; copy of approved minute of council authorizing issuing of licences to United States fishing vessels on the Atlantic coast of Canada during the calendar year 1938.—Mr. Michaud.

Report of the Department of Public Works for the fiscal year ended March 31, 1937; report of the board of trustees of the National Gallery of Canada for the fiscal year ending March 31, 1936.—Mr. Michaud (for Mr. Rogers).

TRIBUTES TO DECEASED MEMBERS

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, since we last assembled here no fewer than six of our number have been removed by the hand of Death. Three of the hon. members were supporters of the government; two hon. members, each a former minister of the crown, were members of the official opposition, and one hon. member belonged to the Social Credit party. This, I believe, is in the history of our parliament the largest number of deaths which have taken place, at any time, in the recess between the prorogation of one session and the opening of the next. This, undoubtedly, is accounted for in part by the fact that the recent recess has been somewhat longer than the average. No fewer than three of the deaths have occurred in the present month.

It will I know accord with the feelings of all who shared the proceedings of the previous sessions if before entering upon the work of this session, some expression is given to the loss which this house has sustained in its membership and some slight tribute paid to the memory of those whose lives and public services have been brought to a close, and who are so much in our thoughts at the present time.

The hon. members who have been taken from us, and the constituencies they represented, were: Mr. Daniel A. Cameron, Cape Breton North-Victoria, whose death occurred on September 4, 1937; the Hon. Doctor Simon F. Tolmie, Victoria, B.C., who died on October 13, 1937; Mr. Joseph A. Verville, Lotbiniere, who died on November 20, 1937; the Right Hon. Sir George Perley, who represented Argenteuil, and whose death occurred on January 4 of this year; Mr. William M. Ryan, St. John-Albert, who died on the same day; and Doctor William S. Hall, Edmonton East, who died the day before yesterday.

Of this number, Messrs. Cameron, Verville and Ryan were supporters of the government. All three were members of the legal profession. Mr. Verville entered this house in 1925 and was here in all subsequent sessions. Mr. Cameron and Mr. Ryan came into the house only at the beginning of the present parliament. Mr. Ryan and Mr. Verville were each in their fifty-first year, Mr. Cameron was in his sixty-eighth.

Mr. Verville was born at Ste. Gertrude, Quebec, in 1887. He received his education at Nicolet college and at Laval university; from which he graduated as a notary. At one time he was mayor of St. Flavien, where he was residing at the time of his death. Although not a farmer himself, Mr. Verville represented a rural constituency. He took a keen interest in agricultural problems as well as in other matters of concern to his constituency and the province. He was a man of a retiring disposition. He did not take much part in the debates of this house, but he held strong convictions, and did not hesitate to express his views when he felt it was in the interests of his constituency that he should do so. His career has been ended prematurely, but he has left a record of service to his constituency which will be remembered not only by those whom he immediately served but by the people of his province generally.

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self-assertive. I do not think that either of them cared particularly for publicity, at any rate an undue publicity. Both too possessed another quality, all too rare. They were ready when the demands of the government or of their party seemed to occasion it, to efface themselves in order that they might be of greater service to others. In the difficult, most necessary but often thankless task of the work of political organization each of them rendered great service to the party to which he belonged.

Doctor Tolmie was seventy at the time of his death.

Doctor Tolmie's life, both in and out of Parliament, was identified most closely with agriculture. He was born on a farm in Victoria in 1867. To the close of his life, he retained his love of the soil, and his pride in his association with the farming community. In addition to being a farmer and a breeder of pure bred livestock, he was, by profession, a veterinary surgeon. Before entering parliament, he served as Chief Inspector of Health of Animals Branch in the provincial service, in British Columbia, and later as representative, for British Columbia, of the Dominion Livestock Commission.

Doctor Tolmie entered political life in 1917, at which time he was elected federal member for Victoria. He was returned to three successive parliaments, and in all, was elected five times to represent the constituency of Victoria at Ottawa.

In 1919, Doctor Tolmie was appointed Minister of Agriculture in the government of Sir Robert Borden. He held the same post in Mr. Meighen's administrations, in 1920 and 1926. While still a member of this House, he became the leader of the Conservative party in British Columbia.

Prior to the provincial elections of 1928, Doctor Tolmie resigned from the House of Commons in order the more effectively to participate in the campaign, and to contest a provincial seat. His party was returned to power, and he became Premier of British Columbia, which office he held from 1928 until the defeat of his administration in 1933. This reverse meant a temporary abandonment of his political career, but in the by-election of 1936, he was returned for the fifth and last time as a member for Victoria in this house.

Public duties were thrust upon, rather than sought, by Doctor Tolmie. He was a man of robust personality, and a modest and faithful public servant; a man of unimpeachable integrity, and possessed of a strong, homely common sense and ready wit. He will be remembered among those who have helped to build the Canadian west, and who have made an enduring contribution to Canadian agriculture.

Sir George Perley's death was so recent, and so very sudden, that it still remains something of a shock to all who knew him. In our references to him, I do not think Sir George would have wished us to strike a sorrowful note. In the manner of his passing, as in his life, there was much for which his friends may well be grateful. He had lived to the great age of eighty years. In appearance he was much younger. He had been spared any impairment of his faculties, or any prolonged suffering.

On New Year's day, which was a Saturday, Sir George had taken his part in the life of the capital. Sunday saw him at his accustomed place of worship. On Monday, the day before his death, he had been following his usual activities. That night, he passed away quietly in his sleep—"Like one who wraps the drapery of his couch about him, and lies down to pleasant dreams." As he had lived at peace with the world, so, in peace, he ended his days.

Sir George grew up in the picturesque surroundings of the Ottawa valley, in the days of the early lumbering industry. How long a career his was, how much of change he witnessed in its course, and how considerable the experience he brought to his public life, we realize when we recall that he was ten years of age at Confederation, and had lived in Ottawa before it was chosen to be Canada's capital. He told us in a broadcast but a few months ago that he could remember the time when the settlement consisted of but two small struggling communities, one in Lower Town and one at the Chaudiere—separated by some two miles of poor road; while in between, there were practically no buildings, except the barracks, standing on the site of these Houses of Parliament.

Entering parliament when all but fifty years of age, Sir George Perley occupied, for over three decades, in years of war and peace alike, a foremost place in our public life.

I rather hesitate to attempt an enumeration of significant features in his parliamentary career, or the nature of his public services. As, however, few men, in the history of our country, have given more completely of their time, and of their lives to the public service than Sir George, it is, I think, desirable that, at this time, some mention should be made of the positions of great trust, honour and responsibility which he held in the course of

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his long and useful life, and in which, both at home and abroad, he gave so much of disinterested public service.

Sir George entered this House of Commons as the member for Argenteuil in 1904. He had previously unsuccessfully contested the constituency on two occasions. He became chief whip of his party in 1910. When Sir Robert Borden was returned to office in 1911, he became a member of the cabinet without portfolio. As early as 1912-13, Sir George became acting Prime Minister in the absence of Sir Robert Borden, and this position he filled time and again during absences from Canada of both Sir Robert and my right honourable friend. There quickly developed that intimate association between Sir George and Sir Robert which made him the most loyal and helpful of colleagues of the Prime Minister. He preferred, through the years that his party was in office, not to accept a portfolio at Ottawa, though, he was at all times, prepared, as a member of the government, to assist the Prime Minister and his colleagues, in an acting capacity, to the extent of his power, and exceptional opportunities.

Few Prime Ministers have ever had a more loyal and helpful colleague than Sir Robert Borden had in his friend, Sir George Perley. That helpfulness and co-operation was extended in equal measure to Mr. Meighen and to my right honourable friend during their years of office. May I here express to my right honourable friend the very sincere sympathy I feel for him in particular in the loss of one who shared his desk in this House of Commons, and with whom he was so closely associated in all his public duties.

During his visit to England in the early part of 1914, Sir George assumed the temporary charge of the then vacant office of High Commissioner for Canada. With the outbreak of the war, he remained in charge of this office, and added to the duties of it, those of Minister of Overseas Military Forces.

When he relinquished the latter post in October, 1917, Sir George accepted the appointment of High Commissioner for Canada, and remained in that office until March, 1922. He was, during the period of the war, and the years immediately succeeding, a member of the Imperial War Cabinet, a delegate to the Imperial Conference of 1917, to the Conference at Versailles, 1919, and to the Assembly of the League of Nations, in 1921.

Of Sir George's political career, it is perhaps sufficient to say that, throughout it all, he was true to the best traditions of public life, something which was never more needed than in these times of changing values and loyalties.

May I add this one further word with reference to a part played by Sir George in the proceedings of this House. His practical knowledge, and sound judgment of men and affairs, as I have already said, meant much to his party, both in office and in opposition. I should like to add that it meant much, as well, to all parties in parliament. In the nature of things, difficulties and differences are bound to arise between a government and an opposition, which, if they are permitted to develop and become acrimonious, are bound to destroy what is best in our parliamentary system of government, namely, the settlement of all matters by reasoned discussion, and the avoidance of unnecessary bitterness, or attempts at coercion in any form. In situations of the kind, Sir George always sought to exercise a moderating and a restraining influence, one which had its effect for good in the relations of all.

I have still to make mention of one more honourable member who has been taken from us since the last session.

It was only the day before yesterday that word was received of the sudden passing, in Edmonton, of Doctor William S. Hall, the member for Edmonton East.

Doctor Hall was in his sixty-seventh year at the time of his death. He was a dentist by profession, and his education had been gained, in part, at the University of Toronto. Like Mr. Cameron and Mr. Ryan, he entered parliament for the first time in 1935. It was his interest in the Social Credit movement which brought him to the fore, first as a candidate for the legislature of Alberta, in 1935, and, later, in the same year as a candidate for the House of Commons. He was not successful at the provincial election, but succeeded in winning a seat in the federal parliament at the general election. His participation in the affairs of this House was necessarily limited. Dr. Hall hardly had the opportunity to become familiar with public life, and we had only come to know him when he was called away.

In what I have just said of the six of our number who have been taken from us, I have necessarily enlarged somewhat upon the services of those who have been longest in public life, and whose part in public affairs has been best known.

Thinking, however, of all of them, one feels that each, in his own way, and to the best of his abilities, sought to serve his community, his generation, and his country. They were all good Canadians, and their

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[Mr. Mackenzie King.]

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Thinking, however, of all of them, one feels that each, in his own way, and to the best of his abilities, sought to serve his community, his generation, and his country. They were all good Canadians, and their

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names and their lives and their public services will be remembered through years to come.

I would ask you, Mr. Speaker, kindly to convey to the immediate members of the families of those of our number who have passed away, the sincere expression of the sympathy of this House, in their bereavement.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, there has grown up a custom, now almost established as a parliamentary practice, whereby before entering upon the active work of a session we pause to contemplate the work of those who have left us during the recess. For many reasons I think it is a sound practice. The right hon. the Prime Minister (Mr. Mackenzie King) gave one excellent reason when he said that it afforded us an opportunity to record upon the pages of Hansard the achievements in public service of those who have left us. But it serves another purpose; it serves to remind us of the brevity of human life, and of the unimportance of the individual in the march of time. A few months ago none of us could have thought that by to-day six of our number would have passed to the Great Beyond. Serving as it does those purposes this custom enables some of us who for a brief moment may occupy official positions in the house to record briefly the contributions which have been made to the public life of Canada by our former fellow members.

Three hon. members who have left us were supporters of the government of the day. I cannot think of Mr. Cameron other than as my old friend Dan Cameron. We were classmates at Dalhousie. He was a Cape Breton Scotchman, a highlander through both sides of his parentage, and was blessed with what I regarded as one of the most powerful intellects with which I came in contact. To some extent I think circumstances limited the operation of that mind, but when I knew him as a student I knew one whose very powerful mind made a deep impression upon me in those youthful days. He served for many years in a judicial capacity as a stipendiary magistrate at Sydney. In the public life of Nova Scotia, whether in the legislative council or the legislative assembly, he brought to bear upon the questions he had to consider a moderation, a dignity and a calmness of judgment worthy of emulation.

In ill health he came to this house, and we did not see the strength and force of the man. However on more than one occasion his independence of judgment was manifested when, on questions which did not affect high policy, he indicated that at the time he was not in accord with those who for the moment took a particular stand. It is a matter of great pride and satisfaction to me to think that an old classmate of mine was here, and that he sat not far from me. To me his passing was a real sorrow, for I had a deep and affectionate regard for him which I find somewhat difficult to express in words.

The late hon. member for St. John-Albert, Mr. Ryan represented the county in which I was born. He had experience in the profession to which I belong, and was also a journalist of repute, knowing something of its troubles, difficulties and problems. I saw him last fall in his native city of St. John where he was engaged in an inquiry. At that time I had some discussion with him, little thinking I should never see him again. He had a warm-hearted disposition, an attribute of his race. While on some matters we actively differed, our differences never in any sense interfered with our personal relations. I realize, as the Prime Minister has said so very aptly, his leaving us was on the threshold of what promised to be a very useful career.

Of the remaining supporter of the government who has departed this life, Mr. Verville, I knew very little. I observed that he was a faithful attendant in this chamber, and, although he expressed himself seldom in this house, he took a great interest in all public questions. The fact that he was elected four times by his constituents is in itself testimony to the place he held in their affection and regard. That he had their confidence indicates that he was no ordinary man in a county the size of that which he represented.

On behalf of those with whom I am associated I wish to express to the government our very great sympathy in their loss of three supporters, gentlemen who gave promise of being extremely useful as the years went by in the discharge of public duties. Of their loyalty and devotion to their party and government I think nothing need be said; it was apparent on every occasion upon which the opportunity offered. To the families of these distinguished gentlemen we extend our sympathy in their bereavement. We recognize in those who now are lost to this chamber, men who had been chosen by the people under our democracy to represent them in this house of parliament.

To deal with the loss which the Social Credit party has sustained is quite beyond me except to say that I knew Doctor Hall by reputation. He resided at Edmonton, two hundred miles north of Calgary. His coming

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into this house to support the movement in which he believed was not unexpected when he received the nomination of his party. His careful attention to the debates in this house and his manifest intention at all times to make every possible contribution to the cause which he had espoused distinguished him as it does all those who so enthusiastically support their party. I trust I may be permitted on behalf of myself and those with whom I am associated to express my sympathy and sorrow.

To speak of the other two members who have left us is a task, if I may use that word, of great magnitude. Simon Fraser Tolmie had been known to me for many years. His father came to British Columbia by way of the isthmus of Panama. When I last saw Doctor Tolmie in his bed at the old farm not far from the centre of the city of Victoria he told me that he was born in that room; and in that room he died. He was born in the year of confederation, and had reached the age of seventy years.

Doctor Tolmie had a genius for friendship that few men have. He had a sense of humour and a ready wit. In the very nature of things his love of animals and of the land made him a respected and almost revered friend of agriculturists and cattle raisers. I think the tribute paid to him at his funeral in Victoria—I was not present but I read it—was as impressive a manifestation of grief on behalf of the people as could possibly be conceived. He was a friend of all men, and all men were his friends. It is not often that one may say that with sincerity.

He rendered two notable services to Canada. As Minister of Agriculture he had the courage to take steps that resulted in the eradication of mange from the prairies and ranges of western Canada. The steps that he took at that time caused much criticism, but he was determined to see the matter through, and he did. The result was that mange disappeared from our ranges.

The second service that he rendered to this country was of a different character. It must be known to all that for many years England declined to receive our cattle; an embargo had been placed against them on the ground of their health. When the matter was being discussed on one occasion at a meeting of the war cabinet in England an undertaking was given that this embargo would be removed at the termination of hostilities. This in passing enables me to pay a tribute to one whose memory is sometimes forgotten, the late Hon. Robert Rogers. He insisted at that time that the memorandum should be

incorporated in the minutes of the meeting, and the extending of that minute on the record of the day's proceedings was the basis upon which subsequent action was taken by the British government to remove the embargo.

It will be within the memory of the house, Mr. Speaker, that the government in England was loath to permit our cattle to enter that country. The Minister of Agriculture, afterwards Lord Ernle, took a very strong view against us. I recall the debates in the House of Lords at that time. It was upon the investigation of the matter by a small commission, of which the late Lord Finlay was a member, that Doctor Tolmie rendered such conspicuous service to this country. As a veterinary surgeon he had special and expert knowledge. When he had concluded dealing with the matter it was the judgment of Lord Finlay and those associated with him on that commission that nothing more remained to be said. By these two distinctive services that he rendered to our country Doctor Tolmie has placed us under a debt and obligation that will not soon be forgotten.

He had no desire for the limelight of public life. The Prime Minister has very properly remarked upon his modesty in that regard. He became head of his party in British Columbia and subsequently premier of that province, but it was with a reluctance that was amazing. As he frequently said to me, he felt he would be happier in the discharge of the duties that he was so eminently qualified to discharge as Minister of Agriculture. I think he was happier in Ottawa than in any other part of the world. He was at his happiest at the University club, surrounded by his friends.

Doctor Tolmie will be greatly missed in that part of Canada in which he lived. He will be greatly missed by those who knew him as I was privileged to know him, by those who understood something of his fine qualities of heart and mind. His generous, open-hearted attitude toward life and material things made it impossible for him to accumulate anything during his lifetime. One might almost say of him, as was said of Pitt, that he lived without ostentation, and he died poor.

I wonder if members of this chamber realize how difficult it is for me to speak at any length or adequately of the Right Hon. Sir George Perley. I knew him as a member of parliament, as chief whip of his party, as a minister of the crown, as high commissioner, and as a colleague. An English writer said not long ago that it is very difficult to analyse the qualities that go into the making

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for his wise counsel, tolerant nature, and devotion to his family, to his church and to his country.

THE LATE SIR ROBERT LAIRD BORDEN

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I need not remind the house of the loss which the country sustained in the death, in June last year, of the Right Hon. Sir Robert Borden. From October, 1911, to July, 1920, Sir Robert Borden was Prime Minister of Canada, a period of nearly nine years, all but three months, years which included those of the Great war with their exceptional anxieties and responsibilities. When Sir Robert resigned the office of Prime Minister he intimated that he intended to relinquish his part in active politics, and as a consequence, when parliament dissolved in 1921, he ceased to be a member of this house. Sir Robert Borden had been a member for twenty-five years, and was 67 years of age at the time of his retirement.

Though Sir Robert ceased in 1921 to be a member of this house he did not cease to be interested in politics nor to take an active part in public affairs. Indeed, the period of retirement which followed his activities in parliament afforded him an opportunity to place at the service of those who sought his counsel the great experience which he had gained in public life. His retirement gave him also an opportunity to devote his time and talent to those great causes which he had so much at heart.

In those years, I believe, Sir Robert found the real reward of the sacrifices which his earlier public services had entailed, for they gave to him not only the opportunities I have just mentioned, but they also afforded, what a man inevitably sacrifices in the course of great public duty, namely, opportunity for the quiet enjoyment of personal friendships and a chance to pursue cultural interests which he may have at heart. Those years of retirement were years of freedom and calm. They were shared with Lady Borden at their home, Glensmere, in this city, where together they enjoyed the beauty of its surroundings, its lovely view of the Rideau river, the society of their personal friends and the activities of the capital with which Sir Robert's life had been so intimately associated. Sir Robert there, too, regained in large part the health and strength which had been considerably impaired during the time he was in office.

The years of the eventide of Sir Robert's life were not ere its close without their glow upon the horizon. It must have been deeply gratifying to him to have lived to see the time when, despite the differences of view there were and will always be with respect to some of the acts and policies of his administrations, that he had nevertheless gained a place in the esteem of his fellow countrymen which was altogether above party, that he had won a position of honour not only in his own country but throughout the empire, and that his name was held in great respect in other countries as well.

I shall not say more. Sir Robert's life and work are already a part of the history of this country. There is moreover very little, if anything, which could be added to the many and deeply sincere tributes which have been paid his memory in this and other lands. I have felt, however, that hon. members of this house would like to have recorded in the proceedings of this parliament some expression of the sense of the loss which we as representatives of the people of Canada in the House of Commons feel our country has sustained in the passing of a great man who for twenty-five years was a member of this house, for nineteen years, the leader of the Conservative party in this country, and for nearly nine years the Prime Minister of Canada. Sir Robert's name will find an enduring place among those of our land who have sought to serve parliament, their party and their country and who have done so with outstanding devotion and high distinction. It will find a place also among the names of world statesmen who had to do with empire councils at a time of war, and whose memories will be associated with Versailles and Geneva, and with the beginning of the League of Nations.

It will, I am sure, be the wish of this house, that you, Mr. Speaker, convey to Lady Borden, who for almost half a century shared so fully and sympathetically the struggles and the achievements of Sir Robert's career, the expression of the sincere sympathy which is felt for her by all hon. members.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, when the Right Hon. Prime Minister (Mr. Mackenzie King) suggested that the course he has taken should be followed this day, I felt that those of us who sit here are under a debt of obligation to him for having so publicly stated the claim of the late Sir Robert Borden on the regard and esteem of the Canadian people. Perhaps I knew Sir Robert Borden longer than any member of this house. He had one characteristic that marked him from his younger days, that is he was a man of infinite patience. I have never known a more patient man. I think there is one, perhaps more than one, hon. member of this chamber who was

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the silver lining. I fancy it was such a man as he that Browning had in mind when he wrote those inspiring words:

One who never turned his back but marched breast forward,
Never doubted clouds would break,
Never dreamed, though right were worsted, wrong would triumph,
Held we fall to rise, are baffled to fight better,
Sleep to wake.

With the leader of the opposition I agree that it is quite impossible for one who is new to this house to have as complete sympathy as one desires to have, because we can really sympathize only with those through whose experiences we have gone. We have never known what it is to pass through what the leader of the opposition has passed through in the loss of these good men.

To few, indeed, is it permitted to attain the age of eighty years. Of Sir George Perley it can truly be said that he was "full of years." Listening to the words of the Prime Minister and of the leader of the opposition, recounting the many acts which Sir George had performed, the many offices he had filled, and the honour he had gained, I felt we could also say that he died as full of honour as of years. They tell me he was buried in Ottawa; in this city his honour was striven for and gained. It is fitting, therefore, that in this city his remains should rest. The thought of him brought to my mind those fine words of Robert Louis Stevenson, when he was contemplating his own decease:

Under the wide and starry sky,
Dig the grave and let me lie.
Glad did I live, and gladly die,
And I laid me down with a will.

This be the verse you grave for me:
Here he lies where he longed to be;
Home is the sailor, home from sea,
And the hunter home from the hill.

The Hon. Doctor Tolmie was a man whom I had heard a great deal of as I had heard of Sir George Perley before I came here. I believe he was known favourably far and wide throughout Canada. I read about him, in the Parliamentary Guide, a passage which it seems to me it might not be unfair to him to read into Hansard:

A farmer and breeder of pure bred live stock. President Dominion Holstein Breeders; B.C. Vety. Assn.; B.C. Holstein Breeders; Chief Inspector Health of Animals Branch, B.C.; Representative Dominion Live Stock Commissioner for British Columbia. Mem. Pacific and Union Clubs, Victoria, University Club, Ottawa. A Unionist. First elected to H. of C. at g.e., 1917. Sworn of the Privy Council and apptd. Minister of Agriculture, Aug. 2, 1919. Re-elected after assuming office, Oct. 27, 1919. Upon the formation of the Meighen administration, July 13, 1920, following the resignation of Sir Robert Borden, was re-apptd. Minister of Agriculture. Retired from office with the Meighen Government, Dec. 1921. Re-elec. to H. of C. g.e., 1921; Apptd. Dominion Organizer for the Conservative party in Aug., 1923; re-elec. to H. of C. g.e., Oct. 1925. Apptd. Min. of Agriculture, July 13, 1926.

No one needs to grieve overmuch because this man has been taken away. For us, I think there is cause for genuine regret. In a time when the farmer is more in need of sympathy than ever before in our history, in a time when possibly the west needs more sympathy and understanding than ever before in the history of Canada it seems untimely that this man, who understood the farmer and sympathized with him, who understood and sympathized with the west, should be called away. But in this matter, as in all others, we have to bow to the will of Him who doeth all things well.

It was comforting indeed to us to hear the kind expressions regarding Doctor Hall. One of the first things that came to my mind when I thought of Doctor Hall, looking back over his life, was a fine passage that appears in Drinkwater's play, Abraham Lincoln. Speaking of Abraham Lincoln, one of the chroniclers said:

Shall a man understand,
He shall know bitterness because his kind,
Being perplexed of mind,
Hold issues even that are nothing mated.
And he shall give
Counsel out of his wisdom that none shall hear;
And steadfast in vain persuasion must he live,
And unabated
Shall his temptation be.

Of course, the loss of Doctor Hall was a painful shock to us. It has been written, "Where there is no vision the people perish." Singularly fortunate, I believe, are those people in the minds of whose older men vision comes. This man was one of a large class of elderly people in Canada, whose careful studies of realities have convinced them, first, that a change must come, and, second, that that change must take the shape of monetary reform. Once convinced, Doctor Hall courageously decided. The risk to his business and professional well-being he disregarded, and plunged industriously and firmly into the fight for a safer and more prosperous Alberta and Canada. In the struggle he spared neither time nor energy nor wealth. He became one of the first and foremost social credit leaders throughout Edmonton and the north. The more clearly men come to see the meaning of our times, the more they will realize that in a great and righteous cause the good doctor strove well and died striving. We have known and will remember our colleague, Doctor Hall,

"K" Speeches - Obituaries

D 34832

HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

MONDAY, June 6, 1938.

The house met at three o'clock.

THE LATE ALEXANDER McKAY EDWARDS

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I have again to ask the house to pause in its proceedings to permit mention being made of the sudden passing of another of our number, who but a few days ago, was in his accustomed seat, to all appearances in the best of health. I refer to Mr. Alexander McKay Edwards, the deputy whip of the conservative opposition, who for nearly thirteen years past has represented the constituency of South Waterloo in this house.

At the end of the week before last, when the hon. the Minister of National Defence (Mr. Mackenzie) left Ottawa to address a meeting in the city of Galt, Ontario, in the constituency of the hon. member, the minister was accompanied by Mr. Edwards, who on the day following introduced him to his audience. Later in the day Mr. Edwards complained of not feeling well, and was obliged to rest. It was not thought, either by himself or by others, that his condition was serious. On Friday last this house had only begun its afternoon's proceedings when word was received that the hon. member had passed away.

Mr. Edwards was in his sixty-third year. He was born at Bothwell, Ontario, but at an early age went to live in Waterloo county. His personal, business and political interests were centred in the county of Waterloo, and, more particularly, in and about the thriving and industrial communities of Galt and Preston. His career, however, had its intimate association with the affairs of his native province and with the larger and wider interests of our dominion.

By marriage, Mr. Edwards was related to the late Hon. George Clare who for many years represented the constituency of South Waterloo in this parliament. Like the late George Clare, Mr. Edwards held an enviable place in the esteem and confidence of his fellow citizens. He was successful and prominent in business; the head of an important manufacturing enterprise, and the director of several others. For eight years he served the city of Galt as an alderman, and for two years as its chief magistrate. He was first elected to the House of Commons in the general election of 1925, and was reelected at each of the three subsequent general elections, representing the constituency in all for nearly thirteen years.

During his years in parliament, Mr. Edwards represented his constituents with fidelity and ability. He was held in high personal esteem in parliament as he was in his constituency. In this house he was regular in his attendance, was active in the work of its committees. When he participated in the debates he spoke to the point, and was listened to with attention and respect. As assistant to the chief whip of the Conservative party, he rendered services which were much appreciated by all parties in the house.

It is not without significance that his last public act should have been the one to which I have already alluded, an act of courtesy and chivalry towards a political opponent. It was the expression of a nature which was essentially kindly, cheerful, and generous, and which won for him many strong and enduring friendships among members of all parties.

We shall all greatly miss his pleasing personality. His was a career of quiet, unobtrusive conscientious service to his community and to his party, one which maintained and served to further the amenities of public and parliamentary life. Not his party only, but the entire membership of this house, has suffered in his passing a loss which will be deeply felt.

I extend to hon. gentlemen opposite, and to their leader, the very sincere sympathy of my colleagues and myself, and, indeed, of all hon. members on this side, in the loss of so old, trusted, loyal, and valued a colleague and friend.

I should like to express our sympathy as well to the constituency which the late member represented so faithfully over many years.

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To Mrs. Edwards, and to her son and daughter, who have been thus greatly bereaved, the sympathy of all hon. members of this house goes out in fullest measure. It would, Mr. Speaker, be appreciated by all if this expression of our sympathy could be conveyed to Mrs. Edwards by Your Honour.

Hon. H. A. STEWART (Leeds): Mr. Speaker, may I first thank the right hon. the Prime Minister (Mr. Mackenzie King) for his kindly sympathetic and appreciative references to the gentleman whose loss we mourn to-day, one who was a prominent member of the official opposition. The house meets under the shadow of death of one of its members. This has happened so frequently during the present parliament that we are reminded of the saying that there is nothing certain about man's life but this, that he shall lose it.

As has been ably pointed out by the Prime Minister, the late Mr. Edwards by his activities in his home town and constituency was well qualified to be a worthy representative of that constituency in the House of Commons. He became a member in 1925, and since that time has continuously represented South Waterloo. His membership in the house was characterized by regularity of attendance, industry, careful attention to his many duties in the house and to the deliberations of the important committees upon which he served. His zeal for his constituency was outstanding, and the confidence of his electors was expressed as has been indicated here. Although his speeches in the house were not frequent, they showed careful preparation and a knowledge of his subject, and were delivered in a calm and reasoned manner which commanded respect, carried conviction, and made a lasting impression upon his hearers. His relations with his fellow members were cordial, and in a large measure he enjoyed their confidence.

The sympathy which will go out from this house and from the large number of people who knew the late Mr. Edwards will in a measure help to sustain his widow and family in their sad bereavement. With the right hon. leader of the official opposition and hon. members supporting him I join in requesting that Your Honour convey to the widow and family of the late Mr. Edwards our expression of deep sympathy.

Mr. A. A. HEAPS (Winnipeg North): Mr. Speaker, I desire to associate myself with what has been said respecting our late colleague, Mr. Edwards. I am sure it will be consoling to his family to know of the high esteem in which he was held by members of the house. In my association with him I always looked upon him as a kindly and generous man, one who had no hate in him. Such characteristics in these days are in certain quarters no longer regarded as virtues, and it is well that we lay special emphasis upon them. With the others members of the group to which I belong, I wish to associate myself with what has been so well said by those who have preceded me.

Mr. JOSEPH NEEDHAM (The Battlefords): Mr. Speaker, the group to which I belong wishes to associate itself with the expression of appreciation of services rendered and sympathy for the bereaved. When we met the late brother in the lobbies and through the various activities of the house, we learned to respect and honour him. With other hon. members who have spoken we would request you, Mr. Speaker, to convey our sympathy to the bereaved family.

BANKING AND COMMERCE

Mr. THOMAS VIEN (Outremont, for Mr. Moore) moved that the third report of the standing committee on banking and commerce, presented on June 1, be concurred in.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

NATIONAL HARBOURS BOARD—GRAIN HANDLING AT QUEBEC

Mr. WALSH:

1. Has any member or employee of the national harbours board, Department of Transport, or any other government authority, either directly or indirectly, entered into any special arrangement or agreement, verbally or otherwise, with any Canadian or foreign company, partnership or individual or with any carrier, to handle grain through Quebec or other government owned elevators in the St. Lawrence at other than published tariff, either by rebate, commutation, lump sum payment or any other medium, based on the quality of grain exported through the said elevators during a specified or unlimited period?

2. If so, what are the rates charged under this special agreement?

3. Were the terms of the said agreement submitted to and approved by the board of grain commissioners prior to its acceptance and completion?

4. Were any special arrangements made with any grain firm or carrier which would have the effect of reducing the cost of transportation and/or handling charges on grain already shipped, about to move, or to be forwarded in the future from Bayports to Quebec and through the Quebec elevator?

hims w.

D34834

Alexander McKay Edwards

(Conservative Member for Waterloo South)

born April 7, 1876; died June 3, 1938.

Sudden passing, on Friday last, after only week's illness, at Galt, his home, great shock to his many friends, both in and out of Parliament;

House has suffered many losses in three sessions - Mr. Edwards, its 15th bereavement since general election;

3rd this session;

2nd loss sustained in its membership by the Conservative Party this session;

His career had its associations throughout with Province of Ontario, in which he was born;

A Pharmacist who later became prominent and successful in business - the head of a manufacturing enterprise and shared in the direction of several others;

President of Board of Trade of Galt;

Alderman of Galt eight years (1908-16) and Mayor for two (1916-17);

First elected to H. of C. in general election of 1925,

D 34835

for Waterloo South, a county for one of the ridings of which I had the honour of sitting in Parliament, and with which I myself have many associations;

re-elected at each subsequent election;

represented constituency continuously for thirteen years;

Characterized essentially by qualities of courtesy and geniality; of industry and integrity; and of sound common sense;

Cheerful and generous nature; a kindly sense of humour- friendly to all; enjoyed to a special degree friendships in all parts of House;

Held in high personal esteem in this House and in his constituency; enjoyed a wide measure of genuine popularity;

Some measure of confidence reposed in him by his fellow citizens will be found in the various public offices he occupied;

Man of strong political convictions, loyal to the principles of his Party - never indulged in any

D 34830

unkindness in debate or recrimination in political conflict;

While he did not participate largely in discussions in House, was a careful and convincing speaker, listened to with respect and attention; especially active on Committees the importance of which to the work of Parliament is sometimes not fully recognized.

His business experience, and knowledge gained from municipal government proved an important asset to his Party; the position of trust which he enjoyed within Party indicated by his appointment as Deputy Opposition Whip;

A career of quiet, unobtrusive service to his community and to his Party; one which has added to the amenities of public and parliamentary life;

On behalf of Liberal Members, would like to extend to the Leader of Opposition and his followers, some of whom are with him today, attending the service in Galt, a word of sincere sympathy in loss of an old and trusted colleague;

All Members of House will wish Mr. Speaker to convey to Mrs. Edwards and to other members of the family an expression of deep sympathy in their bereavement.

June 4th, 1938.

D 34837

Memorandum for Mr. Pickering:

Re the late A. M. Edwards:

Widely known as a manufacturer and a public-spirited man;
industrious and active, especially in committees; great interest in everything pertaining to textiles, prominent in his constituency;
did not participate largely in debates;

For ten years, a pharmacist in Galt, operating a drug store; sold out his interests and turned to manufacturing, becoming President of the Galt Stove and Furnace Co. Ltd.;

Mr. Edwards returned to Galt a week ago yesterday, with the Minister of National Defence, when the latter spoke before a service club there. Later that day, Mr. Edwards took to his bed, although not believed seriously ill. (he suffered from low blood pressure);

The funeral will be held in Galt on Monday. Mr. Casselman left for Prescott and possibly Galt last night, and Mr. Bennett will follow on Sunday evening. It is expected that most of the Conservative members will attend the funeral.

OFFICE OF THE PRIME MINISTER D 34838-1

MEMORANDUM

Mr. Pickering:

Attached herewith are a few notes on the late A.M.Edwards, Conservative Member for Waterloo South.

I hope to have additional information first thing in the morning.

R.H.M.

June 3, 1938.

D 34838

DRAFT

Strictly Confidential

Notes re Alexander McKay Edwards.

(Conservative Member for Waterloo South)

Born April 7, 1876

His sudden death, after a week&s illness, at his home city of Galt, a great shock to his many friends and admirers, both in the House of Commons and outside.

Personal Attributes:

Loyal and dependable;

Studious and an industrious worker: carefully prepared his speeches;

Level-headed;

Of a cheerful and generous nature; friendly to all;

Held strong convictions, never unkindly expressed;

Integrity;

prominent and successful business man;

Sense of humour;

Happy home life;

Popular both in his constituency and in the House;

Career:

Born in Bothwell, Ontario, the son of Charles Edwards and Annie (McKay), both Canadians of Scottish descent;

Educated at Bothwell Public School; Glencoe Collegiate Institute; Ontario College of Pharmacy, Toronto;

Married, April 26, 1905, Laura, daughter of the late G.A.Clare, of Preston, Ont; (former Conservative member for Waterloo South, in the election of 1900, 1904) (a certain C. Clare, relative, was Conservative member for the same riding in the elections of 1906, and 1911); two childrea, Margrata Clare and George McKay;

A manufacturer by profession, he made a success of life in the business arena; became President of the Galt Stove and Furnace Co., Ltd; Director of Clare Bros. Co. Ltd., of Preston, and of the Stamped & (Enamel) Ware Co. Ltd., Hespeler;

Was so highly regarded by his fellow business men of Galt, that he was elected alderman for 8 years, from 1908-1916, and Mayor of Galt, 1916-1917; (previously, he was the county representative before Galt became a city); the extent of his social and other affiliations may be judged from the fact that he was a former President of the Board of Trade of Galt;

First elected to the House of Commons, as Conservative member for Waterloo South, at the general election of 1925, with a plurality of 2933; reelected at general election of 1926 (plurality 2203) and of 1930 (plurality of 4049 over Mr. Widdifield); reelected g.e. 1935, with a majority of 125;

D. 34840

Loss to his party:

Very popular in his constituency; his ability recognized by those who continuously reposed their confidence in him;

Succeeded to a long line of members of Conservative complexion from Waterloo South;

A convincing speaker, listened to with a great deal of respect and attention;

In his years in the House of Commons, proved a valuable asset to his party; his solid business experience and knowledge gained from municipal government of inestimable value to his colleagues; the high regard in which he was held by his party is evidenced by the fact that, this session, during the illness of Mr. Casselman, Mr. Edwards acted as Conservative Whip;

D 34841

Mr. Alexander McKay Edwards

Introductory.

I have again to ask the House to pause in its proceedings to permit mention being made of the sudden passing of another of our number, who, but a few days ago, was in his accustomed seat, to all appearances in the best of health. I refer to Mr. Alexander McKay Edwards, the Deputy Whip of the Conservative Opposition, who for nearly thirteen years past has represented the constituency of South Waterloo in this House.

Circumstances of death.

At the end of the week before last, when the Honourable the Minister of National Defence left Ottawa to address a meeting in the city of Galt, Ontario, in the constituency of the honourable member, the Minister was accompanied by Mr. Edwards, who, on the day following, introduced him to his audience. Later in the day, Mr. Edwards complained of not feeling well, and was obliged to rest. It was not thought, either by himself or others, that his condition was serious. On Friday last, this House had only begun its afternoon's proceedings, when word was received that the honourable member had passed away.

D 34842

Personal, Business, and Political Career.

Mr. Edwards was in his sixty-third year. He was born at Bothwell, Ontario, but at an early age went to live in Waterloo county. His personal, business and political interests were centred in the county of Waterloo, and, more particularly, in and about the thriving and industrial communities of Galt and Preston. His career, however, had its intimate association with the affairs of his native province and in the larger and wider interests of our Dominion.

By marriage, Mr. Edwards was related to the late Honourable George Clare, who, for many years, represented the constituency of South Waterloo in this Parliament. Like the late George Clare, he soon won an enviable place in the esteem and confidence of his fellow citizens. He became successful and prominent in business: the head of one of the most important manufacturing enterprizes, and the Director of several others. For eight years he served the city of Galt as an Alderman, and for two years as its chief Magistrate. He was first elected to the House

D 34843

of Commons in the general election of 1925, and was re-elected at each of the three subsequent general elections, representing the constituency in all for nearly thirteen years.

Parliamentary services.

During his years in Parliament, Mr. Edwards represented his constituents with fidelity and ability. He was held in high personal esteem in Parliament as he was in his constituency. In this House he was regular in his attendance, was active in the work of its committees. When he participated in the debates, he spoke to the point, and was listened to with attention and respect. As Assistant to the Chief Whip of the Conservative party, he rendered services which were much appreciated by all parties in the House.

It is not without significance that his last public act should have been the one to which I have already alluded, an act of courtesy and chivalry towards a political opponent. It was the expression of a nature which was essentially kindly, cheerful, and generous, and which won for him many strong and enduring friendships among members of all parties.

D34844

We shall all greatly miss his pleasing personality. His was a career of quiet, unobtrusive service to his community and to his party, one which maintained and served to further the amenities of public and parliamentary life. Not his party only, but the entire membership of this House, has suffered a loss which will be deeply felt.

Extension of Sympathy.

I extend to honourable gentlemen opposite, and to their leader, the very sincere sympathy of my colleagues and myself, and, indeed, of all honourable members on this side, in the loss of so old, so trusted, so loyal, and so valued a colleague and friend.

I should like to express our sympathy as well to the constituency which the late member represented so faithfully over so many years.

I need hardly say that to Mrs. Edwards, and to her son and daughter, who have been so greatly bereaved, the sympathy of all honourable members of this House goes out in fullest measure. It would, Mr. Speaker, be appreciated by all if this expression of our sympathy could be conveyed to Mrs. Edwards by Your Honour.

D 34845

Alexander McKay Edwards

(Conservative Member for Waterloo South)

born April 7, 1876; died June 3, 1938.

Sudden passing, on Friday last, after only week's illness, at Galt, his home, great shock to his many friends, both in and out of Parliament;

House has suffered many losses in three sessions - Mr. Edwards, its 15th bereavement since general election;

3rd this session;

2nd loss sustained in its membership by the Conservative Party this session;

His career had its associations throughout with Province of Ontario, in which he was born;

A Pharmacist who later became prominent and successful in business - the head of a manufacturing enterprise and shared in the direction of several others;

President of Board of Trade of Galt;

Alderman of Galt eight years (1908-16) and Mayor for two (1916-17);

First elected to H. of C. in general election of 1925,

D 34846

for Waterloo South, a county for one of the ridings of which I had the honour of sitting in Parliament, and with which I myself have many associations;

re-elected at each subsequent election;

represented constituency continuously for thirteen years;

Characterized essentially by qualities of courtesy and geniality; of industry and integrity; and of sound common sense;

Cheerful and generous nature; a kindly sense of humour- friendly to all; enjoyed to a special degree friendships in all parts of House;

Held in high personal esteem in this House and in his constituency; enjoyed a wide measure of genuine popularity;

Some measure of confidence reposed in him by his fellow citizens will be found in the various public offices he occupied;

Man of strong political convictions, loyal to the principles of his Party - never indulged in any

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unkindness in debate or recrimination in political conflict;

While he did not participate largely in discussions in House, was a careful and convincing speaker, listened to with respect and attention; especially active on Committees;

His business experience, and knowledge gained from municipal government proved an important asset to his Party; the position of trust which he enjoyed within Party indicated by his appointment as Deputy Opposition Whip;

A career of quiet, unobtrusive service to his community and to his Party; one which has added to the amenities of public and parliamentary life;

On behalf of Liberal Members, would like to extend to the Leader of Opposition and his followers, some of whom are with him today, attending the service in Galt, a word of sincere sympathy in loss of an old and trusted colleague;

All Members of House will wish Mr. Speaker to convey to Mrs. Edwards and to other members of the family an expression of deep sympathy in their bereavement.

June 4th, 1938.

F/R

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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:

It affords me much pleasure to greet you upon the resumption of your parliamentary duties.

The interval which has elapsed since the last session witnessed the coronation, in the month of May, of Their Majesties King George the Sixth and Queen Elizabeth. The event was one of special significance to the nations of the British Commonwealth. In the coronation service and ceremonial, recognition was given to the relationship between the sovereign and his peoples in the several dominions, as embodied in the Statute of Westminster.

Members of the government participated in the deliberations of the Imperial Conference which followed immediately after the coronation. The summary of proceedings of the conference will be placed before you at an early date for your consideration. It is the belief of the government that the opportunities afforded for the exchange of views and information on questions of common interest and concern, will serve to further the well-being of all parts of the commonwealth.

It is gratifying to note that, during the past year, there has been a further substantial advance in Canada's economic recovery. Revenues have reached new levels. Trade with other countries has materially expanded. There has been a general increase in employment and a marked decrease in the numbers receiving unemployment aid.

The recurrence, in a more acute form, of drought conditions in certain areas of western Canada has unfortunately made it necessary to provide assistance on an unprecedented scale. The government intends to continue its activities under the Prairie Farm Rehabilitation Act.

In view of the success which has attended efforts to assist in the training of unemployed young people, it is proposed to extend the scheme during the coming year.

The Department of Agriculture has been reorganized and its services consolidated along lines designed to improve the standard and acceptability of Canadian farm products.

Arrangements are being completed for the inauguration of a national trans-Canada air service.

The National Employment Commission, the royal commission appointed to inquire into conditions in the textile industry, and the commission appointed under the provisions of the Veterans' Assistance Commission Act, 1936, have concluded their duties. The reports of these commissions will be tabled in due course.

The strains and stresses, which economic and social developments since confederation have placed upon Canada's governmental structure, have disclosed the necessity for adjustments which will enable it the more effectively to serve provincial and national needs, and to promote and preserve Canadian unity. My ministers are of the opinion that, with exact and adequate information, it should be possible for the appropriate authorities to work out satisfactory solutions. As a first step towards this end, a royal commission of inquiry has been appointed to re-examine the economic and financial basis of Confederation and the distribution of legislative powers in the light of the new conditions which have arisen in the past seventy years. The commission has already held sittings in many parts of the Dominion.

The cooperation of the provinces has been sought with a view to an amendment of the British North America Act, which would empower the parliament of Canada to enact forthwith a national scheme of unemployment insurance. My ministers hope the proposal may meet with early approval, in order that unemployment insurance legislation may be enacted during the present session of parliament.

Members of the House of Commons will be invited to consider the report of the special committee on Elections and Franchise Acts, and you will be asked to enact such legislation as may be necessary to implement such of the committee's recommendations as meet with their approval.

A measure will be submitted to extend the authority of the Board of Railway Commissioners.

Legislation will be introduced with a view to furthering the principle of parliamentary control of the export of electrical power.

The international situation generally continues to give much ground for anxiety. My ministers have endeavoured, as opportunity has afforded, to promote international understanding and good-will. They have sought to join the efforts of Canada to those of other countries which are seeking by cooperation and conciliation to effect a settlement of questions and issues which concern the world's peace.

The administration has followed with deep interest the course of the negotiations being conducted with a view to the conclusion of a trade agreement between the United Kingdom and the United States of America. My ministers are fully alive to the importance of these negotiations, and to Canada's interest in their outcome.

In August last, the Canadian government approached the government of the United States with a view to extending and revising the trade agreement concluded between them in 1935. Exploratory conversations followed which have resulted in efforts to effect a new agreement on a broad and comprehensive basis. It is hoped that negotiations may so progress as to render it possible to submit the new agreement to parliament, for its consideration, during the present session.

With a number of other countries, adjustments have been made, during the past year, in our commercial relations in order to facilitate a wider exchange of commodities.

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HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

THIRD SESSION—EIGHTEENTH PARLIAMENT—OPENING

THURSDAY, January 27, 1938.

The parliament which had been prorogued from time to time to the twenty-seventh day of January, 1938, met this day at Ottawa, for the dispatch of business.

The house met at three o'clock, the Speaker 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 being returned to the Commons chamber.

VACANCIES

Mr. SPEAKER: I have the honour to inform the house that during the recess I received communications from several members, notifying me that the following vacancies had occurred in the representation, viz:

Of Colin Alexander Campbell, Esquire, member for the electoral district of Frontenac-Addington, by resignation;

Of Daniel Alexander Cameron, Esquire, member for the electoral district of Cape Breton North-Victoria, by decease;

Of Hon. William Earl Rowe, member for the electoral district of Dufferin-Simcoe, by resignation;

Of Hon. Simon Fraser Tolmie, member for the electoral district of Victoria, B.C., by decease;

Of Joseph Achille Verville, Esquire, member for the electoral district of Lotbiniere, by decease;

Of Paul Mercier, Esquire, member for the electoral district of St. Henry, consequent upon the acceptance of an office of emolument under the crown;

Of Right Hon. Sir George Halsey Perley, G.C.M.G., member for the electoral district of Argenteuil, by decease;

Of William Michael Ryan, Esquire, member for the electoral district of St. John-Albert, by decease.

I accordingly issued my several warrants to the chief electoral officer to make out new writs of election for the said electoral districts, respectively.

NEW MEMBERS

Mr. SPEAKER: I have the honour to inform the house that the clerk of the house has received from the chief electoral officer certificates of the elections and return of the following members, viz:

Of Ralph Melville Warren, Esquire, for the electoral district of Renfrew North;

Of Matthew MacLean, Esquire, for the electoral district of Cape Breton North-Victoria;

Of Angus Neil McCallum, Esquire, for the electoral district of Frontenac-Addington;

Of the Hon. William Earl Rowe, for the electoral district of Dufferin-Simcoe;

Of Robert Wellington Mayhew, Esquire, for the electoral district of Victoria (B.C.);

Of Joseph Napoleon Francœur, Esquire, for the electoral district of Lotbiniere.

NEW MEMBERS INTRODUCED

Ralph Melville Warren, Esquire, member for the electoral district of Renfrew North, introduced by Right Hon. W. L. Mackenzie King and Hon. Norman McL. Rogers.

Matthew MacLean, Esquire, member for the electoral district of Cape Breton North-Victoria, introduced by Right Hon. W. L. Mackenzie King and Hon. J. L. Ilsley.

Angus Neil McCallum, Esquire, member for the electoral district of Frontenac-Addington, introduced by Right Hon. W. L. Mackenzie King and Hon. Norman McL. Rogers.

Joseph Napoleon Francœur, Esquire, member for the electoral district of Lotbiniere, introduced by Right Hon. W. L. Mackenzie King and Right Hon. Ernest Lapointe.

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The government is convinced that, in seeking to cooperate with the United Kingdom and other countries in efforts to promote international trade, it is pursuing one of the most effective means of ensuring economic security and progress in Canada, and the betterment of conditions in other parts of the world.

Members of the House of Commons:

The public accounts of the last fiscal year and the estimates for the coming year will be submitted for your consideration.

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

In inviting your careful consideration of the 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 Monday next, and that this order have precedence over all other business, except the introduction of bills, until disposed of.

Motion agreed to.

HIS MAJESTY KING GEORGE VI

ACKNOWLEDGMENT OF ADDRESS TO HIS MAJESTY ON THE OCCASION OF HIS ACCESSION TO THE THRONE

Mr. SPEAKER: I have the honour to inform the house that I have received a communication from His Majesty King George VI, signed by his own hand, as follows:

Buckingham Palace.

Members of the Senate and of the House of Commons of Canada.

I thank you most sincerely for the assurances of loyalty and support contained in the address which you have presented to me upon the occasion of my accession to the throne. It is the dearest wish of The Queen and myself that our reign may be marked, under Divine Providence, by the blessings of peace and by a steady advancement in the welfare and prosperity of all our peoples: and in our labours to this end we shall be strengthened and encouraged by the prayers and goodwill of the Canadian parliament and people.

George R.I.

12th April, 1937.

ACKNOWLEDGMENT OF ADDRESS TO HIS MAJESTY ON THE OCCASION OF HIS CORONATION

Mr. SPEAKER: I have the honour to inform the house that I have a communication from His Majesty King George VI, signed by his own hand, as follows:

Buckingham Palace.

Members of the Senate and of the House of Commons of Canada:

It is with feelings of deep gratitude that I acknowledge the message of loyalty and congratulation conveyed in your Address of the 10th April which was presented to me by my Prime Minister of Canada on the 11th May.

The assurances of loyalty and devotion addressed to us on that occasion will always be an encouragement to The Queen and myself in the performance of our high task.

We were glad to know that the Speakers of your two houses were present at the solemn ceremony of our coronation. The participation in that ceremony of representatives from our overseas dominions fittingly marked the position of the crown as symbolising the unity and free association of the peoples of the British Commonwealth.

Throughout our reign it will be our constant aim to cherish and maintain, to the best of our powers, the heritage of justice, civil liberty, and ordered freedom which we have received from those who in past generations helped to build up this association of nations; and we rejoice to know that in our endeavours to promote, under Divine guidance, the welfare and happiness of our peoples, we shall be supported by the prayers and affection of the people of Canada.

George R.I.

29th June, 1937.

STANDING COMMITTEES

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

That a special committee consisting of Messrs. Casselman, Gray, Mackenzie (Vancouver), Power and Woodsworth, 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.

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 Right Honourable Ernest Lapointe, Minister of Justice, the Honourable Charles A. Dunning, Minister of Finance, and the Honourable W. D. Euler, 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.

LIBRARY OF PARLIAMENT

Mr. SPEAKER: I have the honour to lay before the house the report of the joint librarians of parliament.

On motion of Mr. Mackenzie King the house adjourned at 4.25 p.m.

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HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

WEDNESDAY, March 9, 1938.

The house met at three o'clock.

THE LATE PETER SINCLAIR

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, since its last sitting, this house has suffered the loss of another of its members, the thirteenth since the present parliament assembled, and fortunately the only one in the present session.

Hon. members will have learned, with deep regret, of the sudden passing of Mr. Peter Sinclair, one of the members for the constituency of Queens, Prince Edward Island.

Mr. Sinclair had been in regular attendance at the sittings of the house since we reassembled here in January. He was in his seat as recently as Friday last. It was only on Saturday last that he became indisposed, and it was thought advisable that he should go to the civic hospital for treatment. Neither in Mr. Sinclair's own mind nor in that of others, had there been, at the time, any anxiety concerning the possibility of his recovery. His death was wholly unexpected, and the word of it in this morning's press must have occasioned a shock to his many friends in this house, and will be particularly felt in his native province.

Mr. Sinclair had little more than completed his fiftieth year. He was returned to the House of Commons at the last general election. His political career, though short, had not been without promise. He was elected to the legislature of Prince Edward Island in 1927, and became a minister without portfolio in the government of Hon. A. C. Saunders in the following year. He continued as a member of the legislature till 1931. He suffered defeat in the provincial elections of that year and retired into private life for a while, giving his time to farming and to business activities. In the general elections of 1935 he became one of the Liberal candidates for Queens and as already mentioned was returned as a member of this parliament.

Mr. Sinclair came of a family in Prince Edward Island well known for its interest in public affairs and possessed of a fine tradition of public service. His father, Peter Sinclair, after whom he was named, had, in his day, been a member of the legislature of Prince Edward Island, and one of the representatives in this House of Commons of the constituency which his son subsequently represented. For many years the same constituency was represented in this house by his brother, the Hon. John Sinclair, who was a member of a former Liberal administration, and is at present, as hon. members are aware, a member of the senate. Like his brother, the senator, Peter Sinclair had been throughout his life a member of the Liberal party in Prince Edward Island, and active in his advocacy of its principles and policies. He took a special interest in all that pertained to the welfare of his native province. He was most loyal in the support which, at all times, he accorded my colleagues and myself, and we feel deeply a loss which will be shared by all members of the party in this house and by the people of Prince Edward Island.

In the short time he was a member of this house, Mr. Sinclair had not had opportunity to take much part in its proceedings. Being, however, of a kindly, generous and friendly disposition, he made many friends among its members.

The sadness of Mr. Sinclair's passing at so early an age is increased by the circumstance that he leaves behind a widow and seven children. You, Mr. Speaker, I am sure, will convey to Mrs. Sinclair and the members of the family, in their bereavement, the expression of the very sincere sympathy felt for them by all members of this house.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, the sudden passing of the member for Queens is a striking illustration of the truth of that ancient saying, "In the midst of life we are in death." No one who saw Mr. Sinclair in his place in the house on Friday would have thought it at all probable that on Wednesday afternoon we would be mourning his passing. It is, I say, a most striking illustration of the uncertainty of human life.

I did not know Mr. Sinclair at all well personally, but I knew him in the way that one does know members of this chamber. He was a zealous supporter of his party, and

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deeply concerned in everything that had to do with the prosperity and welfare of the province whence he came. His devotion to the interests of Prince Edward Island might be said to be perhaps his outstanding characteristic.

I believe that when Disraeli passed away, Salisbury said, "Zeal for the greatness of England was the passion of his life"; and if our late confrere might be said to have had a passion, it was zeal for his native province of Prince Edward Island. It manifested itself on all occasions, and he took a very deep concern indeed in everything that had to do with the welfare and prosperity of that province.

I cannot do more than say that we should like to associate ourselves with the Prime Minister (Mr. Mackenzie King) and his party in sympathy for the loss of one who has been very early in life called from its activities, and who leaves behind him, a wife and seven children, thus intensifying, as the Prime Minister has so aptly said, the sympathetic concern that every member must have in his passing. In associating ourselves with the government in the loss of the deceased member, we realize, Mr. Speaker, that you in your own way will give to the bereaved widow and family expression of that sympathy which we all have and our deep regret that one of our number should have been so suddenly called from our midst.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, we in this group would like to associate ourselves with the expressions of esteem and sympathy uttered by the Prime Minister and the leader of the opposition.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, our group also would like to join in the expressions of sympathy with the Prime Minister and his party and with the family of the deceased member.

BUSINESS OF THE HOUSE

PRECEDENCE FOR GOVERNMENT BUSINESS ON AND AFTER MONDAY, MARCH 14

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

That on and after Monday, the fourteenth of March, to the end of the session, government notices of motions and government orders shall have precedence on Mondays over all other business except introduction of bills, questions by members and notices of motions for the production of papers.

Motion agreed to.

[Mr. Bennett.]

IMMIGRATION ACT

AMENDMENT OF PROVISION RESPECTING PROHIBITED CLASSES

Mr. A. W. NEILL (Comox-Alberni) moved for leave to introduce Bill No. 38, to amend the Immigration Act.

Mr. DUNNING: Explain.

Mr. NEILL: This is a very simple bill, and framed in modest and very general terms. It does not discriminate against or specifically name any nation or any race. It proposes to make a small but, I think, a useful addition or amendment to section 3 of the Immigration Act. In order to facilitate, I trust, its passage through the house and to secure the support of the right hon. leader of the opposition (Mr. Bennett), I have followed the suggestion he made on a previous occasion in connection with another bill and have provided that it shall not come into force until the first day of July, 1939.

Mr. DUNNING: What is it?

Mr. MACKENZIE KING: What is the bill about?

Mr. NEILL: It is to amend section 3. To put it in two words, it proposes to add the words "of Europe" to section 3, paragraph (t). If the house wishes me to read it out, I shall do so, but that is the only change.

Mr. MACKENZIE KING: What is the effect of the bill?

Mr. NEILL: Paragraph (t) of section 3 of the Immigration Act, chapter 93 of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:

(t) on and after the first day of July, 1939—

That is one change, instead of 1927.

—in addition to the foregoing "prohibited classes," the following persons shall also be prohibited from entering or landing in Canada: Persons over fifteen years of age, physically capable of reading who cannot read the English or the French language or some other language or dialect commonly spoken by and native to the people of any country, state, province or other political or territorial division of Europe—

And then follows the rest of the section, keeping to the old section.

Motion agreed to and bill read the first time.

"K" Speeches D 34853

HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

MONDAY, May 9, 1938.

The house met at three o'clock.

THE LATE FREDERICK CRONYN BETTS

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, parliament was just about to reassemble at the beginning of this session when members of the social credit group were called upon to mourn the loss of one of their number who had entered the House of Commons for his first time at the general election of 1935. Within a few weeks thereafter we on the government side sustained a similar loss in the passing of one of our younger members who had been returned to parliament also for the first time at the last general elections. To-day, immediately opposite, on the side of the official opposition, there is a vacant seat which was occupied during this session by one of the younger members of the Conservative party who, too, became a member of this House of Commons for the first time at the general elections of 1935. We are thus reminded that death is no more a respecter of political parties than of persons.

On Tuesday last it was known that Major F. C. Betts, the member for London, in pursuit of a favourite recreation, had left Ottawa to go to one of the nearby streams or lakes, to enjoy a day's fishing. When he did not return to keep the engagements he had previously made there began to be concern as to the circumstances which might have occasioned his prolonged absence. Much anxiety was felt as to what fate might have befallen him. Nevertheless, at the time of adjournment on Friday evening last all had hoped that he would somewhere be found in safety and brought back to his family and to the service of his country, in parliament and elsewhere.

Unfortunately the anxieties of those who feared that Major Betts had met his death by accidental drowning were only too completely realized on Saturday morning when his body was found in the Blanche river, a short distance from where he had parked his car some days previously. The remains have been taken to London, and to-morrow members of all political parties will assemble at the funeral service to be held in the late member's native city in order to pay their last tribute of respect to his memory.

I shall leave it to my right hon. friend the leader of the opposition (Mr. Bennett) to speak more particularly of the loss which he personally and members of his party have sustained in the passing of one who was so closely identified with their interests. I should like, however, to say on behalf of hon. members of all parties how greatly shocked we were to learn that one so prominent in his own party, one whose career was so well known, and who possessed so much of opportunity and capacity for public service should have come to the end of his days practically at the beginning of his parliamentary life.

It is generally known that Major Betts served with real distinction during the period of the great war. At the early age of twenty, he enlisted in the Royal Canadian Horse Artillery, and during the war was twice wounded. In his chosen profession of law, his attainments had received marked and well-merited recognition from his associates. He was an ex-President of the Middlesex Law Association and at the time of his death was a member of the council of the Canadian Bar Association.

During the years 1928 and 1929, Major Betts served as a member of the London county council. From the part he took in discussions in this house hon. members will recall his wide range of interest in public questions. Though in the Commons but a short time he showed clearly his desire and ability to debate the different subjects which were of concern to parliament. He was one of the most active members of his party.

Personally and on behalf of my colleagues and all hon. members on this side I should like to extend to my right hon. friend and to those who sit around him the expression of our sincere sympathy in the loss which the Conservative party and he as its leader have

sustained in the passing of one who so loyally supported the party, its principles, and its leader.

I should like to say, on behalf of all hon. members of this house, how very deeply we feel for the young widow and infant daughter who have been so greatly bereaved, as also for other members of the family who have suffered so great a loss under circumstances peculiarly poignant.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, the tragic circumstances to which the right hon. leader of the government (Mr. Mackenzie King) has referred make it unnecessary for me to do more than thank him very earnestly and sincerely for the kind terms in which he has extended the sympathy of himself and his colleagues to those of us associated together here as the official opposition.

It is a little difficult to do more than express sorrow on an occasion such as this, when one whom we have known so closely and intimately has left us under circumstances so very, very sad. The late Major Betts bore an historic name in the city of London, and early developed those characteristics which he had inherited. You might say that his life divided itself sharply into four divisions. He was a student in the schools of his own city and at Ridley College, St. Catharines, where he made for himself a distinct place. Then, while only twenty, he enlisted in the service of his country and within a few months was in France, where he gave such an excellent account of himself that promotions followed rapidly. Twice wounded, the later wound being rather serious, he returned to his home and was demobilized early in 1919, having been actively in service until the end of hostilities.

Then came the third division of his life, that in which he served his profession as a lawyer. He was admitted to the practice of law at Osgoode Hall, as was to be expected from one with his antecedents. He took an active interest in the profession, becoming president of the bar of Middlesex and later being elected to the council of the Canadian Bar Association. Then, as might have been expected, he embarked upon the fourth branch of his activities, that of public service. He served in the city council of London and in 1935 became a candidate for his party, and after a strenuous campaign was elected to the House of Commons. I recall being in London just before that election. I had met Major Betts only once before, I think, but I was struck with the thoroughness with which he was conducting his activities. He had visited the factories; he had ascertained the conditions under which work was being carried on; he had come in contact with the works people in all these factories and had familiarized himself with the products of his city in every branch of industrial activity. I then concluded, from what I saw, that in all probability he would be returned.

When he came here he immediately went to work, which is not what new members always do. So far as he could he made himself master of every matter that he took in hand. He was particularly interested in problems concerning returned soldiers and those that had to do with the militia with which he was associated, being on the reserve of officers. I recall very vividly discussing with him the question of his activities. I pointed out to him, as I have to many younger men, that there is only one way by which you may attain success either in the practice of law or in public life, and that is by doing it; and whether or not he found it easy, undoubtedly it was his duty to endeavour to express himself on every question that he thought of sufficient interest to warrant his intervention in the debate. He found it a little difficult at first, but confidence came slowly, and I think my friends opposite will agree that he was attaining that measure of confidence which enabled him to speak with a measure of certainty and conviction with respect to the many problems in which he interested himself.

It hardly seems possible that, not yet forty-two years of age, one who had escaped gas, bombs, shells and shrapnel, and attacks by sea, land and air, should lose his life under the circumstances to which the right hon. the Prime Minister has referred. Yet so it is, and it is a striking illustration of what a man of old said: Death hath so many doors to let out life. He is gone out of one of the most unexpected doors, having safely passed all the others to which I have referred, except that he was wounded in passing. He passed by those doors in a foreign land, across leagues of sea, only to lose his life within a few miles of these parliament buildings while engaged in a little harmless recreation. Death indeed hath so many doors to let out life.

I think it must be a matter of satisfaction to all of us that men of his training interest themselves in public life, and I trust that his example may be followed by many, in this new country which so much requires the services of those of his type, who are prepared to place themselves at the disposal of their country whenever the opportunity offers, whether in offering their lives as a willing

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mary of wharfage collections for the fiscal year 1936-37; copies of amendments to radio regulations; statement showing lands sold by the Canadian Pacific Railway Company during the year ended September 30, 1937, together with names of purchasers; copy of order in council P.C. 2844 of November 17, 1937, amending Canadian air regulations.—Mr. Howe.

Seventh annual report of Department of Fisheries; copy of approved minute of council authorizing payment of fishing bounties for the year 1936-37; copy of approved minute of council authorizing issuing of licences to United States fishing vessels on the Atlantic coast of Canada during the calendar year 1938.—Mr. Michaud.

Report of the Department of Public Works for the fiscal year ended March 31, 1937; report of the board of trustees of the National Gallery of Canada for the fiscal year ending March 31, 1936.—Mr. Michaud (for Mr. Rogers).

TRIBUTES TO DECEASED MEMBERS

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, since we last assembled here no fewer than six of our number have been removed by the hand of Death. Three of the hon. members were supporters of the government; two hon. members, each a former minister of the crown, were members of the official opposition, and one hon. member belonged to the Social Credit party. This, I believe, is in the history of our parliament the largest number of deaths which have taken place, at any time, in the recess between the prorogation of one session and the opening of the next. This, undoubtedly, is accounted for in part by the fact that the recent recess has been somewhat longer than the average. No fewer than three of the deaths have occurred in the present month.

It will I know accord with the feelings of all who shared the proceedings of the previous sessions if before entering upon the work of this session, some expression is given to the loss which this house has sustained in its membership and some slight tribute paid to the memory of those whose lives and public services have been brought to a close, and who are so much in our thoughts at the present time.

The hon. members who have been taken from us, and the constituencies they represented, were: Mr. Daniel A. Cameron, Cape Breton North-Victoria, whose death occurred on September 4, 1937; the Hon. Doctor Simon F. Tolmie, Victoria, B.C., who died on October 13, 1937; Mr. Joseph A. Verville, Lotbiniere, who died on November 20, 1937; the Right Hon. Sir George Perley, who represented Argenteuil, and whose death occurred on January 4 of this year; Mr. William M. Ryan, St. John-Albert, who died on the same day; and Doctor William S. Hall, Edmonton East, who died the day before yesterday.

Of this number, Messrs. Cameron, Verville and Ryan were supporters of the government. All three were members of the legal profession. Mr. Verville entered this house in 1925 and was here in all subsequent sessions. Mr. Cameron and Mr. Ryan came into the house only at the beginning of the present parliament. Mr. Ryan and Mr. Verville were each in their fifty-first year, Mr. Cameron was in his sixty-eighth.

Mr. Verville was born at Ste. Gertrude, Quebec, in 1887. He received his education at Nicolet college and at Laval university; from which he graduated as a notary. At one time he was mayor of St. Flavien, where he was residing at the time of his death. Although not a farmer himself, Mr. Verville represented a rural constituency. He took a keen interest in agricultural problems as well as in other matters of concern to his constituency and the province. He was a man of a retiring disposition. He did not take much part in the debates of this house, but he held strong convictions, and did not hesitate to express his views when he felt it was in the interests of his constituency that he should do so. His career has been ended prematurely, but he has left a record of service to his constituency which will be remembered not only by those whom he immediately served but by the people of his province generally.

Mr. Ryan was born in Saint John, New Brunswick, and was educated at St. Joseph's University and at King College Law School. Before practising his profession as a barrister, Mr. Ryan had had considerable experience in journalism, both in his own province at Saint John, and at Regina. He was created a King's Counsel in 1934. The experience gained in law and in journalism stood him in good stead when he came to this parliament. He had previously, on two occasions, unsuccessfully contested Saint John, but at the last election was returned by a large majority. Hon. members will recall that while here for only two sessions, Mr. Ryan took an active part in the discussions in this house, and also served faithfully on a number of committees. He gave evidence of outstanding ability. I feel that his death, occurring at the age of fifty years, closed a promising political career.

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Mr. Cameron was born at Sydney River, Nova Scotia, in 1870 and received his training at Dalhousie university. If I am not mistaken he was at Dalhousie in the same years as my right hon. friend the leader of the opposition (Mr. Bennett). Mr. Cameron before entering this parliament had already had a fairly long and active career in politics. He had taken quite an exceptional part in the affairs of his native province. He also had had an exceptionally fine career as a member of the legal profession. It was to be expected therefore that, even in the short time he was here, he would render real service to this parliament.

Mr. Cameron's public life may be said to have commenced with his interest in municipal affairs. In 1900 he was elected a member of the Cape Breton Council. He subsequently in 1916 and the years immediately following represented Cape Breton county in the provincial legislature. In 1922 he was made a member of the legislative council, and became the leader of his party in that house. When the legislative council was abolished Mr. Cameron sought re-election to the legislature and was returned by acclamation at a by-election as the member for Victoria. While a member of the legislative council Mr. Cameron had also been a minister without portfolio in the government of the late Hon. George Murray. After his return to the legislature as member for Victoria he became provincial secretary in the government of the Hon. Ernest Armstrong, which position he held until 1925. He was returned again to the legislature in 1928. As already mentioned, he was elected to this house at the last general election.

I am sure hon. members recall the effective manner in which Mr. Cameron discussed public questions. In his contributions to the debates the evidence he gave of wide reading, knowledge and experience and his calm judgment, avoidance of extremes of language in asserting his position, all helped to make his words bring conviction, and to leave a real impression upon the house. His death is a distinct loss to this parliament.

Mr. Cameron, Mr. Verville and Mr. Ryan were all outstanding Liberals. They were strong and firm in their convictions, faithful to their party and its principles, and very loyal to my colleagues and myself. They had friends in all parts of the house, but their loss will be felt particularly by those on this side, and by none more than my colleagues and myself, to whose administration they gave such loyal and whole-hearted support.

As I said a moment ago, it is not, however, from this side of the house alone that familiar

forms and faces have vanished. The Conservative party has lost two of its outstanding members, two gentlemen who for many years were among the foremost in the public life of our country. And the Social Credit group has experienced the first loss in its ranks. I hasten on behalf of hon. members on this side to express both to my Conservative friends and to my friends of the Social Credit party the sympathy which is felt by members of the government and its following in the losses which they have sustained.

Sir George Perley and Doctor Tolmie were, as I have just said, foremost for many years in the affairs of their party and prominent in the affairs of our country. Each of them had been in public life for a considerable time. Doctor Tolmie was returned five times to this house from the constituency of Victoria, British Columbia. Sir George Perley was returned seven times from the constituency of Argenteuil in Quebec. Doctor Tolmie served eleven years in this House of Commons, and Sir George Perley twenty-five years. Each of them had served in more than one administration as a minister of the crown and each had occupied, elsewhere, positions of high honour, trust and authority. While they were very different in many respects there were some distinct similarities in their characters as well as in their careers. Each of them had inherited an interest in public life and an aptitude for public service.

Doctor Tolmie's father, a physician, was one of the pioneer settlers of the Pacific coast, and was a member of the legislature of the colony of Vancouver island before the island became part of the province of British Columbia. Sir George Perley's father was one of the pioneer settlers of Upper Canada before the days of the Union. He too had seen service in public life. From 1887 to 1890 he was a member for Ottawa in this parliament. I might add that Doctor Tolmie's mother and Sir George Perley's mother in those early days each contributed much to the communities in which they lived. That service is still gratefully remembered.

Both Doctor Tolmie and Sir George Perley had natures which were kindly and generous. Each possessed a real capacity for making and holding friends. I doubt if either of them had personal enemies among their political opponents while each had many friends in all parties. Doctor Tolmie and Sir George Perley were alike in yet another respect, what I might term their modesty. Each despite the prominence of his position was anything but

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self-assertive. I do not think that either of them cared particularly for publicity, at any rate an undue publicity. Both too possessed another quality, all too rare. They were ready when the demands of the government or of their party seemed to occasion it, to efface themselves in order that they might be of greater service to others. In the difficult, most necessary but often thankless task of the work of political organization each of them rendered great service to the party to which he belonged.

Doctor Tolmie was seventy at the time of his death.

Doctor Tolmie's life, both in and out of Parliament, was identified most closely with agriculture. He was born on a farm in Victoria in 1867. To the close of his life, he retained his love of the soil, and his pride in his association with the farming community. In addition to being a farmer and a breeder of pure bred livestock, he was, by profession, a veterinary surgeon. Before entering parliament, he served as Chief Inspector of Health of Animals Branch in the provincial service, in British Columbia, and later as representative, for British Columbia, of the Dominion Livestock Commission.

Doctor Tolmie entered political life in 1917, at which time he was elected federal member for Victoria. He was returned to three successive parliaments, and in all, was elected five times to represent the constituency of Victoria at Ottawa.

In 1919, Doctor Tolmie was appointed Minister of Agriculture in the government of Sir Robert Borden. He held the same post in Mr. Meighen's administrations, in 1920 and 1926. While still a member of this House, he became the leader of the Conservative party in British Columbia.

Prior to the provincial elections of 1928, Doctor Tolmie resigned from the House of Commons in order the more effectively to participate in the campaign, and to contest a provincial seat. His party was returned to power, and he became Premier of British Columbia, which office he held from 1928 until the defeat of his administration in 1933. This reverse meant a temporary abandonment of his political career, but in the by-election of 1936, he was returned for the fifth and last time as a member for Victoria in this house.

Public duties were thrust upon, rather than sought, by Doctor Tolmie. He was a man of robust personality, and a modest and faithful public servant; a man of unimpeachable integrity, and possessed of a strong, homely common sense and ready wit. He will be remembered among those who have helped to build the Canadian west, and who have made an enduring contribution to Canadian agriculture.

Sir George Perley's death was so recent, and so very sudden, that it still remains something of a shock to all who knew him. In our references to him, I do not think Sir George would have wished us to strike a sorrowful note. In the manner of his passing, as in his life, there was much for which his friends may well be grateful. He had lived to the great age of eighty years. In appearance he was much younger. He had been spared any impairment of his faculties, or any prolonged suffering.

On New Year's day, which was a Saturday, Sir George had taken his part in the life of the capital. Sunday saw him at his accustomed place of worship. On Monday, the day before his death, he had been following his usual activities. That night, he passed away quietly in his sleep—"Like one who wraps the drapery of his couch about him, and lies down to pleasant dreams." As he had lived at peace with the world, so, in peace, he ended his days.

Sir George grew up in the picturesque surroundings of the Ottawa valley, in the days of the early lumbering industry. How long a career his was, how much of change he witnessed in its course, and how considerable the experience he brought to his public life, we realize when we recall that he was ten years of age at Confederation, and had lived in Ottawa before it was chosen to be Canada's capital. He told us in a broadcast but a few months ago that he could remember the time when the settlement consisted of but two small struggling communities, one in Lower Town and one at the Chaudiere—separated by some two miles of poor road; while in between, there were practically no buildings, except the barracks, standing on the site of these Houses of Parliament.

Entering parliament when all but fifty years of age, Sir George Perley occupied, for over three decades, in years of war and peace alike, a foremost place in our public life.

I rather hesitate to attempt an enumeration of significant features in his parliamentary career, or the nature of his public services. As, however, few men, in the history of our country, have given more completely of their time, and of their lives to the public service than Sir George, it is, I think, desirable that, at this time, some mention should be made of the positions of great trust, honour and responsibility which he held in the course of

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his long and useful life, and in which, both at home and abroad, he gave so much of disinterested public service.

Sir George entered this House of Commons as the member for Argenteuil in 1904. He had previously unsuccessfully contested the constituency on two occasions. He became chief whip of his party in 1910. When Sir Robert Borden was returned to office in 1911, he became a member of the cabinet without portfolio. As early as 1912-13, Sir George became acting Prime Minister in the absence of Sir Robert Borden, and this position he filled time and again during absences from Canada of both Sir Robert and my right honourable friend. There quickly developed that intimate association between Sir George and Sir Robert which made him the most loyal and helpful of colleagues of the Prime Minister. He preferred, through the years that his party was in office, not to accept a portfolio at Ottawa, though, he was at all times, prepared, as a member of the government, to assist the Prime Minister and his colleagues, in an acting capacity, to the extent of his power, and exceptional opportunities.

Few Prime Ministers have ever had a more loyal and helpful colleague than Sir Robert Borden had in his friend, Sir George Perley. That helpfulness and co-operation was extended in equal measure to Mr. Meighen and to my right honourable friend during their years of office. May I here express to my right honourable friend the very sincere sympathy I feel for him in particular in the loss of one who shared his desk in this House of Commons, and with whom he was so closely associated in all his public duties.

During his visit to England in the early part of 1914, Sir George assumed the temporary charge of the then vacant office of High Commissioner for Canada. With the outbreak of the war, he remained in charge of this office, and added to the duties of it, those of Minister of Overseas Military Forces.

When he relinquished the latter post in October, 1917, Sir George accepted the appointment of High Commissioner for Canada, and remained in that office until March, 1922. He was, during the period of the war, and the years immediately succeeding, a member of the Imperial War Cabinet, a delegate to the Imperial Conference of 1917, to the Conference at Versailles, 1919, and to the Assembly of the League of Nations, in 1921.

Of Sir George's political career, it is perhaps sufficient to say that, throughout it all, he was true to the best traditions of public life, something which was never more needed than in these times of changing values and loyalties.

[Mr. Mackenzie King.]

May I add this one further word with reference to a part played by Sir George in the proceedings of this House. His practical knowledge, and sound judgment of men and affairs, as I have already said, meant much to his party, both in office and in opposition. I should like to add that it meant much, as well, to all parties in parliament. In the nature of things, difficulties and differences are bound to arise between a government and an opposition, which, if they are permitted to develop and become acrimonious, are bound to destroy what is best in our parliamentary system of government, namely, the settlement of all matters by reasoned discussion, and the avoidance of unnecessary bitterness, or attempts at coercion in any form. In situations of the kind, Sir George always sought to exercise a moderating and a restraining influence, one which had its effect for good in the relations of all.

I have still to make mention of one more honourable member who has been taken from us since the last session.

It was only the day before yesterday that word was received of the sudden passing, in Edmonton, of Doctor William S. Hall, the member for Edmonton East.

Doctor Hall was in his sixty-seventh year at the time of his death. He was a dentist by profession, and his education had been gained, in part, at the University of Toronto. Like Mr. Cameron and Mr. Ryan, he entered parliament for the first time in 1935. It was his interest in the Social Credit movement which brought him to the fore, first as a candidate for the legislature of Alberta, in 1935, and, later, in the same year as a candidate for the House of Commons. He was not successful at the provincial election, but succeeded in winning a seat in the federal parliament at the general election. His participation in the affairs of this House was necessarily limited. Dr. Hall hardly had the opportunity to become familiar with public life, and we had only come to know him when he was called away.

In what I have just said of the six of our number who have been taken from us, I have necessarily enlarged somewhat upon the services of those who have been longest in public life, and whose part in public affairs has been best known.

Thinking, however, of all of them, one feels that each, in his own way, and to the best of his abilities, sought to serve his community, his generation, and his country. They were all good Canadians, and their

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names and their lives and their public services will be remembered through years to come.

I would ask you, Mr. Speaker, kindly to convey to the immediate members of the families of those of our number who have passed away, the sincere expression of the sympathy of this House, in their bereavement.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, there has grown up a custom, now almost established as a parliamentary practice, whereby before entering upon the active work of a session we pause to contemplate the work of those who have left us during the recess. For many reasons I think it is a sound practice. The right hon. the Prime Minister (Mr. Mackenzie King) gave one excellent reason when he said that it afforded us an opportunity to record upon the pages of Hansard the achievements in public service of those who have left us. But it serves another purpose; it serves to remind us of the brevity of human life, and of the unimportance of the individual in the march of time. A few months ago none of us could have thought that by to-day six of our number would have passed to the Great Beyond. Serving as it does those purposes this custom enables some of us who for a brief moment may occupy official positions in the house to record briefly the contributions which have been made to the public life of Canada by our former fellow members.

Three hon. members who have left us were supporters of the government of the day. I cannot think of Mr. Cameron other than as my old friend Dan Cameron. We were classmates at Dalhousie. He was a Cape Breton Scotchman, a highlander through both sides of his parentage, and was blessed with what I regarded as one of the most powerful intellects with which I came in contact. To some extent I think circumstances limited the operation of that mind, but when I knew him as a student I knew one whose very powerful mind made a deep impression upon me in those youthful days. He served for many years in a judicial capacity as a stipendiary magistrate at Sydney. In the public life of Nova Scotia, whether in the legislative council or the legislative assembly, he brought to bear upon the questions he had to consider a moderation, a dignity and a calmness of judgment worthy of emulation.

In ill health he came to this house, and we did not see the strength and force of the man. However on more than one occasion his independence of judgment was manifested when, on questions which did not affect high policy, he indicated that at the time he was not in accord with those who for the moment took a particular stand. It is a matter of great pride and satisfaction to me to think that an old classmate of mine was here, and that he sat not far from me. To me his passing was a real sorrow, for I had a deep and affectionate regard for him which I find somewhat difficult to express in words.

The late hon. member for St. John-Albert, Mr. Ryan represented the county in which I was born. He had experience in the profession to which I belong, and was also a journalist of repute, knowing something of its troubles, difficulties and problems. I saw him last fall in his native city of St. John where he was engaged in an inquiry. At that time I had some discussion with him, little thinking I should never see him again. He had a warm-hearted disposition, an attribute of his race. While on some matters we actively differed, our differences never in any sense interfered with our personal relations. I realize, as the Prime Minister has said so very aptly, his leaving us was on the threshold of what promised to be a very useful career.

Of the remaining supporter of the government who has departed this life, Mr. Verville, I knew very little. I observed that he was a faithful attendant in this chamber, and, although he expressed himself seldom in this house, he took a great interest in all public questions. The fact that he was elected four times by his constituents is in itself testimony to the place he held in their affection and regard. That he had their confidence indicates that he was no ordinary man in a county the size of that which he represented.

On behalf of those with whom I am associated I wish to express to the government our very great sympathy in their loss of three supporters, gentlemen who gave promise of being extremely useful as the years went by in the discharge of public duties. Of their loyalty and devotion to their party and government I think nothing need be said; it was apparent on every occasion upon which the opportunity offered. To the families of these distinguished gentlemen we extend our sympathy in their bereavement. We recognize in those who now are lost to this chamber, men who had been chosen by the people under our democracy to represent them in this house of parliament.

To deal with the loss which the Social Credit party has sustained is quite beyond me except to say that I knew Doctor Hall by reputation. He resided at Edmonton, two hundred miles north of Calgary. His coming

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into this house to support the movement in which he believed was not unexpected when he received the nomination of his party. His careful attention to the debates in this house and his manifest intention at all times to make every possible contribution to the cause which he had espoused distinguished him as it does all those who so enthusiastically support their party. I trust I may be permitted on behalf of myself and those with whom I am associated to express my sympathy and sorrow.

To speak of the other two members who have left us is a task, if I may use that word, of great magnitude. Simon Fraser Tolmie had been known to me for many years. His father came to British Columbia by way of the isthmus of Panama. When I last saw Doctor Tolmie in his bed at the old farm not far from the centre of the city of Victoria he told me that he was born in that room; and in that room he died. He was born in the year of confederation, and had reached the age of seventy years.

Doctor Tolmie had a genius for friendship that few men have. He had a sense of humour and a ready wit. In the very nature of things his love of animals and of the land made him a respected and almost revered friend of agriculturists and cattle raisers. I think the tribute paid to him at his funeral in Victoria—I was not present but I read it—was as impressive a manifestation of grief on behalf of the people as could possibly be conceived. He was a friend of all men, and all men were his friends. It is not often that one may say that with sincerity.

He rendered two notable services to Canada. As Minister of Agriculture he had the courage to take steps that resulted in the eradication of mange from the prairies and ranges of western Canada. The steps that he took at that time caused much criticism, but he was determined to see the matter through, and he did. The result was that mange disappeared from our ranges.

The second service that he rendered to this country was of a different character. It must be known to all that for many years England declined to receive our cattle; an embargo had been placed against them on the ground of their health. When the matter was being discussed on one occasion at a meeting of the war cabinet in England an undertaking was given that this embargo would be removed at the termination of hostilities. This in passing enables me to pay a tribute to one whose memory is sometimes forgotten, the late Hon. Robert Rogers. He insisted at that time that the memorandum should be

incorporated in the minutes of the meeting, and the extending of that minute on the record of the day's proceedings was the basis upon which subsequent action was taken by the British government to remove the embargo.

It will be within the memory of the house, Mr. Speaker, that the government in England was loath to permit our cattle to enter that country. The Minister of Agriculture, afterwards Lord Ernle, took a very strong view against us. I recall the debates in the House of Lords at that time. It was upon the investigation of the matter by a small commission, of which the late Lord Finlay was a member, that Doctor Tolmie rendered such conspicuous service to this country. As a veterinary surgeon he had special and expert knowledge. When he had concluded dealing with the matter it was the judgment of Lord Finlay and those associated with him on that commission that nothing more remained to be said. By these two distinctive services that he rendered to our country Doctor Tolmie has placed us under a debt and obligation that will not soon be forgotten.

He had no desire for the limelight of public life. The Prime Minister has very properly remarked upon his modesty in that regard. He became head of his party in British Columbia and subsequently premier of that province, but it was with a reluctance that was amazing. As he frequently said to me, he felt he would be happier in the discharge of the duties that he was so eminently qualified to discharge as Minister of Agriculture. I think he was happier in Ottawa than in any other part of the world. He was at his happiest at the University club, surrounded by his friends.

Doctor Tolmie will be greatly missed in that part of Canada in which he lived. He will be greatly missed by those who knew him as I was privileged to know him, by those who understood something of his fine qualities of heart and mind. His generous, open-hearted attitude toward life and material things made it impossible for him to accumulate anything during his lifetime. One might almost say of him, as was said of Pitt, that he lived without ostentation, and he died poor.

I wonder if members of this chamber realize how difficult it is for me to speak at any length or adequately of the Right Hon. Sir George Perley. I knew him as a member of parliament, as chief whip of his party, as a minister of the crown, as high commissioner, and as a colleague. An English writer said not long ago that it is very difficult to analyse the qualities that go into the making

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Changes in Personnel of House of Commons since Prorogation - 1937

	Vacancy	Replaced By
1937		
Sept. 5th	Daniel A. Cameron, M.P., for Cape Breton North-Victoria. (deceased)	Matthew MacLean, by acclamation, Oct. 25th, 1937.
Sept. 28th	Colin A. Campbell, M.P., for Frontenac-Addington, resigned to contest seat in Ontario Provincial elections.	Angus McCallum elected by acclamation, November 1st, 1937.
Oct. 13th	Hon. S. F. Tolmie, M.P., for Victoria, B.C. (deceased)	R. W. Mayhew, November 29th, 1937.
Nov. 20th	Joseph A. Verville, M.P., for Lotbiniere, Quebec. (deceased)	Jos. N. Francoeur, December 27th, 1937.
Nov. 30th	Paul Mercier, M.P. for St. Henri, P.Q., appointed to Judgeship.	J. A. Bonnier January 17th, 1938.
1938		
Jan. 4th	Sir George Perley, M.P. Argenteuil, Quebec. (deceased)	Georges Hion
Jan. 4th	Wm. M. Ryan, M.P., for St. John-Albert, N.B. (deceased)	Als. McAvity
Jan. 26th	Wm. Samuel Hall, for Edmonton East (deceased)	O. A. Kennedy.

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NOTE:

Feb. 14th	Matthew McKay, M.P., for Renfrew North. (deceased)	R. Melville Warren elected on April 5th, but did not take his seat, the House proroguing on April 10th, 1937.
Sept. 28th	Hon. W. Earl Rowe, M.P., for Dufferin-Simcoe, resigned to contest seat in Ontario Provincial Parliament.	Hon. W. Earl Rowe; defeated in Ontario Provincial elections, and was re-elected to Federal Parliament by acclamation, November 8th, 1937. No change.

D 34863

Ottawa, March 9th, 1938.

MEMORANDUM FOR THE PRIME MINISTER:

-- Attached are a few notes on Mr. Sinclair. He took very little part in debates, dealing principally with patronage and similar questions affecting the Island, and served only on routine Committees, such as Privileges and Elections and miscellaneous Private Bills. Mr. Sinclair made no recent speeches outside Parliament, of which we have any record.

The Whip has sent flowers on behalf of Liberal Members.

E. A. P.

F/R

D 34864

Re Peter Sinclair (Queen's P.E.I.)

born November 13, 1887

died March 7, 1938.

Since House met at 3 yesterday, it has suffered loss of Member for Queen's;

(1st bereavement since reassembling; 13th since present Parliament began);

Suddenness of passing -

Word of passing has brought with it a sense of shock; was in his place in this House as late as Friday last; while not feeling in best health for some time past, went to hospital only on last Sunday; neither in his own mind or that of others was there any deep anxiety as to recovery; recall he was at dinner at Laurier House (along with his brother and Premier of P.E.I.) a week before entering hospital (February 25);

Family Tradition of Public Service -

Father - Peter Sinclair - sat in local Legislature; elected to H. of C. for same riding Queens by acclamation, 1874;

Brother - Hon. John Sinclair - represented same seat in this House for many years (elected g.e. 1917, 1921, 1926);

now represented the Island in another capacity;

Cousin - A. E. MacLean (Member for Prince) - a first cousin - has been elected at every g.e. since 1921; extend our sympathy to him;

Political career had only begun -

a young man - only in 51st year;

elected to Legislature of P.E.I. 1927;

Minister without portfolio in government of Hon. Albert Saunders, 1928;

defeated at provincial general election, 1931;

elected to H. of C. at g.e. 1935;

while present was but his third session, he had many friends in all parts of House - kindness, genial disposition, friendliness, much liked by all who knew him;

equanimity, not easily perturbed by the problems and strife of political life;

combined devotion to welfare of his constituency and Island with a broad concern for interests of Canada as a whole;

D 34866

Word of sympathy -

to family who have been so suddenly bereaved of husband and father so early in life; widow; 4 sons; 3 daughters; brother (Senator Sinclair); cousin (Member for Prince).

March 9th, 1938

P/R

D 34867

Notes re the late Right Honourable Sir George H. Perley, G.C.M.G., M.P.

(Conservative Member for Argenteuil, P.Q., born Sep. 12, 1857) died January 4, 1938)

His passing a great loss to this House, to the public life of our country and to Canada as a whole;

I do not think Sir George would wish us to strike a sorrowful note; in his life and in his death, much to make those, who were his friends, rejoice -

had been granted many years of unimpaired vigour -

spared prolonged suffering, and went in the fulness of his strength;

As he had lived, - at peace with the world, so in peace he ended his days;

On New Year's Day he had taken his part in the life of the Capital;

Sunday saw him at his accustomed place of worship;

I understand that on Monday, the day before his death, he had been taking his usual part in the life of the city, and that night he passed quietly in his sleep - "as one who draws the drapery of his couch about him, and lies down to pleasant dreams".

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Personal attributes:

Simplicity of life; of tastes and habits -
a man of means, lived unostentatiously, doing his duty and quietly performing good works where he saw them to be done;

Courtesy and kindliness;

Democratic instincts and feelings; generosity; never lost his friendly contacts with those in the humblest walks of life; maintained to close his deep concern for wellbeing of less fortunate of his fellows;

The gift of winning, all along the journey of life, the esteem and the friendship of men and women of all shades of political opinion;

Character and disposition reflected in the calm and kindliness of his countenance;

The substantial traits of character were also his -
dignity; integrity; loyalty;

Strong sense of duty - never avoided any task; no undertaking too onerous or too humble if it lay in path of duty;

Unassuming; without vanity or selfish ambition -

D 34869

willing to act in any capacity where his services might be of use;

always prepared to efface himself for others;

always willing to work in the background - his main concern that the task be done;

A long and distinguished career:

His father represented Ottawa in the House of Commons and was an outstanding citizen of the community;

Sir George himself grew up in the picturesque surroundings of the Ottawa valley - in the days of the early lumbering industry;

How long a career his was, and how much of change he witnessed and of experience he brought to his public life, we realize when we recall that he was ten years of age at Confederation and lived in Ottawa before it was chosen to be Canada's Capital; that he could remember, as he told us in a broadcast but a few months ago, the time when the settlement consisted of but two small struggling communities, one in Lower Town and one at the Chaudiere - separated by some two miles of poor road; while in between, there were practically no buildings, except the Barracks, standing on the site of these very Parliament Buildings;

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Entering Parliament when all but fifty years of age, he occupied, for over three decades, in years of war and peace alike, a foremost place in our public life;

Disinterested service, at home and abroad, characteristic of entire career in high offices of state, and in positions of great trust, honour and responsibility;

(Contested unsuccessfully Argenteuil, general election 1900 and by-election, 1902;
He first entered House of Commons for Argenteuil, 1904;
Chief Whip in 1910;
Chief aide to Sir Robert Borden;
An effective organizer for his party in 1911;
Minister without portfolio in Borden cabinet;
Acting Prime Minister as early as 1912-13;
During visit to England in early part of 1914, he assumed temporary charge of the then vacant office of High Commissioner for Canada;
With the outbreak of the War, Sir George remained in charge of this office, and added to the duties of it these of the First Minister of Overseas Military Forces;
When he relinquished the latter post in October 1917, Sir George accepted the appointment as High Commissioner for Canada, and remained in that office until March 1928;
Member of Imperial War Cabinet;
Delegate at Imperial Conference, 1917;
Conference at Versailles, 1919;
Assembly of League of Nations, 1921;
Acting Prime Minister during absences of both Sir Robert Borden and Mr. Bennett;)

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Life identified with worthy causes:

Sir George's whole life dedicated to worthy causes - of a private as well as a public nature;

His charity was not a matter of philosophy only - it found constant and practical expression in many philanthropic enterprises, which will long remain memorials of his generosity;

(As early as 1897, he served as chairman of the Prescott and Russell Fire Relief Fund;
Again in 1900, served as chairman of the Ottawa-Hull Fire Relief Fund;
In 1918, he presented to the City of Ottawa the hospital which bears his name.)

His concern in national matters did not diminish his interest in the community in which he spent virtually all his life;

he took his full share of responsibility as a citizen of Ottawa and in everything which affected its welfare;

Significance of political career:

Maintained and enhanced the best traditions of public life; never more needed than in these times of changing values and loyalties;

(a) Amenities of public life -

staunch partisan; yet always fair, tolerant, respectful of opinions of others; believed in

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sincerity of his opponents; political strife did not prevent him from observing amenities of public life, or from forming those friendships with men of other convictions which remove the asperity from debate and strengthen the political institutions of our land;

(b) Moderation -

Career characterized by essential reasonableness of view; temperate in opinion as in language; not a man of great extremes; realized the need for accommodation of conflicting views in interest of national unity; moderation, and change by evolutionary methods essential to working of democratic institutions;

(c) Ideal of public service -

Career throughout one of large and unbroken public service; a life given so completely to furthering the public wellbeing cannot fail to be an inspiration to others; need today of men following Sir George's example and giving their time and energy in service to the state; good government cannot be attained without men of large experience, broad vision, whose lives are devoted disinterestedly to public affairs; -

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whose public acts are determined not by a fitful or selfish response to questions as they arise from day to day, but by long and understanding knowledge of national problems;

(d) Value of experience -

Tendency today to minimize value of experience in conduct of affairs; life of Sir George demonstrates fallacy of this view; years sat lightly upon him and passing of time, rather than impairing his usefulness, added to it; his vitality, youthfulness, interest in new problems and aspects of our day, maturity of his judgment, steadiness in the years of the war, and in the harried years of peace which have followed - all were a source of envy to those much younger;

Loss to his party:

Practical knowledge, sound judgment of men and affairs - meant much to his party, both in office and opposition;

At all times trusted confidant of his colleagues;

An intimate associate of three Prime Ministers - experience and personal loyalty such that duties of an acting prime minister might be left in his

hands at any moment;

as one who has known something of responsibilities of office, can appreciate what his services meant to successive leaders of his party;

his understanding of the burdens and problems which beset the leader of a party or a government, and his capacity to share them, must always have been a source of security as well as assistance;

Sir George had reached and passed his 80th year, without impairment of his powers;

in a sudden blow, his party is thus deprived of one foremost in its councils; effective in debate; and possessed of great discernment and experience;

To the Leader of the Opposition, who will more especially miss his former desk-mate and colleague, and to the members of Sir George's party generally, extend sincere and deep sympathy of government and supporters;

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A personal friend for over forty years:

Proud to have had Sir George as a close personal friend;
He had been a friend of my mother and father;
His home one of the first to extend a welcome, when,
almost forty years ago, I came to Ottawa;
Our friendship had strengthened and ripened with the
years;
In House of Commons, I never failed to receive, at his
hands, an understanding consideration and courtesy;
recall with pleasure occasions when Sir George
had been acting Prime Minister;
Outside the House, we had many pleasant associations;
We had met at His Excellency's Levee on New Year's Day,
and renewed the greetings then exchanged at
Laurier House during the afternoon;
His passing a deep personal loss to me;

All will wish, Mr. Speaker, to extend the deep and genuine
sympathy of this House to Lady Perley, who, throughout
a quarter of a century, was so closely associated with
Sir George's public activities, and herself played such
a large part in the many works of charity for which
their names will long be remembered.

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
57		Marketing in U.K. Speeches in Parliament	1938	D 34767 - D 34780	
57		Massey, Hon. Vincent. Speeches in Parliament	Jan. 1938	D 34781 - D 34784	
57		National Employment Commission. Speeches in Parliament	1938	D 34785 - D 34786	
57		Obituaries. Speeches in Parliament	1938	D 34787 - D 34875	
57		Paris Speech: Speeches in Parliament	Apr. 1938	D 34876 - D 34883	
57		Power, Export of. Speeches in Parliament	Mar. 1938	D 34884 - D 34947	
58		Procedure: Speeches in Parliament	1938	D 34948 - D 34955	
58		Radio. Speeches in Parliament	Feb.-May 1938	D 34956 - D 34972	
58		St. Lawrence Waterway. Speeches in Parliament	Mar. 1938	D 34973 - D 34974	
58		Spanish Civil War. Speeches in Parliament	Mar. 1938	D 34975 - D 34978	
58		Sino-Japanese Conflict. Speeches in Parliament	Jan.-May 1938	D 34979 - D 34994	

In his address last Friday the hon. member for Vancouver North reiterated that position over and over again. Hence I would say that there was no change in the basic and fundamental principle from which he spoke this year as compared with a year ago. This year, as last year, we argue that defence plans should be based on a clear-cut foreign policy. We ask, as we did a year ago, what is that policy? So far this house has been given no definite statement from the government regarding it.

That is not my opinion only. It is the opinion of political observers all across Canada. As recently as last Saturday evening the Ottawa Journal, edited by a gentleman whose ability and powers of observation I think none of us will question, remarked that this house and this nation should be told the truth regarding the defence estimates, should be told what is implied by them. For, he said, anything else is not honest, and can bring only injury. That, briefly, is the opinion also of the group with which I am associated.

The hon. member for Essex East illustrated what he termed our policy in relation to international affairs by quoting from the recent Brussels conference. Last October at Geneva we associated ourselves with other nations in calling upon members of the league to give at least moral support to China. We were also at Brussels, and what did the Chinese delegation say at Brussels? According to a Canadian Press dispatch dated November 15, 1937:

> Canada has been a substantial contributor to Japan's weapon of war, according to a statement issued by the Chinese delegation to the nine-power treaty conference to-day.
>
> The statement analyses Japan's dependence on foreign supplies for raw materials. It says that in 1936 Japan imported aluminum, used in aircraft manufacture, valued at 12,000,000 yen ($3,480,000). Of this Canada furnished 71·7 per cent.
>
> In the same year Japan imported 33,000,000 yen worth of copper, of which Canada furnished 97·11 per cent.

In the same paper there followed a comparative table issued from Ottawa showing the increases in our sales to Japan last year.

Then the hon. member for Essex East undertook to read the hon. member for Vancouver North a lecture on our duties as members of parliament. He said:

> What he states here should be different and from a different point of view from what he would say if he were in the lecture hall of a university or making a public lecture apart from his responsibility as a member of parliament.

Surely if this advice were followed—

[Mr. Coldwell.]

Mr. MARTIN: Mr. Chairman—

Mr. COLDWELL: Just a moment. I did not interrupt the hon. member, and I think he will be quite satisfied with what I am going to say when I have said it. Surely if this advice were followed the atmosphere of this chamber would be even more unreal than it already is, and we should sit here simply employing words to conceal our thoughts. In other words as the hon. member for Essex East this afternoon stated, this institution of democracy might become the citadel of hypocrisy. I can only suppose that over the week-end he has read those words a good many times—

Mr. MARTIN: You are quite right.

Mr. COLDWELL: He has seen their implications, and realized that it must have been in a moment of mental aberration that he said what he did on Friday. To my mind it illustrates this, that even one of the most liberal—if I may put it that way—of the Liberals who sit on the opposite side of the house can be affected by the reactionary influences with which he is continuously associated. Once in a while we see an indication of that, and I take it this was one of the occasions.

Now we are told in this house that we may not discuss foreign policy, at least not as frankly as they discuss it at Westminster, or we may start a war somewhere.

Mr. MACKENZIE KING: May I ask my hon. friend when that statement was made?

Mr. COLDWELL: Well, I might withdraw the words that a statement was made; in fact I do not think I used those words. But, last year, again and again the hon. member for Winnipeg North Centre asked what the foreign policy of this government was, and again and again we had no indication of it. The same thing has occurred this year; we have no indication of that policy. Yet day after day I read in the press of their frank discussions of policy at Westminster.

Mr. MACKENZIE KING: May I say to my hon. friend, seeing he has referred to it, that I think he will recall that last session I made a very comprehensive statement with respect to the foreign policy of the present administration. I think he will also recall that at the present session I said our foreign policy had not changed in any particular from that set forth comprehensively last session. I believe I also said that I hoped every hon. member would feel free to discuss just as fully as he might wish the question of foreign

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(a) Improving the standard of labour and living by international agreement, as is being done by the international labour office.

(b) A consideration of the raw materials inaccessibility argument. There is a lot of nonsense in connection with this argument, but so far as it is valid it should be faced squarely.

(c) Freer access to markets, so that nations may be able to sell that which they best produce, in order to obtain the exchange with which to acquire raw materials.

(d) Trading on a basis of equality rather than of discrimination; and that again, this government can afford to do in the light of its traditions.

(e) Currency stabilization and better coordination of financial policies.

(f) Possible extension of the principle of mandates or international development of certain colonial areas.

(g) Provisions for peaceful change.

Last, and I think most important:

(h) Readaptation, if necessary, of the collective system.

As regards this program I have sought not to be an apologist for anyone. I have criticized the past foreign policy of the present and other governments. But confining oneself for the moment to the situation in which we now find the world, no man in the position of responsibility occupied by a member of this house can urge the government to resort to any other course than it is following at the present time.

I merely express again before taking my seat, the hope that it will be possible to permit the agencies of confidence to replace force as an instrument of national policy and as a means of settling disputes between nations, the hope that the law will supplant the will of any one man or ruler of a country. While I recognize that in the present situation it is almost futile to attempt to be idealistic, I am convinced, even if that conviction is based upon idealism, that the present system of heavy armaments and of foreign policies based upon them cannot preserve the peace of the world. Peace can come only by a revision of the concept of sovereignty and a recognition of the fact that, because of the economic interdependence of the world, nations have to be prepared to give and take in respect both of political and of economic matters. But the time for that has not come; we can only hope that it will come in the not distant future.

Mr. M. J. COLDWELL (Rosetown-Biggar): In rising to speak to this matter of defence, may I say first that I would very much like to have more than forty minutes, but I feel that the indulgence of this house has already been extended on too many occasions, and I propose to try to keep within the rules in this regard.

First I desire to deal very briefly with some of the remarks made by the hon. member for Essex East (Mr. Martin). He has, I think, endeavoured, and quite ably, to make an apology for what I still consider to be the government's lack of policy. Having followed the hon. member's speeches from time to time on international affairs and the League of Nations, I am sure that what he undertook this afternoon must have been an uncongenial and perhaps even difficult task. In outlining the policy which he laid before the committee he said that he had no authority to speak for the government, yet he led us to infer that the government had a policy, and he laid before the committee a policy—

Mr. MARTIN: Will the hon. member permit me to point out that that statement is not accurate? I did not lay before the committee a policy. I laid before it what I understood to be the policy of the present government.

Mr. COLDWELL: I accept that explanation and say that the hon. member laid before the committee a formula, and the idea I got was that it was the policy which is governing the government's policy; yet the formula is not the government's formula but that of Mr. Escott Reid, who has no responsibility whatsoever in relation to the government of the country.

The hon. member twitted my colleague the hon. member for Vancouver North (Mr. MacNeil) the other day, saying he had changed his position in regard to some of the matters now before the committee. May I just quote the concluding paragraph from what the hon. member for Vancouver North said last year in discussing the problem of defence, as found at page 887 of Hansard of February 15, 1937:

> I submit we are being asked to support measures of defence which offer no defence. We are being asked to jeopardize our social security and to perpetuate social inequalities without the assurance that there will be additional security against danger from war. In the name of national defence we are facing commitments which mean anything but the defence of Canadian soil or Canadian homes. We desire peace, and we are taking the road to war. I submit, Mr. Speaker, that the situation demands a straightforward statement from the government as to its intentions for the future.

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policy in this house, but that when it came to statements by the government, these had to be made, having in mind the government's full responsibility for its every utterance in the light of conditions as they are known to be.

Mr. COLDWELL: I appreciate the explanation of the Prime Minister, and I accept his statement. May I direct his attention to the fact that all across the country in many of our leading papers, representing all shades of thought, the statement is continually made —and I sympathize with it—that we have no clear cut understanding in this house or this country as to what policy the Prime Minister really has in mind.

Mr. MACKENZIE KING: That is not the fault of the government, and may I say one other thing. I think all hon. members of the house will see, if they look at Hansard, that for nearly two months I have been trying to have an item in external affairs taken up so that I might have a chance again this year to place before the house a comprehensive statement with respect to foreign policy. I wished to do that before the Minister of National Defence brought in his estimates. The minister's estimates have been proceeded with ahead of mine for the reason that if the expenditures are to be made, and made to the greatest advantage, they ought to be made very soon. On that account the minister has not been held back. But, as the records will show, for two months I have consistently asked for a chance to bring external affairs before the house. Personally I wanted to have the matter off my mind before the Easter vacation, but I am afraid that will be impossible now.

Mr. COLDWELL: I think what the Prime Minister has said is quite right; he has intimated to the house that he would like to introduce an item with regard to external affairs. But may I point out that we are not in control of the house; the government largely decides what business shall be taken up from day to day.

Mr. MACKENZIE KING: May I say to my hon. friend that what has prevented me from doing so for longer than three weeks has been the amendment to the motion to go into supply.

Mr. COLDWELL: May I remind the Prime Minister that we have gone into a number of departments already; post office, national revenue, public works and others, and I think ample opportunity has been afforded to go into the Department of External Affairs had the right hon. gentleman so desired.

The hon. member for Essex East took exception to our saying that these estimates implied certain commitments. He asked this question: Against what countries are we committed to prosecute a war of aggression? He referred to some nations which he named, and said:

> The hon. member has a responsibility as a member of parliament, and in his sincere approach to his problem I think he should be in a position to give an answer to a question of this kind.

The hon. member for Vancouver North is neither the prime minister nor the minister of national defence. If he should be expected to answer the question as against whom we are committed to prosecute a war of aggression, how much more should the members of the government be prepared to answer the question: for what purpose are these defence plans being executed or from whom may we expect aggression? I would expect an answer to the latter question much more than my hon. friend should expect the hon. member for Vancouver North to answer his question. So far, as I have said already, in my opinion we have not had an adequate answer. Again I say the defence plans must be based on a definite foreign policy, and again I ask what is that policy. Surely the government can tell us whether it is a purely British Empire policy designed solely for the development and protection of empire interests; or a policy purely of North American isolation, with Canada living strictly apart from world conflicts, commerce and considerations; or a league of nations policy based upon loyal support of collective security for the maintenance of world peace; or that of a purely autonomous state endeavouring to relate its individual policy to the other three I have named. If the last is the case we should tell the British people and the world just where we stand; for in Great Britain there are many who believe that the Prime Minister was correctly quoted when the British papers alleged that he said at Paris that any threat to England would immediately bring Canada to her side. I have that report here, appearing in the Daily Sketch of July 3, 1937. I hope when the Prime Minister speaks—as I hope he will speak—he will tell us and Great Britain and the world exactly what he said; and, what is more important, exactly what the words really imply.

Mr. MACKENZIE KING: If my hon. friend would like me to do so I shall give the facts right now. I have before me a communication which I recently received from Mr. George Hambleton, who is well known to all in this house as a former member of its

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press gallery and the correspondent of the Canadian Press in England. Mr. Hambleton was present at the meeting in Paris at which I spoke, and he took down verbatim what I said in shorthand notes. Some time ago, I wrote Mr. Hambleton and asked if he still had his notes and if he could send me a verbatim account of what I said at the time. He replied to my communication as follows:

Boismuir,
Chiltern Rd.,
Amersham, Bucks., Eng.
Feb. 14, 1938.

Rt. Hon. W. L. Mackenzie King,
Prime Minister,
Ottawa, Canada.

Dear Mr. King:

On my return from Ireland, I looked up my shorthand notes of your Paris speech of July 2, 1937, and enclose verbatim transcript of the passage at issue. You will notice that, in one or two places, it differs slightly from my cable to the Canadian Press but the differences are not material. They are due to my having to prepare a cable summary quickly.

My shorthand notes do not cover the entire speech verbatim but they are verbatim of the material passage. I have transcribed the material passage as I took it down at the time, with the preceding and following paragraphs.

I also enclose clipping of New York Times report of the speech, supplied to the Montreal Gazette. It generally bears out my own cable. Both the independent report of the New York Times and my own notes are at obvious variance with the version published in London.

With kindest regards,
Sincerely yours,
G. Hambleton.

The account of my speech as transcribed by Mr. Hambleton from his notes is given by him as follows:

Mackenzie King at Paris—July 2, 1937.

"Mr. Lapointe and I have just returned from the imperial conference. There, around one table, we had together the representatives of different governments of the British Empire. I know that, to many people on the continent of Europe, it may seem that because we come, in this way, representatives of different governments and have our legations as we have in Paris side by side with the British embassy, that this is a note indicative of a desire on our part to go off on our own and possibly to separate in some way from the British Isles themselves. People who have that view mistake entirely the real bond that holds the peoples of the British Commonwealth. Freedom is the essence of our life within the community of British nations. We like to manage our own affairs. We share with other parts of the empire in discussing questions of mutual interest. The fact that we have our own representation in several countries is an evidence of that liberty and freedom which above all else we prize and were it imperilled from any source whatever would bring us together again in preservation of it.

[Mr. Mackenzie King.]

"We are glad to have the opportunity of taking even a small part in this great co-operative effort on the part of the government of France to help to show to the modern world the development of arts and crafts in their application to modern life . . ."

Such is the transcript of his notes, as taken down by Mr. Hambleton. I have here the report which was sent at the time by Mr. T. J. Philip, another correspondent, by wireless to the New York Times. This is the report of what I said in Paris as published in the New York Times and also in the Montreal Gazette:

King Holds Canada is World's Friend.

No country more fortunate in foreign relations, premier avers.

Opens Pavilion in Paris.

Says Empire's Units are Independent but Determined to Keep Freedom Jointly if Necessary.

Paris, July 2.—Opening the Canadian Pavilion of the International Exhibition here to-day, Premier W. L. Mackenzie King said that no country was more fortunate in its relations with other countries than Canada. He had just attended the imperial conference at London where all associated dominions of the British Empire met together with the mother country in perfect freedom and independence but united in a determination to keep their freedom jointly if necessary. With the United States Canada lived on most cordial terms of good neighbourhood and between Canada and France there was a sentimental link which would never die.

Canada, he said, was proud to take a small part in the exhibition which was designed to show how the peoples of every country lived by the genius and effort of men of all races, and how essential each nation was to the other.

Then, reference is made to some observations of my colleague, the hon. member for Quebec East (Mr. Lapointe).

The Ottawa papers carried a report of what I said at Paris. The report appearing in the Ottawa Morning Citizen of July 3, 1937, is headed in these words:

Mackenzie King Discusses Trade Treaty at Paris.

This is a Canadian Press dispatch, via Havas, and reads:

The Prime Minister, arriving from his visits to German and Belgian leaders, officially opened the pavilion with its exhibits of Canadian industry, agriculture and mining.

He stressed the close bonds of sympathy and mutual understanding linking Canada with France, and warned his hearers to beware of any false interpretations of empire unity.

Anyone who believed that the fact Canada had her own legations in certain countries was an indication "of desire on our part to go off on our own and possibly separate in some way from the British Isles" was mistaken, he said. "People who hold that view mistake

entirely the bond that holds the peoples of the British Commonwealth" he said. "Freedom is the essence of our life within the British Commonwealth. We like to manage our own affairs."

But, he added, the fact "we have our own representation in other countries is evidence of that great liberty and freedom which, above all, we prize, and were it imperilled from any source whatever would bring us together again in preservation of it."

I believe the Ottawa Journal contained the same dispatch, and I have read the dispatch from the Montreal Gazette. Then I have also here the report from its own correspondent to the London Telegraph. The article is headed:

Liberty as Basis of Empire Unity; Canadian Premier's Speech in Paris; An Example for Europe.

It states:

Mr. Mackenzie King, Prime Minister of Canada, inaugurating the Canadian pavilion at the Paris exhibition this morning, held up the British Empire as an example to the world of tolerance and understanding.

In an impromptu speech, he said that his visit to the coronation and his participation in the Imperial conference had convinced him more than ever of the value of freedom to the world.

Liberty, he said, was the bulwark of the British Empire. While the motherland and each of the dominions remained free, men of good will came together from time to time, talked over matters of mutual interest, and thus strengthened the union of the British Commonwealth.

His visit to the continent, he continued, had convinced him that men of good will in every country could follow this example and talk over their differences. People in Europe would make a great mistake if they concluded that, because various dominions had their own foreign legations, they lacked unity. On the contrary, this was but an example of their common freedom.

Those are all dispatches from different correspondents as to what I said, and they are in accord but differ from the one quoted by my hon. friend. There is the dispatch from our own correspondent in London who went to Paris to be present at the opening of the pavilion, the correspondent to the Canadian press. I think most hon. members know Mr. George Hambleton, and must know how accurate he would likely be in any report he would send. Mr. Hambleton still has his shorthand notes, and no doubt would be prepared to produce them at any time or place if that were desired. A correspondent to the New York press gives his version, which agrees with that of Mr. Hambleton, and the version of the correspondent to the London Telegraph is also in accord with Mr. Hambleton's. The other report which appeared and to which my hon. friend referred, is not in accord with any of these, and contains words which I did not use.

The context makes quite clear what I was speaking about at the opening of the pavilion. I was referring particularly to the significance of legations. I spoke of legations in that way because I was speaking in the presence of Mr. Brugere, the then French Minister to Canada and also in the presence of the British Ambassador. In some parts of Europe there would seem to be a deliberate effort on the part of some to have it appear that because Canada has her own legations in different countries, in some way or another she is desirous of separating herself from relationships with other parts of the empire.

My contention has always been directly the opposite. I have contended and believe that the bond which unites us and keeps us united is the bond of freedom of which complete autonomy is one expression, and autonomy which in Canada we enjoy in relation to foreign affairs, as well as with respect to domestic affairs. That was the point I brought out. My observations were made in the presence of my colleague, the Minister of Justice (Mr. Lapointe) and the hon. member for Bellechasse (Mr. Boulanger) who was Canadian commissioner at the exhibition, both of whom were on the platform at the time I spoke. They both heard my remarks, and both have since told me that neither of them had heard anything which could be construed after the manner of the dispatch the hon. member has just quoted. They did, however, hear me say what has been quoted in the dispatch of Mr. Hambleton and regarded it as wholly appropriate to this occasion. I have not gone out of my way to deny erroneous reports for the simple reason that I did not wish, by having people speculate on the meaning of this or the meaning of that, to embarrass the situation in Europe any more than was necessary. Sometimes it is just as well to let matters alone even if one has personally to suffer because of it. If any good purpose could have been served by making a restatement at the time, I should have made it. To have taken exception to the statement at the time might have given a significance to my words which in some quarters might have been still more misleading. I hope, however, that what I have now placed before the house will be sufficient to indicate exactly what was said and exactly what was meant.

Mr. COLDWELL: I would say simply this, that had the Prime Minister made a simple statement as to just what he had said and meant, I would have accepted it, without further evidence. I imagine the words which were interpreted in the manner I have indicated in some newspapers would be the words, "if that liberty were threatened it would bring us together again." No doubt the construction placed upon those words by some correspondents was the construction we have heard. Subsequently, I believe it was on July 9, addressing a Conservative meeting in London, Mr. Chamberlain referred to the "remarkable speech given by the Canadian Prime Minister, Mr. Mackenzie King, at Paris" and he quoted the press dispatch. That, I believe, was the construction which was placed generally upon the dispatches which appeared in the British papers. I am glad we have had the explanation placed before the House of Commons and the country to-day.

Both the Minister of National Defence (Mr. Mackenzie) and the hon. member for Essex East deny that in the event of war we are committed. I wonder if they will state that when Great Britain is at war Canada can remain at peace. May it not be more realistic to admit that whatever the constitutional position may be, Canada's desire for freedom of choice would not, in all probability, be honoured by a belligerent enemy of Great Britain. If that is realistic, then would not a straightforward, concrete, downright Canadian foreign policy be a step in the direction of real world peace? We believe that, and that is why we are insistent that such a statement should be made before we are asked to support military, naval and air force estimates. We felt a year ago—indeed the estimates subsequently presented confirmed the analysis made by my colleague from Vancouver North— that Canada's program was closely linked with the policy of the British national government. I make a distinction in my own mind between the British national government, the present government of Great Britain, and the aspirations of the British people. We said a year ago that we distrusted their policy because it implied a desertion of the principles of the League of Nations and of collective security. I think everyone will agree that the events of the past year have proved that our fears were amply justified, and the recent resignation of the foreign secretary of Great Britain makes that more abundantly clear than it was before. As was stated by the hon. member for Essex East, the past months have been to many of us—I include myself— months of sad disillusionment. We believe peace can be maintained by a league of nations, a league reconstructed and reconstituted. But to that belief the policies and pronouncements of the national government have given blow after blow, until a short time ago Mr. Chamberlain shattered that ideal almost completely; at least for the time being.

We can no longer dismiss the fact that that for which the great war was said to have been fought has been lost. Great Britain declared through the lips of its war-time prime minister, Mr. Lloyd George, that the world must be made safe for democracy, but twenty years after we have another prime minister trying to placate the dictators who have destroyed democracy in their own countries and whose minions are prepared to destroy freedom throughout the world.

Canada is still a part of the British commonwealth. It is the senior self-governing dominion. Are we content, as it were, to simply follow along with the policy now being followed in Great Britain? If we are not, then I think we owe it to ourselves and to the British people to say so before the die is cast. Unless we do that, in the eyes of the enemy nations at least, when Britain is at war we shall be at war. As my colleague, the hon. member for Vancouver North, said the other day, this parliament may be faced some day with the accomplished fact of war.

It is well known that a large and influential section of the British governing group never liked the league and have never really been loyal to it. I believe that the uncertain attitude, if I may put it that way, of Canada, in relation to sanctions from time to time rather played into their hands. I do not think that any government in Canada wished to play into their hands. I should like to say that I believe a little more courage on the part of the Prime Minister of Canada during recent years would have done much to persuade the British government to stand by the league. The British people, through the peace ballot, and by their attitude toward the Hoare-Laval controversy and the Eden incident proved their faith in the league and collective security.

Mr. MACKENZIE KING: Does my hon. friend think the government should have had a policy of applying sanctions which would have involved military sanctions?

Mr. COLDWELL: This government did agree to the institution of sanctions against Italy.

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Mr. MACKENZIE KING: Economic sanctions.

Mr. COLDWELL: Economic sanctions. Subsequently we withdrew ourselves from an advocacy of oil sanctions. My contention is that if the peace of Canada and of the world were endangered by one kind of economic sanctions, against minerals for example, then it would be endangered by all kinds of economic sanctions. We assumed some and we disallowed another.

Mr. MACKENZIE KING: Should this government have insisted on oil sanctions being imposed at that time?

Mr. COLDWELL: Having agreed to some sanctions being imposed, the most important of all sanctions, oil sanctions, ought to have been agreed to. It may be argued that that would have led to war—

Mr. MACKENZIE KING: I am sure it would have.

Mr. COLDWELL: I disagree with that statement. As a matter of fact the recent book by the Italian General, De Bono, in which he discusses the entire Ethiopian affair, indicates quite clearly that had oil sanctions been applied he expected to have received orders to stop the Ethiopian campaign where he was. I think that that is the impression that is quite widespread across the world. The Prime Minister has a different opinion, but my opinion is that which I have just stated.

I believe that in Great Britain the attitude of the Labour and Liberal parties truly represent the heart of Britain. British liberalism is still true to its democratic tradition, and through the lips of its leaders, Sir Archibald Sinclair, and David Lloyd George, it joins with Clement Attlee of the labour movement in denouncing the repressions and hypocrisy of Hitler and Mussolini. Thus the liberal and labour parties in Great Britain follow the tradition of that British liberalism which demanded years ago the ejection of the Turkish oppressors from Europe bag and baggage. That demand did not lead to war. I believe that the famous phrase "bag and baggage" was used by Gladstone in connection with the Turks and Turkish atrocities sixty years ago. How far Canadian Liberalism is removed from the historic liberalism which gave it birth its present policies mutely testify.

Canada is my home and my country, the land in which my children were born and in which I hope they will live. I have a deep affection for the land which gave me birth and education. I am of its people, bone of their bone, flesh of their flesh. But when my overseas kin elect and support a government whose policies are a dark betrayal of the democratic ideals which I regard still more highly, then I think it is my duty to urge that we tell them in no uncertain terms that we shall not stand for the type of policy which has been pursued and which I believe will eventually bring about the loss of democracy throughout a large part of the world. For these policies we in Canada must assume no responsibility. However, due to the breakdown of the League of Nations, we in Canada are compelled to consider some measures of defensive rearmament. To that, in so far as they are defensive we in this group offer no objection; for the international scene has changed, and for the worse, since last year.

We insist also that in the light of recent events our government should make a clear statement regarding Canada's foreign policy, a statement that will leave no room for doubt in this country, in Great Britain and throughout the world. It should in my judgment be a policy wholly and completely independent of any understandings there may be between the national government and the European dictators. I believe the Prime Minister will agree with that. Until the British people have elected a government that is sincere in its attachment to collective security, we must pursue our own course, a course which looks first to the interests of the Canadian people, a course that will satisfy a democratic and freedom loving people.

By a striking coincidence, on the very day that Mr. Chamberlain deserted European democracy a United States cabinet minister, Mr. Secretary Wallace, broadcast a message to the British people. He said in part:

Totalitarianism, either of the right or of the left, is alien to the spirit that dominates the English speaking democracies of the world.

He continued:

Totalitarianism is subversive of the ideals upon which our democracies are founded.

Those of us who continue to believe that it is better to be governed even badly by ourselves than to be well governed by others must be increasingly alert, especially against insidious fascism. It seems to me that fascism constitutes the greatest threat in the world to-day.

To my way of thinking, fascism is a retrograde movement. It means a turning back of the hands of the clock. It means that liberty to live one's life, with only such restrictions as are necessary in order to assure the equal liberty of others, must be surrendered to a dictatorial power which will think and act for all.

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He added that humans become economic and political robots under a fascist state, and must release "all the barbarities of supersavage modern warfare upon unoffending peoples" at the mandate of a dictator. He asked for cooperation by democracies of the world to prove the effectiveness of the principles upon which their plan of government is founded. He went on:

> Certainly, with the fascist countries of the world drawing closer and closer together in an ominous and bodeful phalanx it behooves America and all other democratic nations to prove that under a democratic form of government the highest political liberty as well as the greatest economic security not only can, but will, be provided.

These words of the United States Secretary express also, I am certain, the sentiment of the overwhelming majority of the British and Canadian peoples. Yet the policy at least of the motherland to-day, in my opinion, is being directed by those who have strengthened fascist dictators who have released all the barbarities of supersavage modern warfare upon unoffending peoples without their borders. To me the blood of primitive Ethiopians cries aloud against it, and the wailings of Judah echo across the world in protest. Surely civilized peoples everywhere stand aghast at the barbarities recently perpetrated in Barcelona.

In common with other small nations Canada has everything to gain by the building up of a strong League of Nations. It is true that in order to achieve real collective security the pooling of sovereign rights under certain circumstances, as the member for Essex East has indicated, may be essential. The attitude of Canada in the past has not been conducive to the strengthening of the league. As I said a few minutes ago, in my opinion our attitude in connection with the Ethiopian affair and the institution of oil sanctions was in no small measure responsible for a league weakness at that time. The Prime Minister has argued that this might have led to war. We have already discussed that possibility.

But what is of more interest to us now is what, if anything, has Canada said to the British government recently. Have we tacitly or silently endorsed the destruction of the league by the present government of Great Britain? If not, do we still adhere to the League of Nations covenant with the reservations we have made from time to time? If we do, then what is our relationship to present imperial policies? I think these questions ought to be answered in the course of this or subsequent debate. The Prime Minister of Great Britain has stated in the house that the dominions have been consulted and that to some extent recent pronouncements in regard to Czechoslovakia are in part due, it is said, to the attitude of the self-governing dominions.

Mr. MACKENZIE KING: Consulted, did my hon. friend say?

Mr. COLDWELL: Yes, consulted.

Mr. MACKENZIE KING: I do not believe the Prime Minister of Great Britain has used that word. I may be wrong, but my recollection is that the Prime Minister said that we had been kept informed of what had taken place. But that we had been consulted, or that any advice had been given by the government, was not, I think, suggested.

Mr. COLDWELL: I think in certain press dispatches the word "consulted" was used. I know that when I was thinking of what I was going to say I took that word "consulted" from one of the dispatches. But if the right hon. gentleman says that that is not the word that should have been used, I take it that the government has been kept informed, and if there has been any actual or implied advice with respect to that information I think we should be given to understand what that advice may have been, if any has been given.

Mr. MACKENZIE KING: I can assure my hon. friend right away that no advice has been asked and none has been given by the present government.

Mr. COLDWELL: I am glad to get that assurance. The purpose of my suggesting that a statement should be made was that we might get such an assurance, and I am very glad indeed to get it.

It seems to me, then, that the world is now faced with two alternatives: Either for members of the league to go to Geneva, meet there and declare that they will join in resisting any new active aggression by whomsoever offered; or for the democratic powers to declare that they will resist any aggressive action against Czechoslovakia or any others of the smaller nations so threatened. These are desperate alternatives, and in the present condition of the league it is unlikely that league action will be taken or I fear, that the democratic powers will act in unison. To my mind the best thing Canada can do is to exert all the pressure possible for the reorganization of the League of Nations and for effective security by these means.

As I said before, we should assume no responsibility for the effects of the disastrous policies of the present national government of Great Britain, and a pronouncement to that

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58		Spanish Civil War. Speeches in Parliament	Mar. 1938	D 34975 - D 34978	
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Mr. MACKENZIE KING: It is not a question of order.

Mr. STIRLING: He is still on his feet.

Mr. MACKENZIE KING: I think he is sitting down.

Mr. STIRLING: He tried to be.

Mr. BENNETT: He cannot go on now, necessarily.

Mr. MACKENZIE KING: Does my right hon. friend say he cannot go on?

Mr. BENNETT: I say he cannot go on, after the chairman has called his attention to the fact that his forty minutes are up.

Mr. MACKENZIE KING: No; I am going on, at the present time.

Mr. BENNETT: And the hon. gentleman has to take his seat, which he has just done.

Mr. MACKENZIE KING: What I wish to say—and had intended to say before the hon. member for Parry Sound started to speak—was that hon. members opposite, led by my right hon. friend the leader of the opposition, devoted most of the time, in their discussion of the present section to indicating what provisions should be contained, in order to deal with any later application for a private bill by the Ontario hydro-electric commission. I should like to repeat that this bill was not drafted in relation to an application by the Ontario hydro-electric commission, but owes its origin to the two applications which had come from the province of Quebec. I thought I had made that point clear, when I spoke on the second reading of the bill. The application with which the government was confronted, at the time it had to reach a decision as to whether or not it would grant a licence by order in council or require approval of parliament, was that of the Montreal Light, Heat and Power Company made in the spring of last year, and renewed in the summer, for the right to export power to the United States.

In replying to that application, the administration directed the attention of the applicants to the fact that on previous occasions parliament had expressed its view to the effect that future applications should be reviewed by parliament, and indicated that the government would not consider any application until the whole question had been discussed in parliament. After that application was made, another was submitted by Aluminium Limited. The same reply was made by the administration, with respect to the second application.

In both instances attention was drawn to previous discussions which had taken place in parliament. Then later the government received an application on behalf of the Ontario hydro-electric commission, and in answer to that application attention was drawn to the replies which had been made to the two previous applications, which replies were to the effect that the matter would not be considered until parliament reviewed the whole question of the export of power.

Mr. BENNETT: They withdrew their applications.

Mr. MACKENZIE KING: They withdrew them, yes. But that was the genesis of this particular bill—a bill framed along the lines of the one introduced some years ago by the hon. member for Leeds, which received favourable consideration in this house in 1928, and passed unanimously in 1929. I believe it is a mistake to discuss in connection with this general bill, a possible application which may be considered later on in the form of a private bill.

Mr. CAHAN: Hear, hear.

Mr. STEWART: You have been doing it for half an hour.

Mr. MACKENZIE KING: My hon. friend says "Hear, hear"; that is the line his leader took this afternoon.

Mr. CAHAN: No.

Mr. MACKENZIE KING: Yes—I beg the hon. member's pardon. However, the point I wish to make is that the bill before us is a general one which relates to applications for the right to export power which may be made at any time from any part of Canada. It is not a bill relating only to an application which may come from Ontario, respecting the hydro-electric commission. It is a bill which will pertain equally to applications which may come from Manitoba, British Columbia, New Brunswick or any other province, and which may be made at any time in the future.

What we are therefore immediately concerned with is the framing of a measure which will serve as a guide to those who may apply in the future for the right to export power, and to set out certain provisions a private bill should contain if its sponsors expect it to be approved by the parliament of Canada. The reason why the restrictive conditions were not included in the general bill is not that the government hoped to have more freedom in granting an applicant but, on the contrary, it was because the government desired to give to parliament the freedom to insert in a private bill any provision it

friend in a few hours, I think, if it were pertinent and he desired it. That, however, is the history with regard to that bugaboo that you dare not sell any power across the line because if you had to take it back, either for good or by means of interruptions for a while, relations would be created which should not be brought about.

I had intended to make other observations, Mr. Chairman, but I fancy that I have made clear the view I hold as to the campaign that was put on against this Hydro exportation of power, and the reason for it. With regard to some of the old guard sitting across the house from me I would have expected that, because they bound themselves to that banner of their party of which they were so proud, but of which I hope they are now so ashamed, "No truck or trade with the Yankees." They are running true to form when they desire to prevent the sale of Canadian commodities to what in those days they styled the Yankees. I would not expect anything else from a gentleman whose idea of trading between nations was based not upon a policy of good will, if I am not unfair in putting it that way; not upon a policy of sititng down together and negotiating agreements and contracts, but whose slogan so far as trading with your neighbour was concerned was wrapped up in that celebrated phrase, "Blast Canada's way into the markets of the world."

The ACTING CHAIRMAN (Sir Eugene Fiset): Order. The hon. gentleman's time has expired.

Some hon. MEMBERS: No.

Mr. MACKENZIE KING: We are in committee.

Mr. BENNETT: The time in committee is also forty minutes.

Mr. SLAGHT: I shall be glad to bow to the chairman's ruling.

The ACTING CHAIRMAN (Sir Eugene Fiset): I have allowed forty minutes, even with interruptions.

Mr. RINFRET: There is a rule in committee that every time a question is put to an hon. member, his time commences anew.

Mr. BENNETT: No.

Mr. RINFRET: There has been an exchange of questions.

Some hon. MEMBERS: Go on.

Mr. SLAGHT: I will conclude in a couple of minutes.

Mr. RINFRET: He can speak.

Mr. SLAGHT: I do not wish to go on too long.

Mr. BENNETT: There is no doubt about it: The rule is that a member may speak for forty minutes in committee, but he may resume his speech after someone has spoken in between.

Mr. HEAPS: So long as someone has spoken.

Mr. SLAGHT: I did not catch the observation of the right hon. gentleman.

Mr. MACKENZIE KING: The hon. gentleman is now free to continue; he has the floor.

Mr. BENNETT: The rules in committee are made light of; the Prime Minister must not say that. The rule in committee is that forty minutes is all the time the hon. member may have. I raised a question of order, and the Prime Minister suggests that since I have spoken therefore he could go on and have another forty minutes. That is absurd.

Mr. LAPOINTE (Quebec East): The hon. member for Winnipeg North interjected a few words.

Mr. BENNETT: He asked a question.

Mr. LAPOINTE (Quebec East): And the chairman had to sit down and rise again.

Mr. MACKENZIE KING: Perhaps I may say a few words, and so have the rules complied with.

Mr. BENNETT: No, he will lose the floor then. He loses the floor, and then I might take it.

Mr. MACKENZIE KING: The hon. member may conclude by coming on later.

Mr. BENNETT: Yes, I said that.

Mr. MACKENZIE KING: And I purpose giving him that opportunity.

Mr. BENNETT: That is what I did. A question of order arises. Let us realize—

Mr. MACKENZIE KING: It is not a question of order.

Mr. BENNETT: The rules are made not for one or two but for the whole house. The question of order is that he must not exceed forty minutes. If he exceeds forty minutes he must sit down, and someone else may make a speech. Then he may go on for another forty minutes. The chairman has to catch his eye before that of someone else—probably half a dozen may speak in between. The right hon. gentleman has the same right as anybody else to raise a point of order, but he has not a right to make an address on the other man's speech.

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might wish. It did seem to the administration a little inconsistent to say, on the one hand, "We will leave to parliament the whole question of granting an application, in the form of a private bill," and at the same time not leave parliament free to insert in the private bill any provision it might wish to insert.

It would be assumed, I believe, that a private bill would designate the number of years for which the right to export would be granted. That would be one of the first provisions which would be considered. In some cases it might be a bill to permit the export of power for one or two years. To name five years definitely as a period beyond which no private bill should continue in force might, on the face of it, appear to be an invitation to applicants to make applications for bills which in all cases would have a duration of five years. Similarly, the necessity of the government renewing a licence from year to year was a provision which, it was assumed by the administration, parliament itself would insert in a private bill, if it was thought that such provision were necessary and desirable.

That is the reason why these provisions, in detail, were not set forth in the bill, as originally presented. Where parliament gives certain power to the governor in council and leaves the final word with that body, there is a special reason for restricting and limiting the governor in council with respect to time and with respect to other provisions of which account should be taken. If it will help to effect unanimity with respect to the present measure, I see no reason why the committee should not accept the provision mentioned by the right hon. Minister of Justice. It is one which the government has considered and which it was prepared to bring before the committee for its consideration if there appeared to be a desire to have it presented. I shall ask the minister later on to move the amendment he has proposed. We now have three subsections, (a), (b) and (c), and the following is proposed by the hon. Minister of Justice as a new subsection (d):

Subject to the provisions of paragraph (c) of this subsection, the said private act shall remain in force for a period of one year from the date of the commencement thereof, but may be extended from year to year by proclamation of the governor in council for four further periods of one year each, but not so that the said act shall in any case remain in force for more than five years from the date of the commencement thereof.

Mr. SLAGHT: It seems to me that the proposed additional amendment solves the difficulty that existed before and should meet with the unanimous approval of the committee. Some gentlemen questioned whether the Ontario Hydro application would have passed. That is in the realm of speculation and nobody can say. However, in order to afford a guide in the future, should there be a change of policy on the part of the executive of the United States—a thing quite possible and thinkable in these days when changes occur so fast—may I suggest that practically every province of Canada is to-day enjoying a revenue from the United States dollars which come into Canada to pay for the export of surplus power. I refuse to believe that hon. gentlemen from British Columbia, New Brunswick, Manitoba and Quebec, each of which provinces is enjoying revenue from the export of surplus power, will join in the cabal of the other side to prohibit Ontario from having the right to export power which the engineers state is undoubtedly surplus.

The executive of the United States has observed that we in Canada have great undeveloped natural power resources, while in the eastern states particularly the power resources are practically all exhausted, inasmuch as they have all been brought into development at the present time. Let us keep that in mind, in endeavouring to get an enactment of section 4 which looks towards the future in a broad way. I should like to give in that respect some figures which I obtained from page 387 of the Canada Year Book for 1936. These figures indicate the available and developed water power in Canada by provinces, as of January, 1936. The two most important provinces in this respect are, first, Quebec, and next, Ontario, I shall not give the figures for the other provinces as those who are interested further may go to the Canada Year Book for them. The figures for Quebec show that the available 24-hour power at 80 per cent efficiency is 8,459,000 horse power at the ordinary minimum flow, and 13,064,000 at the ordinary six months' flow. The total turbine installation as of that date was 3,853,320 horse power. In the case of Ontario, the available power at 80 per cent efficiency, at ordinary minimum flow, was 5,330,000 horse power; at ordinary six months' flow, 6,940,000 horse power, while the turbine installation totalled 2,560,155 horse power.

We may look forward to an influx of United States, British and other capital to help to develop the undeveloped water power across Canada. Therefore we must be careful not to declare for future generations and not to put upon the records of parliament any false notions of economy as to the desirability, if at any time it be found desirable, of inviting capital to develop further these great

natural resources. These times of stress, which have been noted before in the house, are peculiarly the time when we should fall in with the views of the president of the United States. I believe in him sufficiently to assume that if conditions change and if it is thought desirable to indicate to Canada a different policy, he will do so; for I am sure it is his desire, as it is and always has been the Liberal policy, to promote good will, the attitude of the good neighbour, and friendly and kindly relations between the two countries.

Mr. CAHAN: I commend the Prime Minister for bringing this discussion back to a consideration of the merits of the bill now before the committee. The hon. member for Parry Sound certainly has made one of the most provocative speeches I have ever heard in this chamber since I became a member. If I had not too much respect for myself, for the Prime Minister, for the leader of the opposition and for other hon. members, I would retaliate in phrases which would be quite as sharp and poignant as those which he has attempted to toss across the floor of the chamber this afternoon. It was not commendable for the hon. gentleman; it reflected no credit upon him that he should assume to fling across the chamber the epithets which he did this afternoon. If he persists in that course he will not hereafter find his membership in this house as pleasant and agreeable as it has been during the present and the two previous sessions. So far as I am concerned, I have heard of no cabal on either side of the house against the Ontario government or the Ontario Hydro Electric Power Commission. If such a cabal exists, either on the government side or on this side, it certainly has not been mentioned in any of the private discussions which I have had with colleagues on both sides with regard to the merits of this bill.

When the Prime Minister introduced the bill I accepted it as an effort on the part of the government, after due and careful consideration, to amend the statute of 1907, the Electricity and Fluid Exportation Act, and to provide that parliament might give an unbiased consideration to any future application for the export of power. The fact that the hon. member for Parry Sound intended to introduce some special measure in this case was not mentioned to me and was not known by me, and I did not take any observations on the possibility of a private bill being brought before the house to be a reflection upon the premier of Ontario, or upon the commission which my hon. friend represents, or to refer to the prospective introduction of a bill by the hon. member. I have tried to consider this matter not solely from the point of view of Ontario, because Ontario's interests are not so well known to me; I was also considering it from the point of view of other provinces, such as Quebec, which now have and will have in future large quantities of hydro-electric power for exportation, if the hydro-electric diversions which now exist and others which are in contemplation in those provinces are brought to completion.

In all his discussions with myself and my colleagues the leader of the opposition has always sought to ascertain what, in our opinion, would be fair and proper provisions to suggest by way of amendment to the bill now before the committee, not with a view to precluding hydro-electric development in Ontario, not with the view of placing obstacles in the way of the premier of Ontario and his government, or in the way of the hydro-electric commission of Ontario, but with a view to ascertaining and, if possible, enacting provisions which would apply to all possible applications for the export of power in the immediate future.

To suggest that this law which we now place on the statute books will be like the laws of the Medes and Persians, never to be amended or modified, is nonsense. That there is any such intention in the mind of the Prime Minister, it would be, I think, nonsensical to assert. We are dealing to the best of our intelligence with conditions at present existing in order to frame a general law under which the export of power in future may be carried on with the full approval not only of this house but of both houses of parliament. In that purpose I concur. Therefore, when the bill came before the house and amendments were suggested, we on this side suggested certain amendments which, in conversation among ourselves, had occurred to us, and from a desire solely to assist in drafting a bill which would commend itself to the great majority of this house. In discussing this bill I think we might just as well leave Ontario, as Ontario, and the interests of the hydro-electric of Ontario, out of consideration.

The suggestions which were made as to possible caballing for private ends remain, because whenever private acts are applied for, which grant or propose to grant special rights or privileges to certain sections of the country or to certain groups of individuals, there is always a tendency to caballing and lobbying. Such remarks as were made on this side of the house apply, I am sure, to that prospective condition of affairs and have no application to the hon. member for Parry Sound or to the interests which he represents in this particular

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like the young man of sixteen about to die. He ascended the scaffold; they put the black cap on his head and the noose around his neck, and the sheriff said to him, "Have you anything to say before we spring the trap?" He said, "Yes, I have. I am sixteen years old and about to die. So soon I am done for, I wonder what I was begun for." So let Mr. Rowe row himself back.

Mr. LAPOINTE (Quebec East): I move:

That section 9 be struck out and that the following be substituted therefor:

9. That the said act is further amended by inserting, after section 10 thereof, the following:

11. Nothing in this act contained shall affect any licence existing at the date of the commencement of the Electricity and Fluid Exportation Act Amendment Act, 1938, and every such licence may, notwithstanding the repeal of any of the provisions of this act by the said Electricity and Fluid Exportation Act Amendment Act, 1938, be renewed from time to time or revoked by the governor in council in the like manner and circumstances and with the like result and subject to the like terms and conditions as if such provisions had not been repealed but remained in force.

Amendment agreed to.

Section as amended agreed to.

Bill reported

Mr. SPEAKER: When shall the said bill be read the third time?

Mr. MACKENZIE KING: Now.

Mr. BENNETT: I should like the bill to be reprinted before it is given its third reading. I think it should be reprinted in view of the extent to which it has been amended. No public delay will ensue by reason of that being done, and it is usual.

Mr. MACKENZIE KING: My only reason for suggesting the third reading was that the amendments apparently had all carried unanimously and I had not thought that there would be any exception. However, the third reading can stand.

Mr. SPEAKER: Next sitting.

SUPPLY

USE OF CANADA'S FINANCIAL RESOURCES FOR ELIMINATION OF POVERTY—AMENDMENT OF MR. BLACKMORE

The house resumed from Monday, March 14, consideration of the motion of Mr. Dunning for committee of supply, and the amendment thereto of Mr. Blackmore.

Right Hon. R. B. BENNETT (Leader of the Opposition): When the house adjourned on March 14, I was directing attention to certain matters in the absence of the Minister of Finance (Mr. Dunning), and as I understand that some doubt has arisen as to the correctness of the observations which I made, I desire to point out just what the facts are, reading from the weekly report of the Bank of Canada.

On the 30th day of April, 1936, the weekly report was in form C of the statute creating the bank, and under the title, "Advances to provincial governments," there appears the sum of $2,000,000 total of such advances. The same continues in the issue of May 6, May 13, May 20, May 27; and on May 30 the amount is increased to $3,000,000 under item 4, subclause (b), provincial governments, $3,000,000, total, $3,000,000. That is on May 30. It continued to be $3,000,000 for the weeks ending Wednesday, June 3, June 10, June 17, with an advance of $300,000 on the last date also to chartered banks. It continued at $3,000,000, on June 24, June 30, July 8, July 15, July 22, July 29, July 31, August 5, August 12, August 19, August 26, August 31, being for the month. On September 2, being for the week ending on that Wednesday, it was still $3,000,000; on September 9, $3,000,000; on September 16, $3,000,000; on September 23, $3,000,000; on September 30, $3,000,000; on October 7, $3,000,000; on October 14, $3,000,000; on October 21, $3,000,000; and on October 28, $3,000,000. On October 31, being the monthly statement, the amount under item 4, provincial governments, is reduced to $1,000,000, and for the first time, for the week ending Wednesday, the 28th, it appears in an amended form. The reserves in sterling and United States dollars are combined into one amount, and the investments of dominion and provincial governments' short term securities are combined, and likewise with respect to dominion and provincial securities under (b). These are combined for the first time in the report of October 28, 1936. On October 31 the advances to provincial governments are reduced to $1,000,000. On November 4 the amount is still $1,000,000, and on November 10 and November 18 and November 25 it is still $1,000,000. In the monthly statement of the end of November, 1936, that $1,000,000 disappears, since which time the form of C is, as I have indicated, amended by combining the reserves in sterling and United States dollars under one heading, and the investments in dominion and provincial short term and long term securities under one heading. The increase in dominion and provincial securities does not indicate whether or not it was brought about by the payment off of the $3,000,000 advances to provinces, but it does indicate an increase of that $1,000,000.

I desire to protest against the change of form in the Bank of Canada statement, the weekly statement and the monthly statement. We all know why the form was made as it was. It will be recalled that when the commission investigated the necessity for a central bank in Canada, one of our leading gentlemen of wide financial experience pointed out that there were grave dangers in permitting the purchase of sterling and United States exchange without some limitation being imposed upon the exercise of that right. Everyone in this country, be he banker or otherwise, looking at the form of statement which we appended to the Bank Act, could ascertain exactly at the end of each week how much was held in United States funds. He could know also the exact amount held in sterling. To-day the two are combined, and it is no longer possible for either banker or other individual to ascertain how the sum total of these two exchanges is made up.

Mr. ILSLEY: Why should it be?

Mr. BENNETT: Just for the reason that it was provided in schedule C in order that anyone looking at it could know how much was in sterling and how much in United States funds.

Mr. DUNNING: What public interest would be served by that?

Mr. BENNETT: The public interest of knowing exactly how the funds of this bank are being utilized.

Mr. DUNNING: That is not a public interest.

Mr. BENNETT: As was pointed out by Sir Thomas White when he made his dissenting report, the reason is that the public, which now owns the majority of this bank's shares, that I as an individual might know, to what extent sterling exchange was being acquired and to what extent United States exchange was being acquired by this bank for its reserves. I have a right to know that. Any man in this country has a right to know it, because we have put our guarantee behind the deposits of the banks. The banks protested against leaving to the discretion of one or two men the acquisition of reserves either in sterling or in United States dollars for the purpose of creating the reserves which have the purpose indicated the other evening by the hon. member for Rosthern (Mr. Tucker) Now we are told that these two must be combined. I should like to know the reason why they are combined.

[Mr. Bennett.]

Mr. ILSLEY: I can tell my right hon. friend.

Mr. BENNETT: Well, I suppose, in due season we shall learn, because the government for some reason made the change.

We come now to the next point. The government still left the form as to advances to the dominion government and provincial governments and chartered and savings banks as it was in schedule C of the original act. But when we come to deal with investments, the very difficulty which I pointed out has arisen, namely, including in investments dominion and provincial securities, short term and long term, a combination of the two without making it possible for any man to know what became of that $3,000,000 of advances to the provinces. Has not every citizen of this country, every person in every province of this dominion, the right to know why $3,000,000 is advanced to one province or two provinces, and other provinces are refused advances? How otherwise will he know it? Is that not the very purpose for which schedule C was provided, namely, that there should be a clear, distinct severance of the advances made under the item of investments for dominion government short term securities? They stood by themselves as item (a). Then we had (b), provincial government short term securities; (c), other dominion government securities; (d), other provincial government securities; (e), United Kingdom, other British dominions or United States securities of maturities exceeding three months.

That has now been modified by order in council, and the form no longer enables me or any other member of this house or any member of the public to ascertain what sum has been invested by the bank in the different classes of these securities, namely, short term dominion, short term provincial, long term dominion and long term provincial. That, I submit, is at variance with the very principles which underlie the maintenance of this bank. I want to make it clear that it is just such things as that which brought about the criticism of central banks. We are now just starting with a central bank; it is desirable that we should not get into a position where criticism of a kind that has been waged against some banks should be made against us. One of the important matters in connection with this legislation was that schedule C attached to the act made clear exactly what investments were made in the securities of provinces and the dominion, either short or long term.

respectively, for the purchase of seed grain and for providing other assistance to farmers in connection with seeding operations during the spring of 1938; the liability of the government of Canada in respect of such guarantees not to exceed in the aggregate the sum of $1,900,000 in respect of Alberta and $13,500,000 in respect of Saskatchewan.

Hon. CHARLES A. DUNNING (Minister of Finance): Mr. Speaker, I have asked that this item be called in order that I may ask that it be discharged. There is an error in the resolution, and I desire therefore to have it discharged in order that I may bring in a notice in the proper form with a resolution properly drawn, and indicating the proper sums of money, preceded of course by another message.

Mr. SPEAKER: Is it the pleasure of the house to permit the discharge?

Mr. BENNETT: The minister is asking to have it discharged?

Mr. DUNNING: Yes; discharge the order.

Mr. SPEAKER: Discharged.

Mr. MACKENZIE KING: Mr. Speaker, I would ask that unanimous consent be given to return to the order for motions. Before adjourning I should like to table some correspondence.

Mr. SPEAKER: With the permission of the house, we shall return to the order for motions.

ELECTRIC POWER

SUPPLEMENTARY CORRESPONDENCE BETWEEN CANADIAN AND UNITED STATES GOVERNMENTS CONCERNING WATER DIVERSION

Right Hon. W. L. MACKENZIE KING (Prime Minister): On January 27, 1938, the Canadian government, through the agency of the Canadian minister to the United States, addressed a note to the United States government regarding the project of the Ontario government and the Hydro-Electric Power Commission to divert water from the Kenogami river into lake Superior, this note being included in the white paper tabled on February 28, 1938. The reply of the United States government has now been received in the form of a note dated March 17, 1938, from their Secretary of State to the Canadian minister in Washington.

At the same time there has been received a memorandum also dated March 17, 1938, from the United States Department of State, stating the views of the United States government on the importation of hydro-electric power from Canada, and allied questions. Both notes, and the memorandum, were delivered to the Canadian minister on March 18.

I beg leave to table copies of the communications from the United States government, as well as a copy of a letter of March 21 from the Prime Minister of Canada, to the premier of Ontario in this connection. The correspondence being tabled is being printed in a supplement to the white paper tabled in the House of Commons on February 28. It is expected that copies of this supplement to the white paper will be available for distribution to members of parliament by noon to-morrow. The correspondence is being translated at the present time, and it is expected that the French text of the supplement will be available on Wednesday.

ADJOURNMENT—BUSINESS OF THE HOUSE

Mr. MACKENZIE KING moved the adjournment of the house.

He said: It is proposed to-morrow to continue the discussion on the bill respecting the export of power, and also on the bill the house has been discussing this evening, namely, the second reading of Bill No. 31, and then to take up supply in the departments of Trade and Commerce, Labour, External Affairs and Agriculture. We wish to take an item in some of these departments.

Motion agreed to and the house adjourned at 10.50 p.m.

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Mr. King .. p. 1540

ELECTRIC POWER

TRANSFER TO PARLIAMENT OF CONTROL OF EXPORT EXCEPT IN INTERNATIONAL EMERGENCY

The house resumed from Thursday, March 10, consideration of the motion of Mr. Mackenzie King for the second reading of Bill No. 21, to amend the Electricity and Fluid Exportation Act.

Mr. J. R. MacNICOL (Davenport): As I see it, after listening to the very able speech delivered by the Prime Minister (Mr. Mackenzie King), the object of this bill is to relieve the government of any responsibility for initiating legislation in connection with the export of power. Just why the government is afraid to take responsibility I do not know.

What is the proposal that is before the house at the present time? The government proposes to turn over to a private member, in relation to a matter so important as this, the right to initiate legislation. Both the Prime Minister and the Minister of Justice (Mr. Lapointe) have characterized it as legislation of very great importance, and in my opinion it is altogether too important to be turned over to any private member or to any private bill. Behind a private bill there is always the motive of profit, whereas international amity should be the purpose of the government in a situation of this kind.

I agree with what the leader of the opposition (Mr. Bennett) said. If the government really desires to give parliament the power to pass upon the exportation of electricity, all it has to do is to accept his suggestion and amend the statute so as to provide that before any measure to export power becomes effective it shall have the approval of this house.

It is not my intention to deal with the bill at any great length, but I wish to deal particularly with one aspect of it, namely, the question of the revocability of licences. In the course of the debate so far, three cities have been mentioned, Massena, Niagara Falls, and Chicago, and I will try to show, from our experience in connection with the development of electricity through water diverted at each of these centres, that it is next to impossible to revoke a licence for the exportation of power.

Let us take, first, Massena. During the last year of the great war, in 1918, the aluminium interests as Massena, New York, a branch or subsidiary of the Mellon interests in the United States, were the greatest exporters of that metal to the allies. In 1918, wishing to divert more water from the St. Lawrence, they applied, through the International Joint Commission, I believe, for the right to erect a weir in the south channel of the St. Lawrence river, above the head of the Long Sault. Of course, the government of the day objected. It was a violation of one of our international treaties, the Ashburton treaty, which stipulated that no obstruction should be placed in any international navigable channel between Canada and the United States. But when it was represented to the government of the day that the aluminium company were supplying a very large proportion of that metal used by Great Britain as well as by Great Britain's allies in the prosecution of the war, the government consented to the erection of a weir in the St. Lawrence river on the condition that it should be removed "five years hence," that is to say, in 1923.

What happened? The weir was erected and the aluminium company diverted from the St. Lawrence 25,000 cubic feet of water per second through a power canal over to Massena, situated on the Grass river in New York state, and there from a head of approximately 25 feet they were able to develop from 80,000 to 90,000 horsepower. What was done in 1923? Indeed the company did not wait until 1923, because, before that date, they asked for an extension of the lease, notwithstanding that the war had then been over for practically five years. In 1928 they went after something very much more important, namely, permission to raise the weir another six feet. That is far different from carrying out the agreement to remove the weir at the end of the five years. To-day that company is diverting 25,000 cubic feet per second. It is developing from 80,000 to 90,000 horsepower from 25,000 cubic feet of water, 12,500 of which belongs to Canada.

I should like the Prime Minister when he speaks again to tell us whether that agreement can be revoked. I do not believe it can, because the interests are too strong, not only in connection with the electricity but in the realm of oil. The same interests are behind both, and they have shown great strength. Hon. members may be familiar with what took place in Colombia, South America, when the Anglo-Persian Oil Company, and the Gulf Oil Company—the latter belonging, I am told, to the Mellon interests—were trying to obtain oil leases in that country. The effort resulted finally in the overthrow of the government. The incoming president, Doctor Herrera, tried to obtain a loan, just as the outgoing president had done; and what did he do? He went to Washington and was there given a banquet; and the gentleman who sat beside him was

We may easily fall into a wrong attitude of mind with respect to this matter. It is idle to say that we have not the right to discuss any matter that affects the welfare of the Canadian people. If England can discuss it in the manner in which it was discussed, surely Canadians are not doing them a disservice if we ascertain the views of the government with respect to these matters in the light of their fuller information than is accorded to the average man.

Mr. MACKENZIE KING: I was going to precede what I had to say, although on second thoughts it did not seem necessary to do so, with the observation that I hoped no one in this house would seek to draw wrong inferences from my statement. Practically all statements are capable of different interpretations. There is no statement that can be made at the present time with respect to world affairs which, if persons wish to be partisan in their attitude, cannot be interpreted one way or the other. What I said will be understood, I believe, by the Canadian people as being a frank expression of the view which the government takes regarding the events which I have spoken of as happening on the continent of Europe and the continent of Asia. I have said nothing whatever to indicate any desire on the part of the government to limit in any way freedom of debate in this house with respect to any question. That freedom exists at all times; it is the right of every hon. member to exercise it in his own discretion. My right hon. friend, the leader of the opposition (Mr. Bennett), has just said that the government gets wider information and gains a fuller knowledge of conditions, through dispatches which it is receiving from Europe, than possibly all hon. members may obtain through the agency of the press. In regard to that may I say that such knowledge and information as the government have received through the dispatches which have come to us from Europe and from Asia only serve to confirm the wisdom of the statement which I made a moment ago in reply to the hon. member for Vancouver East (Mr. MacInnis). I wish to repeat that if any useful purpose is going to be served, in respect to the situation either in Europe or Asia, by having these matters debated at great length, then, if hon. members so decide, the government will place no restriction upon their utterances; but the government must, with respect to its own utterances, make them in the light of the responsibility which attaches to everything the government says at this time.

TEXTILE COMMISSION

INQUIRY AS TO TABLING AND PRINTING OF REPORT

On the orders of the day:

Mr. D. G. ROSS (St. Paul's): Will the Prime Minister (Mr. Mackenzie King) inform the house when we may expect the report of the Turgeon commission to be tabled, and if it is the intention of the government to have it printed?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I understand that the Turgeon report is being both translated and printed at the present time, and I hope that it will be brought down before long.

Mr. BENNETT: Which one? The report on textiles or that on grain?

Mr. MACKENZIE KING: The textile report.

OFFICIAL REPORT

On the orders of the day:

Mr. JOSEPH NEEDHAM (The Battlefords): I wish to correct a statement which appears in the last paragraph of the first column on page 1461 of Hansard. In the sentence beginning, "It is stated that from 1930 to 1936," the year "1930" should be "1913."

Mr. ROBERT FAIR (Battle River): In the report of my remarks on Tuesday last, at page 1474 of Hansard, the profits of the International Harvester Company for the year 1935 are given as $36,779,998. This should have read, $19,618,000. I wish the correction to be made.

THE BUDGET

On the orders of the day:

Right Hon. R. B. BENNETT (Leader of the Opposition): I wish to ask the Minister of Finance (Mr. Dunning) whether or not, following the practice which I think prevails in Great Britain, he could give us an indication sometime ahead as to when the budget is likely to be brought down. Sir John Simon has indicated that he would deliver his about the sixteenth of April.

Hon. CHARLES A. DUNNING (Minister of Finance): I usually try to give advance information as to the date of the budget, and I shall endeavour to do so this session. At present the best I can say is that it will not be before the Easter adjournment.

none other than the Secretary of the United States treasury, the late Andrew Mellon, then head of the Mellon interests, who controlled, I am told, the Gulf Oil Company, and the aluminium company on the Grass river at Massena, New York. Well, what was the upshot? Instead of cancelling the lease for oil for the Gulf Oil interests in Colombia, which it was alleged had been obtained illegally, as a result of the president's visit to Washington Colombia extended the lease and obtained its loan of $4,000,000. That is one instance of how revocation did not take place, of oil in that case, of electricity and water in the case of Massena. The second instance is Niagara Falls. Most hon. members are familiar with the situation there. It would seem that Divine Providence, in laying out the course of the Niagara river, knowing that this great territory of Canada has a cold climate and for heating would require a lot of white coal for a large part of the year, and that in Ontario teeming millions of people would in due course be settled, determined that ninety-four per cent of the flow of water in that river should pass over the Horseshoe falls on our side of the line.

In due course it was realized that there were great potential power resources at Niagara Falls, and in 1909 the two countries made a treaty to prevent the robbery of the water that flows over the falls. Later came the International Joint Commission, and it was arranged that for the preservation of the beauty of the falls not more than 56,000 cubic feet per second of water should be taken for power purposes, and of that 56,000 cubic feet it was stipulated that 36,000 should belong to Canada and 20,000 to the United States. That was not nearly as generous to Canada as would appear on the face of it; for what was the situation at that time? The Niagara-Hudson interests, which control all or practically all the power in the whole of western New York state, had a plant on the Canadian side of Niagara Falls, either in operation or about to operate, known as the Canadian Niagara Power Company plant. They were diverting 10,000 cubic feet per second, and all of the power that they generated with our 10,000 cubic feet of water was exported to the United States, barring a small quantity on which I am told the Ontario Hydro has a call if required.

In determining how much water Canada should have out of the 56,000 second feet this 10,000 second feet diverted by the Niagara-Hudson company or the Canadian Niagara Power Company was charged to Canada, which left us with only 26,000 second feet. Again the Ontario Hydro, or at that time the Ontario Power Company, had a long-term agreement with United States power consuming interests by which these interests were supplied with 60,000 horsepower, requiring the diversion of 3,600 second feet from the Niagara river. In other words at the time the allocation was made of 36,000 feet to Canada and 20,000 to the United States, the United States were already obtaining from Canada 13,600 second feet; so we were left with 22,400 second feet. That was the situation at Nigara Falls. It is a situation which cannot be revoked. The hydro long-term agreement for the exportation of their 60,000 horsepower does not expire until 1950, and I do not know how long the term is of the Canadian Niagara Power Company plant which diverts 10,000 second feet of water. So that at Niagara as well as at Massena we are getting the short end of the stick.

Our power resources are gone from us, whether we would use them or not. Who does not know what happened during the great war, when the power shortage in Ontario was very acute? At that time I was associated with a large plant which used a great deal of hydro power, and I know that there was great difficulty in obtaining power to run that plant. Why did we not revoke the licence to export the power generated from the 13,600 second feet taken from us? I am not saying we did not agree to do it, but we cannot revoke the agreement.

What is the situation at Chicago, the third instance to which I wish to refer? At Chicago, in spite of anything the premier of Ontario says, Canada does lose a lot of water. I made a speech recently in London, Ontario, in which I discussed the Chicago situation, and later the premier of Ontario said that I must be wrong, because water does not run uphill, and he is reported in the press as saying that on account of lake Michigan being several hundred feet higher than lake Huron therefore no Canadian water can run out at Chicago. But of course the premier of Ontario is not always right; in fact is often wrong, and on this occasion he was very far wrong. As a matter of fact those two great lakes are on the same level, to all intents and purposes one lake, joined by a channel twenty miles wide, the straits of Mackinac. So that the water pouring into those two great lakes pours into one common reservoir. The watershed on the Canadian side from which water flows into those two great lakes is larger than the watershed from which water flows into them from the United States. And of the water diverted at Chicago half is Canadian water.

Now what is the situation there? For the twenty years from 1915 to 1935, the diversion

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at Chicago for domestic purposes, for power purposes and shipping, has approximated 10,000 cubic feet a second. Thirty-six miles west of Chicago at the town of Lockport, where the Chicago drainage canal drops into the Des Plaines river, Chicago develops 36,000 horsepower of electrical energy, half of which is developed from Canadian water because half of the water diverted belongs to us. Prior to 1900 water was diverted at Chicago in small quantities. In those old days they used to pump it over the height of land ten miles west of Chicago, a height of about twelve feet. They pumped the water and sewage over and poured it into the Des Plaines river. But since 1900 it flows by gravity through a canal twenty-four feet deep and two hundred feet wide, and they can take almost any quantity they want. Up until 1935 they were diverting approximately 10,000 cubic feet per second, and to-day while they are not taking that much they are still diverting about 7,000 cubic feet per second. I am aware that by 1939 they have to reduce the amount taken to 4,000 second feet, but if the bill now before the United States congress passes—and they will move heaven and earth to see that it does—instead of 1,500 second feet plus about 2,000 feet for domestic purposes, the 1,500 will be changed to 5,000.

Canada has protested for years against the diversion of water at Chicago, but can we revoke it? No, we cannot. It has had a disastrous effect on lake levels, apart from the question of power. But the fact is they are developing power with it, and on the rest of the river, the Illinois river, between Chicago and the Mississippi, down which our water flows along with the United States water, there are six other power sites. Some of them develop a small quantity of power, but the whole six, when in full operation, will develop another 70,000, or, plus the one at Lockport, approximately 100,000 horsepower. A large proportion of the water used in the plants down the river will be water diverted from lake Michigan.

If the government of Canada cannot revoke the situation at Chicago and cannot do anything towards revoking the situation at Niagara Falls—and it cannot do anything to change conditions at Massena—what can it do if in a short time it enters into an agreement to export to the United States another hundred or more thousand horsepower? It cannot do anything. I do not believe the government can revoke any contract to export it may enter into with any other government or any organization of producers.

[Mr. MacNicol.]

There are the three pictures. May I at this point recapitulate: at Massena 80,000 to 90,000 horsepower has been developed, one-half of which is developed from Canadian waters. If that water were diverted on our side of the line we would have at that point about 40,000 or 45,000 horsepower. At Niagara Falls we receive only that power for ourselves which is diverted from 22,400 second feet; our share of that water should be 36,000 second feet. This is the condition, in face of the fact that 94 per cent of the water at Niagara Falls flows over the Horseshoe Falls on the Canadian side. Canada is getting the wrong end of the stick, if I may use that expression, in connection with each of the three great power developments which have come about from diversions of water one-half of which is from our side of the line.

In the white paper presented to parliament a short time ago I find at page 104 item No. 54, respecting an order in council. In this order in council there are very important statements which bear out my statement to the effect that once power is exported and used in the development of industries on the other side of the line, it is impossible to cut it off without international difficulty. I have known many large industries in the United States which have used Canadian power, and have gained that information from my association in a business way with some of those great industries. I do not see how it is possible to cut off power from large industries which may be using it. For instance, how can you cut off power from the Lackawanna Steel Company, if they are using it? It is one of the largest steel plants in the United States. If they are not using it, then I know that other companies are using power developed from water diverted from the Canadian side of the line. That power cannot be cut off, because they have long term contracts, and those contracts must continue in operation.

Let us now give some attention to item No. 54 in the white paper. We are told that it is a certified copy of a report of the committee of the privy council, approved by His Royal Highness the Governor General on the 25th August, 1914. The text is as follows:

The committee of the privy council have had before them a report, dated 16th June, 1914, from the right honourable the Secretary of State for External Affairs, calling attention to a recent opinion of the public service commission of the state of New York in the matter of the application of the Canadian-American Power Corporation for permission to import an additional 46,000 horse power of electrical energy from Canada into the United States.

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Then, omitting the remainder of the letter, we will read from the middle of page 105, where we find the American opinion with respect to the importation of power.

Without going into details, it seems sufficient to say that the prohibition of exportation from Canada of this present electric power which now comes into this country would paralyse business and industry of many kinds and would deprive numerous localities of electricity for light. American-produced Niagara power is so far from supplying the vital needs of the sections of the state above described that the immediate results of such prohibition would plainly amount to a great public calamity.

How are we going to revoke power, the prohibition of which would cause a great public calamity? I am surprised to find that the government wants to place in the hands of a private member, no matter how brilliant he may be, the introduction of a bill which might bring about a great public calamity, and embroil this country in troubles with the country to the south of us. I am sure the Prime Minister would be one of the last to condone any such action because, I am pleased to say, it would appear that on every occasion he tries to keep this country on an even keel internationally, and out of any possible trouble. I continue the quotation:

The form of securing a licence yearly from the dominion government is required by the dominion law, but such licence has been granted yearly to the other great producing electrical corporations of Canada, and no reason appears for apprehension that any discrimination would be made against the Electrical Development Company or the Toronto Power Company, lessee. We have nothing before us but the suggestion that the Dominion of Canada may at some future time forbid this exportation. This commission must assume that international relations affecting so important a subject as the means of continuing great industries which have grown up in reliance upon the use of this imported power, and as well the interests of the Canadian producing companies themselves, have become fixed—

As I said, they certainly are fixed at Massena; they certainly are fixed at Niagara Falls; they certainly are fixed at Chicago—

—and subject only to such changes as will fully protect the great commercial and industrial interests and rights now served by this power brought from Canada. The time has long since passed when governments proceed ruthlessly from pure national rashness or anger to destroy the settled accepted commercial relations and formally vested rights of persons and corporations.

That is just as true to-day as it was when it was written.

In conclusion I will say that if the Minister of Justice, as he intimated on March 10 might be possible, can persuade the Prime Minister to adopt the suggestion of the leader of the opposition, there will not be much need to find fault with the bill.

Mr. A. J. ANDERSON (High Park): Mr. Speaker, this bill is of great importance to the province of Ontario, one of the constituencies of which I represent. I am opposed to the export of electric power. I believe electric power is an asset of which we should not deprive ourselves, and one which we should use to the greatest extent for the benefit of our people.

We have in Canada another asset of very great importance; I refer to gold. Gold enters to a great extent into the monetary and economic life of the country. It has been found necessary to refuse permission to export gold except for purposes of the adjustment of international balances and foreign trade. Gold is a product of the earth just as electric power is a product of the water that flows over the dam. Electric power is necessary for the welfare of Canada and its export is a different matter from the export of cereals, lumber, cattle or such other products. Canada is fortunate in having great water powers; in fact we are congratulated upon having them in such abundance. It appears to me that the duty devolves upon us of carefully guarding these water powers, and the electricity produced therefrom should not be allowed to go out of the country.

The practice followed was established by an act which has been on the statute book since 1907. That act practically prohibits the export of power, except in a few cases where licences are granted. The bill we are now considering deals in the main with the manner in which we may permit the export of power, but I think there is behind it a more important principle, namely, whether we will permit it at all. As I said before, I am against the export of power; I believe we should develop the power in this country. The late Sir Adam Beck spent many years of his life in furthering the development of the water powers of Ontario, and we are all proud of the hydro electric system in that province. It has done a great work in bringing power to the people at rates cheaper than ever prevailed before. Power is being delivered to the people of Ontario at a rate which is probably less than that paid in any other country.

The object of this bill is to permit the exportation of electricity from Ontario to the United States. The question to be decided is who will grant the licence. The other day the Prime Minister (Mr. Mackenzie King) placed on Hansard a sketch of what had happened in connection with the export of power from 1907 up to the present time. He furnished us with a great deal of accurate information. During the course of his remarks he directed attention to the attempt made by the hon. member for Leeds (Mr. Stewart)

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in 1928 and 1929 to take away from the governor in council the right to grant or to refuse these permits. The Prime Minister referred also to the fact that Mr. Hepburn, the present Premier of Ontario, was a member of this house when the bill was passed in 1929. I do not know why the Prime Minister referred to Mr. Hepburn in the middle of his speech, unless it was because of the attitude of Mr. Hepburn with regard to this legislation.

The Prime Minister stated that three applications were made to the government in 1937 for the export of power, two being from the Montreal Light, Heat and Power Company, and one from Ontario. The two from Montreal were made to the government prior to November, 1937. The Prime Minister stated quite frankly that the government had come to a decision that it would reconsider who should give the permit for the export of power. This decision was arrived at in connection with the two applications from Montreal, and when Mr. Hepburn came forward with his application, the government had decided to leave it to parliament to decide whether or not export should take place. It now appears that prior to the opening of parliament, when reference was made to this bill in the speech from the throne, at any rate before the bill was introduced in the house, the Montreal applications had been either abandoned or withdrawn and the only application before the government was the one from Ontario.

For this reason I may be pardoned for referring more or less in detail to the Ontario position. I do so because the Prime Minister, speaking on the second reading of the bill, felt it necessary to place a great deal of detailed information on Hansard. A peculiar position exists in the province of Ontario. When Mr. Hepburn came into office he came to the conclusion that the hydro electric contracts were not profitable or economical. Instead of trying to seek a market for the surplus power, as he is evidently trying to do now, he proceeded to repudiate the contracts under which electricity was furnished to the hydro electric system of Ontario. He threw the whole matter in the air, as it were. Subsequently he made arrangements with some of the companies for reduced quantities of power at reduced prices and in that way stopped any possible litigation on the part of the companies. But he did not succeed in making an amicable arrangement with the Beauharnois company. That company did not take his action lying down; they sued the government and got judgment for something like $600,000 or $700,000. Since the judgment was sustained by the supreme court, the only way out for Mr. Hepburn was an appeal to the judicial committee of the privy council, but he did not take this course, because the judgment had been upheld, I believe unanimously, by the supreme court.

Mr. LAPOINTE (Quebec East): I think it was by the appellate court.

Mr. ANDERSON: Mr. Hepburn then found that he had to humiliate himself and negotiate with Beauharnois, which he did. He entered into an arrangement with that company for the delivery of a quantity of power, not much less than that covered by the original contract, for a long period at a price of $12.50 per horsepower. The price under the previous contract was $15 per horsepower. Mr. Hepburn took all the advantage he could of this change of contract which reduced the price and extended the period with respect to a smaller quantity of electricity. But he found that he was left with an excess of power, and in order to save the province some money he asked this government to consent to the export of this power to the United States.

The export of power is a national matter. It should not be considered a provincial matter, and certainly not a county or district matter. It is something that affects the whole country, and any policy in connection therewith should be the policy of the federal government. Export comes within the jurisdiction of the dominion government. One may ask why, that policy having been followed for over thirty years, the government of Canada should hesitate in 1937 to deal with any of these applications, and particularly with the one coming from the province of Ontario. What has happened in the meantime? We have the assurance not only of the Prime Minister but also of the leader of the opposition that for a number of years no new applications for the export of power have been granted, that the only applications that have been granted are renewals of licences that have been running for some years—and in regard to those I do not think they have been altogether justifiable, because they are not national in character. They have not served to satisfy any particular emergency in connection with the nation. They have been granted solely and only for financial purposes, in order that the hydro-electric commission and companies exporting electric power may have their books better balanced than they would have been without such export of power. That is not a national matter, and personally I feel that the export

of power, if it be permitted at all, should be permitted only for purposes which are emergent in their nature or national in their character, and not provincial.

Then we come to the other principle of the bill. There is first the question whether we should allow electric power to be exported, and then there is the question of the method of granting the permit. I have asked, why did the cabinet refuse to deal with the application when it came before them? All I can say is that I look at it very much as the man on the street does. We have to take our information as we get it through the press and otherwise, and rumblings have been heard that our friend Mr. Hepburn, of Ontario, is not particularly enamoured of the Liberal party at Ottawa. In fact, he has gone so far as to say that he is not a King Liberal but of some other branch of Liberalism. I do not know what he means by that, but when a man occupying the position he does makes a statement of that kind against the prime minister of the dominion, it indicates a certain amount of animosity and ill-feeling, and I have no doubt that the Prime Minister and the cabinet were quite aware of the feeling existing between the premier of Ontario and the federal cabinet.

I do not know that the feeling between the premier of Quebec and the cabinet is altogether friendly. I would imagine from statements that have appeared in the press recently that the premier of Quebec cannot be regarded as a very close friend or much interested in the advancement of the Liberal party in the federal arena. The feeling in these two provinces was no doubt well known to this government, as it was to every hon. member of this house or the man on the street, and the question naturally arises: Why did this government hesitate to deal with the application? I cannot say, but after thirty years of experience with the practice that was established under the act of 1907, and in view of the fact that in recent years no new permits have been granted, it appears to me that the power of granting or refusing permits was in very safe hands in the dominion cabinet. Then why should there be any hesitancy in assuming the responsibility that falls upon the cabinet? We have responsible government, and the government were given the power under that act to refuse or to grant the permit. They have the same power with regard to the export of gold, and they do not hesitate to exercise it, and so far they have done very well in controlling the export of gold. Why should they not exercise the same power with regard to the export of electric power? It looks as if they were animated by a certain feeling of fear, a desire to throw off responsibility—I was going to use the word "shirk"; perhaps that is rather offensive. But it looks very much like that, and the man on the street will say that the government are shirking their responsibility in not exercising their power to grant or refuse this permit.

How does the government get over it? By a private bill. I am not going to deal with that, because my leader dealt with it extensively the other day, and showed the absurdity of the position of the government; and it has already been referred to this afternoon by the hon. member for Davenport (Mr. MacNicol). Whenever a matter of public concern is allowed to be brought before the house in a bill sponsored by a private member, it is simply a cover for the government in power behind which they can take refuge and evade the responsibility of deciding the question for themselves; and I am frank in saying I think that is what this legislation is for.

Let me go a little further. We are endeavouring to establish the rights of the federal parliament under the British North America Act. Time and again we have heard it stated, and it is true, that the powers of the federal parliament are being reduced or invaded by the provinces. But here we have a bill by which the right to say whether or not power shall be exported is left, not to the cabinet, not the governor in council, but to the lieutenant governor in council of the province from which the electric power is to be exported. Is it not apparent that the Prime Minister and his cabinet are admitting a great amount of weakness? They are not courageous enough—I do not want to say that offensively; but they have not shown courage in dealing with the matter. And have they not shown, by wanting to throw responsibility on the lieutenant governor in council in the province, that the cabinet of the dominion, the governor in council, is not capable of making a decision that would be acceptable to the people?

When the private bill comes in, what are the conditions that are a sine qua non, which must accompany it? The application must be accompanied by a certified copy of an order in council of the province, in this case, Ontario, that they can do without that electricity, and that its export would not injure the province in any way. But it goes further. It so happens that a large amount of this excess electric power originates in the province

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of Quebec. It comes into the province of Ontario and is sought to be exported to the United States through Ontario; and in such case the petition and the private bill must be accompanied by an order in council of the province in which the electric power originates. It looks to me like fear of the opposition this government is going to get from Mr. Hepburn of Ontario and Mr. Duplessis of Quebec, and so they seek to put the responsibility upon the province and lift it from the governor in council. They ask that the lieutenant governor in council decide.

When the bill comes here, what will be the result? I have been favoured—I do not know how many other members have—with a copy of a letter sent by Mr. Hepburn to the Minister of Trade and Commerce (Mr. Euler) applying for this permit. Mr. Hepburn certainly wants the export of this power, and if he were asked for an order in council or a certificate that the power could be exported without injury to the province, he would certainly grant it. The Ontario government being Liberal—I am not concerned as to whether friendliness exists between the government there and the government here—the request of that Liberal government would be very acceptable to the administration at Ottawa, Liberal as it is to-day. They would not turn it down, because the electorate which elected the premier and the government of Ontario is the same that elects the members from Ontario to this house, and those members would not wish to offend the provincial government. The same applies in the province of Quebec. But what is the logic of leaving it to the lieutenant governor in council of a province to decide whether it is justifiable to export power from that province, the government of the dominion taking advantage of that position and running to cover under orders in council or certificates of the province? My feeling is that this bill is brought in for the purpose of allowing this government, first, to unload the responsibility upon the provinces, and second, when it comes to the house, to unload the responsibility upon the individual members of the house rather than upon the government itself. This government was elected with a tremendous majority, yet it does not show enough courage to assume the responsibility of making it a national matter.

So far as I am concerned, I am against the export of power at all; and if in the course of the discussion on the bill it should be decided by the house to permit export, I yet believe that the power should be vested in the governor in council; let that body be responsible to the house and to the country for the policy of the people they represent.

Right Hon. W. L. MACKENZIE KING (Prime Minister): We are debating at this time of its second reading the principle of the bill with respect to the export of power. May I at the outset, remind hon. gentlemen opposite that the principle of the bill which is now before the house is, to all intents and purposes, the same as that of the bill which was introduced by the hon. member for Leeds (Mr. Stewart) in 1929. The principle of the bill which was introduced in that year by the hon. member was that no export of power should be permitted without the approval of parliament. It was a bill intended to give parliament greater control over the export of power.

Mr. BENNETT: The licence was still retained, though.

Mr. MACKENZIE KING: Just a moment. The principle of the bill was as I have set forth. That is the principle of this bill. The present bill, however, goes a little further in the matter of prohibiting the export of power than did the bill of the hon. member for Leeds. The bill of the hon. member for Leeds provided that there should be the approval of parliament, without indicating how that approval was to be given. So far as the export of power was concerned it remained permissible with the governor in council. This is a bill which takes away that permissive power from the governor in council and prohibits the export of power. That is the difference between the two measures. In its terms the present measure specifically prohibits the export of power. That is the principle underlying the general bill. It does, however, contain a provision that, while the general law is that of prohibiting the export of power, exceptions may be made if parliament in its wisdom deems it desirable and right that exceptions to the general law should be made.

My reply, in a word, to all hon. members opposite, who say that the government in the procedure it is adopting is actuated by fear or favour or any other ulterior motive they may ascribe, is that in so saying they are simply passing condemnation on themselves for their support of the bill which was introduced by the hon. member for Leeds. I believe that practically all hon. members who have spoken from the opposite side were in the house when that bill was passed. The measure introduced in 1928 received first and second readings. As re-introduced in 1929, it received first, second and third readings

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unanimously. They all supported it. I ask the hon. members who have spoken, when they supported that bill, Were they seeking to have the government get rid of responsibility; were they seeking to take away responsibility from the ministry and put it on parliament; or were they trying, as I believe they were, to make it more difficult for the export of power to be made, by requiring that the approval of parliament should be given in the first instance?

Mr. BENNETT: May I answer the question?

Mr. MacNICOL: If the right hon. the Prime Minister will allow me to correct him, I was not in the house at that time.

Mr. MACKENZIE KING: Perhaps my hon. friend was not. That was the loss of the house. As between the matter of having the house approve the export of power and of having the governor in council approve its export, might I remind hon. gentlemen opposite, as members of the Conservative party, of the position taken by Sir Robert Borden, who was the leader of the Conservative party at the time the 1907 bill was introduced.

Mr. BENNETT: Might I answer the question which was asked by the Prime Minister?

Some hon. MEMBERS: Order.

Mr. BENNETT: May I answer the right hon. gentleman before he proceeds He asked that the question should be answered, and I am ready to answer it.

Mr. MACKENZIE KING: Well, all right.

Mr. BENNETT: Section 5 of the act as it now stands states:

No person shall export any power or fluid without a licence, or any power or fluid in excess of the quantity permitted by his licence, or otherwise than as permitted by such licence.

An absolute prohibition, at the present minute.

Mr. LAPOINTE (Quebec East): Without a licence.

Mr. MACKENZIE KING: Without a licence.

Mr. BENNETT: Now we are substituting a private bill for a licence.

Mr. MACKENZIE KING: The existing statute gives the governor in council power to issue a licence that is permissive. The first thing my hon. friends would have said, if the present government had granted the application of the Ontario government, is that the governor in council had taken that action either out of fear of or of favour for the administration at Toronto; that they had been afraid to leave the matter to parliament, notwithstanding they had declared as respects the earlier applications from Quebec to leave the matter to parliament. That is what we would have been hearing to-day. May I say to hon. gentlemen opposite that, as far as the Ontario government is concerned—and I have reason to know its mind in this matter—it would have much preferred to have had the old bill remain exactly as it is and to have had the governor in council grant a licence for the export of power with or preferably without the subsequent approval of parliament than to have the matter of its application referred, as it is being referred under the present bill, for approval to parliament itself. That, I believe, is the truth of the matter.

However, I was recalling the position taken by the leader of the Conservative party at the time the bill regarding export of power was introduced in 1907. Sir Robert Borden then said—and I think he was right in his contention—that the governor in council was the last body which should be expected to decide a matter of this kind. He gave his reasons; they were quite explicit and applicable to what some hon. gentlemen have been saying—that the governor in council is concerned with matters of policy; that council has not the opportunity to get the full and exact information with regard to these matters enjoyed by other bodies, such as a committee of the House of Commons or the railway commission, which are able to bring before them the parties that make the application and to place on the parties themselves the onus of making good the case on their own behalf. Sir Robert pointed out that an administration would have to depend in large part upon the word of some official of a government department as to what was best to do with respect to any particular application. But he went a step further, and said there was another reason why the governor in council should not be trusted with this power, namely, that the council was actually and necessarily a partisan body, composed of members of one party. He did not think it right that members of one party should have it within their power to grant or withhold applications for licences to export power, which if granted might mean a great deal to their friends, and if refused for partisan reasons might mean a great loss to those concerned.

Mr. CAHAN: Those arguments did not prevail in that case.

Mr. MACKENZIE KING: Those arguments did not prevail in that case, but they are prevailing to-day. What I am pointing out to my hon. friends is that such is the argument we would be hearing from them to-day if we had proceeded in any other way than we are proceeding. Let me ask the house this question: What would have been the attitude of hon. gentlemen opposite if we had retained the act of 1907 as it stands and, under that act, had either granted or refused the application of the Ontario Hydro-Electric Power Commission at the present time? Let me say at once that, so far as this bill is concerned, I think that as a general act it ought to be considered wholly apart from any application for the right to export power. The government's decision with respect to having this question referred to parliament at this session was made before we had any knowledge whatever that an application was forthcoming from the government of Ontario or from any organization connected therewith. The evidence of that is found in the written documents, the replies made to the Montreal Light, Heat & Power Company and to Aluminium Limited, wherein we pointed out that, in the past, parliament had been gradually taking the position that it should have more in the way of control over the export of power. For that reason, we were unwilling that the cabinet itself should grant further applications without allowing parliament to express its view. We felt—which is the true sequence of the matter—that the bill which my hon. friend, the member for Leeds (Mr. Stewart), introduced in 1928, and which, in 1929, was given its three readings unanimously in this house, contained a principle with respect to which there could be no question at all at this time. If the house had been willing at that time unanimously to permit the export of power, subject to the approval of parliament, we felt that at the present juncture, with the added knowledge and experience that has come with the years, it would be prepared to support a bill embodying a similar principle and indeed, if anything, rather strengthening that principle, namely, the principle of parliamentary control of the export of power.

Let me come back to the question of what would have been said to-day had we adopted any other attitude. After having stated in writing, to the Montreal Light, Heat & Power Company and to Aluminium Limited, the decision to submit the matter at this session before taking any action with respect to the applications, so that parliament might review the whole situation, suppose we had granted the application of the Ontario government.

What would have been said by hon. gentlemen opposite? Why, we would have been told that what we had refused to do for the province of Quebec, we had done for the province of Ontario. We would have been asked, why had we refused in the case of Quebec what we had granted in the case of Ontario? And their answer would have been Because the government of Quebec was a Conservative government and the government of Ontario a Liberal government. Every hon. member knows that is what would have been said in the strongest terms by hon. gentlemen opposite. But they would have gone further. We have only to consider what the hon. member for Dufferin-Simcoe (Mr. Rowe) said at Petrolia the other evening, and what he and several other hon. members have repeated in the course of this debate. They would have said there was another motive for the government's action—I do not care what motive it was. And that is a special reason why we cannot escape in this discussion making mention of the application that has been received from Ontario since the government's decision with respect to Quebec applications was made. Suppose we had said, "We will grant this application of the Ontario government and leave it to a resolution of the house," as the leader of the opposition says.

Mr. BENNETT: No, not a resolution.

Mr. MACKENZIE KING: Well, then, a bill, approving the action of the governor in council.

Mr. BENNETT: Ratifying and approving the order in council granting the licence.

Mr. MACKENZIE KING: Let us see exactly what the position is. My right hon. friend says that what we should have done was to approve that application.

Mr. BENNETT: Or disapprove.

Mr. MACKENZIE KING: And then we should have brought the order in council to this parliament and introduced a bill asking for the approval of the action of the governor in council.

Mr. BENNETT: Or disapproval.

Mr. ROWE (Dufferin-Simcoe): You could have refused it.

Mr. MACKENZIE KING: My hon. friend says we should have disapproved it.

Mr. ROWE (Dufferin-Simcoe): No; I said you could have refused it.

Mr. MACKENZIE KING: Let us take both views.

Mr. LAPOINTE (Quebec East): Then we would not have had a bill afterwards.

Mr. MACKENZIE KING: Let us see where we stand on either count. Assuming that we had approved, the hon. member for Dufferin-Simcoe, who has just spoken, would have repeated what he said at Petrolia the other evening; he would have said that the government had approved the application out of fear of the government of Ontario.

Mr. ROWE (Dufferin-Simcoe): Not if you refused it.

Mr. MACKENZIE KING: But if we had granted the application.

Mr. BENNETT: Subject to approval in this house.

Mr. MACKENZIE KING: My hon. friend would have said that the government at Ottawa had been dragooned into approval by the government at Toronto, that Mr. Mackenzie King was afraid for his life of Mr. Hepburn; we would have had all that sort of thing. This would have been given as the reason why the application had been granted. And what would the leader of the opposition have said? He would have said, "What greater pressure could the government have put upon its following to support its action than to make a government measure of this matter? The government has granted the application and now it comes to parliament and says to its following that it must approve its action by an act." Well, what would the government be saying, by implication, in such circumstances? It would be saying, "You have to support the act or the government will be defeated; if you do not support it you will be voting against the policy of your own administration." And then the right hon. gentleman would have added, "Under the circumstances, what freedom is there on the part of any member of this house to decide for himself, on the merits and to vote as he likes?" That is what he would have said.

Some hon. MEMBERS: Hear, hear.

Mr. BENNETT: I desire to point out that the right hon. gentleman is conducting a debate upon a supposititious statement, which under the rules he is not permitted to do. He is not permitted to say what other people would have said but must deal with the situation as it is. Anyone who dignifies that sort of thing with the name debate cannot have a proper realization of the misuse of words.

Mr. LAPOINTE (Quebec East): It is a natural inference.

Mr. BENNETT: No; that is nonsense.

Mr. MACKENZIE KING: The truth of the utterance must be coming home to my right hon. friend, or he would not take exception to it.

Mr. BENNETT: That is in keeping with the right hon. gentleman's other statement.

Mr. MACKENZIE KING: I know his line of argument better than he does himself.

Mr. BENNETT: You have been going around the country misstating it long enough.

Mr. MACKENZIE KING: I have been sitting opposite my right hon. friend for a good many years, both in office and in opposition, and have come to understand his tactics fairly well, and I know that no matter what attitude—

Mr. BENNETT: The rules do not permit one member to assert what another member would have said but only what he has said.

Mr. MACKENZIE KING: All I have said is that I know certain things, and one of the things I do know is this—that whatever I propose my right hon. friend is going to find ground to oppose.

Mr. BENNETT: The records do not show that, do they?

Mr. MACKENZIE KING: Oh yes, on these party matters; on these big questions where there is party controversy.

Mr. BENNETT: They show quite the opposite; they do show unfairness. Look at the British treaty, for instance.

Mr. MACKENZIE KING: I do not want my right hon. friend to get into a quarrelsome mood.

Mr. BENNETT: No, but I am prepared to quarrel over that.

Mr. MACKENZIE KING: Well, if my right hon. friend is prepared to quarrel, I am not going to quarrel with him; I want him to keep in a quiet frame of mind.

Mr. BENNETT: Too proud to fight.

Mr. MACKENZIE KING: No, I am not going to quarrel with him; he is not in a condition of health at the present time to quarrel and I shall not start quarrelling with him.

Mr. BENNETT: What a shameful statement.

Mr. MACKENZIE KING: What is a shameful statement?

Mr. BENNETT: That one, as every decent man here knows.

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Mr. MACKENZIE KING: What is? If I have said anything that hurts my right hon. friend's feelings, or the feelings of anyone else, I am deeply sorry for it, but I am sincere when I say I have no desire to quarrel with my right hon. friend or have him get into an unpleasant mood. There is no need for it.

Mr. BENNETT: On the point of order I raised, I desire to point out that under the rules it is not permissible for anyone to make statements as to what somebody would say. The record of what anyone has said governs, not what another member says he would have said. More than that, I say that this is well defined by the rules, so well defined that it is hardly necessary to mention it.

Mr. MACKENZIE KING: I am sure I have a right to draw the inference as to the line of argument that would have been adopted.

Mr. BENNETT: But it was not adopted; that is the answer.

Mr. MACKENZIE KING: I am afraid I cannot follow my right hon. friend in his interpretation of the rules. What I am as sure of as that day follows night is that if this government had come into this house, having approved an application of the Ontario government, and asked its following to support the application because the government had granted it, the government would very quickly have been told, and the country would have been told, that we had put pressure upon our own following so that they had to support the application. On the other hand, assume we had refused to grant the application—the hon. member for Dufferin-Simcoe nods his head—what would he and the others have said? Immediately they would have said, "This is resentment on the part of the present Prime Minister of Canada because of what has been said about him by the premier of Ontario." That is what would have been said from one end of Canada to the other; that there had been no judicial appraisal of the situation; that the application had not been considered on its merits, but, because the head of the government of Ontario had said some unpleasant and critical and unworthy things about the Prime Minister of Canada, the latter had taken his revenge by refusing to grant the application made by the Ontario Hydro-Electric Commission. I am not going to permit hon. gentlemen opposite to say that now, or at any time to come. I wish to make it plain at the present time that, if this bill passes and a private bill is introduced, based upon it, hon. members on this side of the house are to be free to vote as they please on that measure. I shall ask them to do what they think is right in the light of their own best judgment, regardless altogether of what view I may take. I know the position I am going to take; there has been no doubt in my mind all along as to that. But no greater compliment could have been paid me by hon. gentlemen opposite than their taunt, "We do not know where the Prime Minister stands at the present time." Why do they not know? For the simple reason that I have not said and do not intend to say a word to any hon. member on one side or the other as to how he ought to vote on the private bill when it comes to the house, except that I shall expect every hon. member to consider the bill on its merits. That is the reason I have been silent with respect to my own attitude on the private bill. When the bill comes in, I shall, of course, have to say what I think is wisest and best.

In order, however, that the action of the government with respect to the present measure may not continue to be completely misconstrued as it has been by hon. gentlemen opposite, I want to make it perfectly plain again that the intention of the government with regard to this measure had been reached before any application came from Ontario at all. The policy decided upon prior to that time was to take the course we are now taking because we believed that it would command the unanimous approval of hon. members of this house, and that we would have no debate as to the wisdom of the course, seeing that already all hon. members in a previous house had on two occasions supported the principle of greater parliamentary control. These are the reasons for the policy adopted by the government. There has been no change of attitude on the part of the administration from the time it considered this matter, when the first Quebec application came to it, up to the present.

Another criticism has been made, namely, that the present bill requires that the provinces give their consent in advance to the export of power. Here again a provision is made which accords with what was the unanimous view of the house a few years ago. I spoke the other day of the resolution introduced in 1925 by Mr. LeSueur of East Lambton, at the time a member of the Conservative opposition. The resolution, when introduced, read that there should be no export of power except off-peak power. The discussion on the resolution brought out some differences of view. The government of the day suggested that Mr. LeSueur's

resolution should be amended by striking out the words "off-peak power" and substituting "only with the consent of the provinces concerned." The Right Hon. Arthur Meighen, who was leading the opposition at the time, said that he would agree to that amendment. Why? Because he believed that it would bring unanimity in the house on the question of the export of power. He added further that he believed no provincial government would want to export power. But it was for the purpose of attaining unanimity that that resolution was amended, and that as amended it came to be accepted unanimously by this house at that time.

Now, if in the present bill we had omitted that obligation on the part of the provinces would there not have been criticism from hon. members opposite? They would have asked, Why has the province of Quebec not been consulted with regard to the export of power that belongs to it? Why has the province of Ontario not been consulted with regard to power that belongs to it? Here is the creation of more in the way of friction between the provinces and the dominion, another constitutional difficulty arising, an effort on the part of the federal administration to take exclusively into its hands the whole question of the export of power, to determine it at Ottawa, whereas the power belongs to the provinces and not to Ottawa at all. Remember the position as to this matter. So far as the power in question is concerned, it is admitted that the power belongs to the provinces; that it does not belong to the dominion. Where the dominion's jurisdiction comes in is in dealing with matters that pertain to trade and commerce. For that reason, when it comes to exporting power beyond the boundaries of Canada, the provinces are not free to do as they will with their own. That is where the jurisdiction of the federal government arises. But I say that, since the provinces own the power themselves, it is only reasonable and right that the dominion, before taking a stand as to what is to be done with respect to the export of that power, should ascertain whether the provinces are agreeable and willing to have the power exported. Supposing we had not made this provision, what would be said of the legislation we are presenting to this house now? It would be said that the federal government, without even consulting the province of Quebec, or the province of Ontario, or any other province concerned, was taking their power and granting the right to export it, regardless of how exporting this power might affect the interests of consumers, might affect industrial interests on this side of the line, or serve to create competitive interests on the other side. We would deserve to be condemned strongly if, in this bill which we have before the house, we did not say that before export of power is permitted by a private act of the federal parliament, it must be ascertained that the provinces concerned are agreeable to the export and have safeguarded the interests of consumers in the provinces.

It was the present hon. member for Kootenay East (Mr. Stevens) who first raised this point the other evening. What do I find? I find, on looking over the debates in this house at the time of the LeSueur resolution, that the hon. member's objection at that time was in a precisely opposite direction. He contended that all we were providing for by that resolution was that the province from which the power was to be exported was the only province to be considered; that the power might be generated in another province, and, instead of limiting the consent to the province from which it was proposed to export it, we should go further and require the consent of every province concerned; exactly what we are doing in this present measure. The hon. member said on June 15, 1925, as reported on pages 4279 and 4280 of Hansard:

> Take the case of a water power which may be located in one province but vitally affects the rights of another province, for instance the Winnipeg river—I am not citing that specifically but merely as a general illustration—one province might be willing to consent to the export, but the other province, vitally affected by that export, might be opposed, and yet would have no voice in the decision by reason of the amendment suggested by the Prime Minister.

My amendment, as he thought, had reference only to the province from which the export was to take place. My reply to him was:

> Mr. Mackenzie King: In what I suggested I used the expression "with the concurrence of the province or provinces in which it is proposed to develop such power."

In other words, by inserting that very provision, namely, that the province from which the power was to be exported—and if there should be another province concerned, the province generating it, should be consulted—parliament declared that power should not be exported under licence which the provincial government considered was needed in the province. At that time we were merely taking a position which was reasonable and just, and which the hon. member for Kootenay East then endorsed. But now the hon. member imagines all sorts of evils with respect to the insertion of this particular provision.

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He says, "We know this is equivalent to an invitation compelling the government to give licences when applications come before parliament." He says that once you require a province to indicate its consent, to all intents and purposes you are obligating yourself to meet that consent. That is a diametrically opposite position to the one he took in the discussion in 1925.

I must say I do not think we would be justified, as a federal parliament, in legislating to authorize the export of power under a private act, unless we were perfectly certain that the provinces in question were agreeable to the export, and unless we were assured, by the province itself, that the authorization we were proposing would not in any way injure the interests of which they ought to be guardian. I believe that explanation completely justifies the clauses requiring consent of the provinces.

The hon. member for East Kootenay next took exception to the fact that certain permissive powers given to the governor in council with respect to licences, are to remain in the statute where they apply to the export of fluids, but are to be eliminated where they apply to the export of power. He thought there was something sinister about this, and that we must have in mind in some way giving larger privileges to private interests, in connection with power, than those now existing.

What is the reason for having omitted those permissive restrictions? There is none, other than the fact that we were taking from the governor in council and giving to parliament itself the right to grant authority, and parliament has the power to impose any restrictions it pleases. The reason that there were certain restrictions put in the original legislation was that parliament was delegating certain functions to the governor in council, and in delegating to the governor in council these functions, care was taken to indicate within what particular limits they might be performed.

But here the situation is reversed. Under this legislation we are taking from the governor in council the power to grant authority and we are leaving it to parliament itself. We are leaving it to parliament to insert any provision it may please as to conditions, as to the duration of the contract, as to only surplus power being exported, as to whether there shall be an annual review or power of revocation by the governor in council, as to the price at which the power is to be sold—if it is to be exported—and as to any other matter which may be of interest and concern to the public of Canada in the export of power.

But if it will serve to remove any suspicions, and if in the minds of any it will make for a little more effective control of the export of power, to have more in the way of detail set forth in the general act, I shall have no objection whatever, when the bill reaches committee, to proposing an amendment, which I have drafted and now have before me, to provide that, with respect to any private bill which may be introduced, certain provisions which are set forth must be complied with. Among those provisions will be one having to do with the sale only of surplus power; one with the price at which power can be sold, if exported to another country, as compared with the price to be charged in this country; a provision with respect to the duration of the right to export; and the right of the governor in council to terminate the right to export; and provisions with respect to one or two other particulars, which I shall outline when I introduce the amendment.

So far as provisions of the kind are concerned, which would be certain I believe to find their place in any private act respecting the export of power which might be passed by this parliament, there is no need for concern on the part of hon. members.

I come now to a somewhat singular statement made by the leader of the opposition. The other day my right hon. friend said that the government is leaving it to a private member to bring in a bill respecting the export power, when never before in our history has a measure of this character and importance been submitted to parliament by a private member. He asked if any one had ever heard of such a proposition in all the history of this parliament. One would have thought that the right hon. gentleman knew all the history of this parliament, and that he could not possibly err in making a statement of the kind.

What are the facts? The facts are that the first bill permitting the export of electrical power from Canada was a private bill passed in this parliament. The very first bill respecting the export of power was a private bill, introduced by a private member in the house. The Canadian Power Company was incorporated in 1887 by private act of parliament, 50-51 Victoria, chapter 120, giving authority—

—to contract in writing with any company which may have heretofore erected, or which may hereafter erect, a bridge across the Niagara river, for permission, upon such terms as may be agreed upon, to carry one or more wires for electric light or other purposes, upon and over the said bridge towards the United States shore of the Niagara river, and connect the same with the wires of any electric light company, or other company in the United States, and may also contract with such company to work the said electric light, or other power, jointly.

The act of 1887 was amended in 1891, but the authority to export was not affected. By implication, the authority to export was extended by chapter 89 of the statutes of 1893, by giving the Canadian Power Company authority to connect—

—any other wires or cables which the company may lay across the said river.

That had reference to the Niagara river.

My right hon. friend has said there never was a precedent for anything like this in the history of Canada.

Mr. BENNETT: That is not the same thing at all.

Mr. STEWART: The act to which the Prime Minister refers was passed long before the Electricity and Fluid Exportation Act of 1907.

Mr. MACKENZIE KING: Yes.

Mr. STEWART: Which entirely changed the policy, I submit. Does the Prime Minister think the effect of that act would be superseded by the provisions of the Electricity and Fluid Exportation Act of 1907, and has not a licence been taken out under that act?

Mr. MACKENZIE KING: I say the first right to export power from Canada was given by this parliament, not under a public act, but under a private act. That is the point at issue.

Now may I come to what my right hon. friend the leader of the opposition said in conclusion. It was, I think, a reflection upon every hon. member of both houses of this parliament. He suggested that to permit the introduction of private bills to authorize export of power would result in lobbies of a character that it would be difficult for hon. members of this parliament to resist. My right hon. friend has once or twice stressed the fact that what he wanted with respect to the further export of power was an act of parliament. He wanted that because the bill granting authority to export would have to go through both houses of parliament and be assented to by the crown. This bill will have to pass both houses and the private bill, if one is introduced, and is to become law, will have to pass both houses. The private bill will have to go before a committee and the justification of the measure will rest upon the applicants. Hon. members will have all sides of the argument presented and will be able to form their own opinions. But notwithstanding the fact that such a bill would have to go before both houses of the Canadian parliament, the right hon. leader of the opposition says that because a lobby may develop, the government should not make provision in this legislation for the authorization to export power to be given by parliament under a private act.

The same thing was said by the hon. member for Kootenay East. He recited his experience in connection with what he termed a most terrible lobby at the time of the application for the export of Carillon power. What was the result of the lobby in connection with the export of power from Carillon? The application was not granted; the lobby was of no effect whatever! The application went before the private bills committee and it was killed there. That shows how much members of parliament of that day were influenced by what the hon. member for Kootenay East termed the worst lobby he had known in his experience in public life. I wonder if the members of the present parliament are not to be equally trusted, if their integrity is not as great, if they are not equally sensitive as respects their honour, if their personal character is not as high; are they to be expected to exercise less in the way of judgment, less in the way of prudence and wisdom, less in the way of patriotism than was the case with members of a previous parliament? I say it is wholly unworthy of my right hon. friend to make a suggestion of the character he did.

Motion agreed to and bill read the second time.

Mr. MACKENZIE KING moved that the house go into committee on the bill.

Mr. BENNETT: If there is to be an amendment of any seriousness I should like this to be taken up in committee on another day. Perhaps we could go into committee and have the amendments submitted. We have a few amendments to offer, two of which are exactly the same as those suggested by the Prime Minister. Perhaps we could go into committee of the whole and then the Prime Minister might be good enough to place on the votes and proceedings or on Hansard the details of the proposed amendments. I think that would enable us to deal with the matter more expeditiously than we otherwise could.

Mr. MACKENZIE KING: The course suggested by my right hon. friend is, I think, a good one. I shall be only too pleased to follow along the lines suggested.

Motion agreed to and the house went into committee, Mr. Johnston (Lake Centre) in the chair.

Section 1 agreed to.

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On section 2—"Export" and "exportation" defined.

Mr. MACKENZIE KING: The only change here is the addition of the words "or contrivance." In order to make clear the provisions of the act in so far as they relate to the export of fluids, may I say that there is in the present bill no change in any of the provisions of the existing act other than a slight redrafting. A distinction has been drawn in the present bill between the provisions of the act relating to the exportation of fluid and those which relate to the exportation of power and the provisions with respect to each have been kept separate and distinct, the reason being that the exportation of power is being provided for by a private bill instead of by licence as has been the custom heretofore.

Section agreed to.

On section 3—Licence to export fluid.

Mr. BENNETT: I think we have reached the point where we should rise because there is involved here the whole underlying principle of the statute. I should like to state this more clearly. It was unanimously agreed on two occasions that licences for the export of power should be issued with the approval of parliament. There was a prohibition in section 5 against any export, and that is the point to which I desire to direct attention. There was an absolute prohibition in the section of the old statute, which reads:

> No person shall export any power or fluid without a licence, or any power or fluid in excess of the quantity permitted by his licence, or otherwise than as permitted by such licence.
>
> 2. No person shall, without a licence, construct or place in position any line or wire or other conductor for the exportation of power, or any pipe line or other light contrivance for the exportation of fluid.

The only method by which you could get around that prohibition in the old statute was by means of a licence. The suggestion contained in the bill introduced by the hon. member for Leeds (Mr. Stewart), to which the house agreed twice, was that a licence should be subject to the approval of parliament. Now we are changing that and no provision for a licence is being made in the new statute. It is proposed that the question of licence shall be dealt with by a private bill, but I submit that a private bill is not the proper place in which questions of licence issued by this country should be dealt with. It is the public bill that deals with the granting of a licence by Canada; it is under the authority of the public bill and not the private bill that the licence issues. If we are going to do away altogether with the question of licence, then all those problems to which the Prime Minister directed attention a moment ago, which we desired to submit as questions of policy, and all the conditions to be urged with respect to the licence itself arise. There is nothing about the licence left, and that was the reason I was going to suggest here that the question should be reconsidered from the standpoint of how the permission of the Canadian parliament was to be expressed. The private bill is intended to deal with that and it is going to impose conditions, but clearly a private bill should not authorize the granting of a licence. I think the Minister of Justice (Mr. Lapointe) will admit at once that it is wholly unworthy of this parliament to have a private bill—

Mr. LAPOINTE (Quebec East): Section 3 of the present bill applies only to the export of fluids.

Mr. BENNETT: I am raising the question now because the question of electricity is left entirely out of the new section. There is a differentiation between fluids, such as water or natural gas—which is not a fluid—or oil.

Mr. LAPOINTE (Quebec East): There is nothing new in principle with regard to fluids.

Mr. BENNETT: Electrical power is taken out of the section.

Mr. LAPOINTE (Quebec East): Yes, but it will come later.

Mr. BENNETT: This is the section where we begin to consider the question that arises —I mention it now because I think it is the beginning of it—as to whether or not the licence feature is to be continued with respect to electricity. Just as it stands now, there is nothing that permits a licence to be issued. I think the minister of Justice will admit that it is entirely wrong that a private bill should make provision with respect to a licence because the granting of a licence is the act of the whole government of Canada. To do this without a licence would create extreme difficulty in administration, and I might say to the committee that the amendments we have deal also with the period of time during which the right to export should exist. At the present time the licence to export expires on the 31st day of March each year; it is then renewable for only one year, and the provision that I was going to suggest in order to meet any difficulty on that ground was that it should be made clear that, in accordance with the general view of the order in council of

1914, the conferring of the right to export power created no vested or other right of any kind. I think that is essential.

The other question, in order that it may be before the committee, is that of surplus power. The question of what is surplus power would in my judgment be a matter that would arise for consideration each year. That is, where you have a yearly licence which expires on March 31, and may then be renewed for another twelve months, what was surplus power in the preceding twelve months might not be surplus power in the following twelve months. In other words, the demand for the use of power at home may be so great that surplus power no longer exists; whereas if you take the standard of surplus power as what it was in 1938, then you have a continuing licence notwithstanding what might be the demands for the use of power at home. It was to overcome that difficulty that I have also drafted a short amendment, and I mention it at this stage because this is the section which takes electric energy out of the provisions of the general bill and no longer makes any provision for the issue of the licence.

Mr. LAPOINTE (Quebec East): Of course, Mr. Chairman, I still think, this section having regard only to fluid, that some of the remarks of the right hon. gentleman would come more properly when we reach the section with regard to power.

Mr. BENNETT: I agree.

Mr. LAPOINTE (Quebec East): But I would ask at once, Is my right hon. friend not making a mistake in saying that the bill, which was introduced by the hon. member for Leeds (Mr. Stewart), and was passed by parliament, retained the system of licence with regard to power as well as with regard to fluid? The bill of the hon. member for Leeds repealed section 5 of the old act, which provided:

No person shall export any power or fluid without a licence, or any power or fluid in excess of the quantity permitted by his licence—

And so forth. There is established a distinction as between power and fluid. With regard to fluid the bill of my hon. friend maintained the situation as it was:

No person shall export any fluid without a licence.

But with regard to power it did away with a licence altogether. It said:

No person shall export any power without approval of parliament.

There is no previous licence. It is the first step.

No person shall export any power without approval of parliament or on any terms or conditions other than those approved by parliament.

I think my right hon. friend is wrong when he says that the purpose of the bill of the hon. member for Leeds was, first, to have the licence issued by the governor in council and then a bill introduced in parliament approving it.

Mr. BENNETT: I agree as to that.

Mr. LAPOINTE (Quebec East): Well, then, there is a distinction to be made as between the two. I really believe that section 3 of the bill applies only to fluid, and as it remains as it was before I think it might be allowed to go through, reserving the discussion of the export of power until we reach section 4.

Mr. BENNETT: Perhaps I did not make myself sufficiently clear. I indicated that that was one method by which the matter might have been dealt with, merely approval of the licence. Perhaps I did not make sufficiently clear what I now see is the difficulty in the legislation introduced by the hon. member for Leeds, that it did not indicate clearly when the licence was to issue. Presumably it would be provided for in the private act. It may be my lack of clarity that has caused the difficulty. If the minister will be good enough to look at section 3, he will see that it now for the first time deals with the question of licence, and eliminates for the first time the question of granting a licence with respect to electric power. In other words, the section becomes no longer applicable to electricity, and inasmuch as it is not applicable to electricity it would be incongruous that a private act should deal with the higher exercise of power by the government, namely, the granting of the licence. It would be putting in a private act so-called a provision with respect to the exercise of executive power by the government of the country, namely, the issuing of the licence itself. The private act should not do that. Perhaps I have not made my point as clearly as I should.

Mr. LAPOINTE (Quebec East): Oh, yes; but does my right hon. friend say that a private bill cannot give the power to export without dealing with the issuing of licences as well?

Mr. BENNETT: I certainly would answer in the affirmative; quite so; I agree with the minister at once. But there should be, in my judgment, a licence, because an act of

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parliament extending for a year would involve, in the very nature of things, the passing of another act of parliament next year and every year.

Mr. LAPOINTE (Quebec East): Oh, yes; but an act of parliament may be for more than a year.

Mr. BENNETT: Quite. But in view of our past history in this matter and the order in council of 1914, consequent upon what was said by the utility commission of New York, I submit that in the private act the provision for the licence should not occur because it is a high executive act, and we should put it in a public bill and make provision whereby under authority, if you will, of the private act the licence and the record of it and everything of that sort would be kept by the crown.

Mr. FACTOR: You mean after the private act was passed?

Mr. BENNETT: Quite, and we should make provision for it here in the broad public legislation dealing with the question of export. I entirely agree with the minister that our jurisdiction is only with respect to export. We have nothing to do with power qua power except such as is developed in the St. Lawrence, and we have something to say there because there is the question of navigation; but with respect to power created by private enterprise, the provinces have to deal with that. But we have trade and commerce under federal jurisdiction. What I cannot contemplate is that there should be no record of the authorization except the statute. There should be information that this licence is on record. But if we do not contemplate that, this section need not stand so far as I am concerned.

Mr. MACKENZIE KING: With regard to that section, I am proposing to move the following amendment:

— That section 4 be amended by adding the following subsection:

(4) Every such private act shall, unless it is otherwise expressly provided therein, be read and construed as including provisions that,

(a) The quantity of power to be exported thereunder shall, notwithstanding any provision therein fixing the quantity of power to be exported, be always limited to the surplus power in excess of that required for distribution for use in Canada;

(b) the power exported shall not be sold outside of Canada at a price less than the price of power produced and sold under substantially similar conditions for use in Canada;

(c) the said private act may be repealed by proclamation of the governor in council, at any time, upon such notice as the governor in council shall prescribe, or, if the governor in council is satisfied that the conditions imposed by paragraph (a) or (b) of this subsection are not being complied with, without notice;

Mr. BENNETT: I hesitate to remind the Prime Minister that he negatives his argument of this afternoon by saying that the governor in council may by proclamation repeal a private act. At least it detracts a great deal from any force that attached to his argument, because this amendment gives the governor in council power to put the matter back "as you were." It is a very unusual power. For that reason I suggest that the right hon. gentleman might permit the committee to rise and then, with this amendment on Hansard, we shall have an opportunity to read and study it, because there are one or two matters which I do not believe are covered. They are covered if we accept that broad one, namely that a proclamation may repeal a statute. There are some other sections as well which may be looked into.

Mr. LAPOINTE (Quebec East): I am told that there are precedents for such a course.

Mr. BENNETT: Yes, I am thoroughly familiar with them. But I should like, if it were possible, that we have an opportunity to study that amendment.

Mr. CAHAN: Could we not have all the amendments which the government now proposes put in the votes and proceedings to-morrow, or read now on the record, so that we can consider them all?

Mr. MACKENZIE KING: There is the following additional amendment of section 4:

That section 4 be amended by inserting, immediately after the number 4 at the beginning of the section and before the word "section," the following words:

"Subject as hereinafter in this act provided."

The effect of section 4, among other things, is to repeal certain of the provisions relating to the existing system of licensing export of power. It is the intention to retain this licensing system with respect to licences at present in force. The purpose of the minor amendment which the government wishes to effect is to make clear, as will be specifically set forth in section 9 of the bill, that the authority of the governor in council to renew or revoke existing licences to export power is not impaired and still subsists.

Mr. BENNETT: That is pretty nearly there now, in section 9.

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Mr. MACKENZIE KING: Then, coming to section 5, there is a similar amendment:

That section 5 be amended by inserting, immediately after the number 5 at the beginning of the section and before the word "section," the following words:

"subject as hereinafter in this act provided."

For that the explanation is similar to what I have already given.

That section 9 of the bill be struck out and the following substituted therefor:

"9. The said Act is further amended by inserting after section 10 thereof the following:

"11. Nothing in this act contained shall affect any licence existing at the date of the commencement of the Electricity and Fluid Exportation Act Amendment Act, 1938, and every such licence may notwithstanding the repeal of any of the provisions of this act by the said Electricity and Fluid Exportation Act Amendment Act, 1938, be renewed from time to time or revoked by the governor in council in the like manner and circumstances and with the like result and subject to the like terms and conditions as if such provisions had not been repealed but remain in force."

The object of the amendment to section 9 is to remove any doubt which may now be felt as to the adequacy of the section, as it appears in the bill, to provide for the legal continuance of the existing licences and the authority of the governor in council, under the act of 1907, to renew or revoke these licences.

This amendment, together with the minor amendments to sections 4 and 5, continues the authority of the governor in council to renew or revoke the licences at present in force, which exists by virtue of the act of 1907, and the regulations made under that act.

Mr. BENNETT: Those are the amendments?

Mr. MACKENZIE KING: Those are the amendments. I may have one additional amendment, but I wish to consider it further before placing it on the record.

Mr. CAHAN: With regard to section 6 of the bill, which provides a new subsection 2 for section 8 of the act, I can find no authority for parliament to enact such a section unless as preliminary thereto parliament declares such lines, wires, conductors, and contrivances to be "works for the general advantage of Canada". The only way in which it is possible, I believe, for parliament to obtain legislative jurisdiction over the lines running through any province is by declaring them to be "works for the general advantage of Canada," and I should like the minister to consider an amendment to section 8, the first subsection to read something like this:

(1) All transmission lines or lines of wire or other conductors for the exportation of power and all pipe lines and other like contrivances for the exportation of fluid, from any place in Canada to any place outside of Canada, are hereby declared to be works for the general advantage of Canada.

I think that might be followed by a subsection which is contained in the bill—

Mr. LAPOINTE (Quebec East): May I say to my hon. friend that the amendment as it is is merely the old section, subsection 2 of section 5 of the old act.

Mr. CAHAN: May I say to the minister that that is perfectly true; but when we came to consider certain questions with regard to the Beauharnois and other hydro-electric undertakings, we were all, I believe, of the opinion—all of the lawyers who were consulted at that time with regard to the new licence for Beauharnois—that that section at present existing is ultra vires of parliament unless there is, preceding it, a declaration that the transmission lines constructed in a province for that purpose are to be deemed "works for the general advantage of Canada." I am merely suggesting that for consideration, because I propose to move an amendment.

Mr. LAPOINTE (Quebec East): The suggestion of my hon. friend recommends itself to me, as it probably will to other members of the committee. I shall take time to consider it.

Mr. CAHAN: I was about to suggest another slight change in section 8. Perhaps I can read now the entire section 8 which I proposed to move when the bill came before the committee. It would read something like this:

6. Section 8 of the said act is repealed and the following substituted therefor:

8. (1) All transmission lines or lines of wire or other conductors for the exportation of power and all pipe lines and other like contrivances for the exportation of fluid, from any place in Canada to any place outside of Canada, are hereby declared to be works for the general advantage of Canada.

(2) Subject to any regulation of the governor in council in that behalf, the governor in council may grant licences for the construction, placing or laying of any transmission line or line of wire or other conductor for the exportation of power, or of any pipe line or other like contrivance for the exportation of fluid.

(3) No person shall, without a licence, construct or place in position any transmission line or line of wire or other conductor or contrivance for the exportation of power or any pipe line or other like contrivance for the exportation of fluid.

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That makes a change, first, in order that parliament may clearly and beyond doubt obtain legislative jurisdiction; and, second, I suggest that any line for the transmission of electrical energy might very well in this section be called a "transmission line," because the technical term is really "a transmission line" or a "line for the transmission of electric energy," and the mere word "line" without the word "transmission" is not technically sufficient to be clear without judicial interpretation.

Mr. BENNETT: The proposed amendment takes notice of the distinction between export to a foreign country and export interprovincially.

Mr. LAPOINTE (Quebec East): Would it be too inquisitive to ask whether there are other projected amendments?

Mr. BENNETT: Frankly, some of us had in mind several additional amendments, but I am inclined to think they are all met by the suggested amendments that have just been read by the Prime Minister. My view is, if I have a correct appreciation of the extent and value of these amendments, that they cover practically all that we had in mind in the suggestion which we proposed to make to the committee.

Mr. MACKENZIE KING: Perhaps it would be best then for the committee to report progress and ask leave to sit again.

Progress reported.

WAR VETERANS' ALLOWANCES

EXTENSION OF ALLOWANCES TO INCLUDE CERTAIN OTHER CLASSES—ENLARGEMENT OF MEMBERSHIP OF BOARD

Hon. C. G. POWER (Minister of Pensions and National Health) moved the second reading of Bill No. 35, to amend the War Veterans' Allowance Act.

Mr. H. C. GREEN (Vancouver South): Before the bill is given second reading, perhaps it would be in order to congratulate the minister upon having awakened the government, this sleeping giant of a government, long enough for it to do something about the problem of the 5,100 odd unemployed veterans with service in an actual theatre of war who were found by the veterans' assistance commission to be wholly or partly unfit to work. I believe the minister will admit that in the task of rousing this sleeping giant he has been aided by some gentle prodding by members on this side of the house and also by a

most emphatic recommendation from the veterans' assistance commission, which will be found at page 69 of their report, as follows:

Unfit Veterans

That the War Veterans' Allowance Act be amended by removal of "age 55 years," where it refers to the granting of an allowance because of disability, preaging and general unfitness;

And further:

That the act be amended so as to permit a more liberal interpretation of legislation covering the granting of the allowance at any age to a veteran who saw service in a theatre of actual war and who, because of his unfit condition, or other handicaps, is unable to maintain himself.

As the house will see, that was a most emphatic recommendation; but I am afraid, from what the minister said the other day, that this sleeping giant rolled over and went to sleep again before the minister was able to get him to do anything about the 10,000 unemployed veterans who served in a theatre of war and who are fit. It appeared from the minister's remarks that nothing was to be done about these 10,000 fit veterans.

If it is intended to cover all the 5,100 odd wholly or partly unfit veterans, then probably everyone in the house will agree with the principle of this bill, and the minister himself, speaking the other day, said that such was the case. His remarks will be found at page 1137 of Hansard where he is reported as follows:

All those who are partially fit or unfit will be looked after under the provisions of this legislation.

If that is the intention of the government, we can all approve the bill; but there are one or two reservations I should like to make. In the first place, it seems to me that in the new section 4 an element of permanency is introduced. As the minister knows, our amendment in 1936 provided that veterans of a certain class need only be temporarily incapable of maintaining themselves; they did not have to be permanently disabled. In this section, however, we find the words, "and unlikely to become capable of maintaining himself," which I am afraid may be interpreted as adding a feature of permanency, which would mean that a veteran must be permanently disabled. As against that, the veterans' assistance commission have recommended that the men be given every incentive to get work and to reestablish themselves and get off the allowance. I suggest that the section should be amended to make it quite clear that the veteran, in order to get the allowance, need not be permanently disabled.

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VALIDITY OF QUEBEC STATUTE

QUESTION OF REFERENCE TO SUPREME COURT OF CANADA OF "ACT RESPECTING COMMUNISTIC PROPAGANDA"

On the orders of the day:

Mr. RALPH MAYBANK (Winnipeg South Centre): I should like to address to the Minister of Justice (Mr. Lapointe), a question of which I have already given him notice. It is as follows:

In the light of the recent judgment of the Supreme Court of Canada stating that the Alberta act called Bill No. 9, which restricted publication of news, is ultra vires a provincial legislature, and particularly in view of the reasons for judgment of the various judges, as, for example, the words of the Chief Justice and Mr. Justice Davis, that the "right of free public discussion of public affairs. . . . . is the breath of life for parliamentary institutions," can the Minister of Justice give assurance that the Quebec "padlock law" will shortly be either disallowed or referred to the Supreme Court of Canada for a decision as to its validity as a provincial enactment?

Hon. ERNEST LAPOINTE (Minister of Justice): I can only make to my hon. friend the same answer as I made to the hon. member for Peace River (Mr. Pelletier), and I may say that it is a standard answer which will be given to all possible similar questions. Any recommendations which it will be the duty of the Minister of Justice to make with regard to this or any other provincial legislation and with regard to any petition concerning this legislation, will be made to the governor in council. My hon. friend will understand that I could not give to him or to any other member of the house any information or intimation as to what that recommendation will be.

ELECTRIC POWER

TRANSFER TO PARLIAMENT OF CONTROL OF EXPORT EXCEPT IN INTERNATIONAL EMERGENCY

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved the second reading of Bill No. 21, to amend the Electricity and Fluid Exportation Act.

He said: Mr. Speaker, the bill which is now before the house for second reading implements the undertaking which was given in the speech from the throne on January 27 to the effect that legislation would be introduced with a view to furthering the principle of parliamentary control of the export of electric power. On the first reading of the bill, on February 11, I outlined its scope and purposes, but it might be well at this time to repeat what was then said.

While the bill in form constitutes a general amendment and recasting of the Electricity and Fluid Exportation Act, which has not heretofore been amended since it was passed in 1907, in substance its object is to transfer to parliament itself the power at present legally vested in the governor in council to control all export of electric power from this country. The bill does not affect the licences to export power which have already been granted, nor does it take from the governor in council the right to renew or cancel the existing licences. It does provide that no further exports of power may be made unless they are specifically authorized by a private act of parliament. An exception to this rule is made only in the event of a temporary international emergency, and only for the duration of such an emergency.

The house will recall that in 1928 the hon. member for Leeds (Mr. Stewart) introduced a bill in this house to amend the Electricity and Fluid Exportation Act. The bill was given first and second reading at that session but did not get beyond the committee stage. In the following year, 1929, the hon. member for Leeds reintroduced the bill, which was given all three readings in this house with practically no discussion. The bill went to the senate, where it was given first and second readings. After the second reading, while the bill was in committee in the senate, some information was requested with respect to the number of licences that had been already issued, together with other data which hon. members of the senate desired to obtain. It was not possible to secure that information in time for consideration before the session prorogued. As a result the bill introduced by my hon. friend did not become law.

What I should like particularly to bring to the attention of the house is that in 1929 all members of this house, regardless of party, accepted the principle of parliamentary control of the export of electrical energy. That was the underlying, essential principle in my hon. friend's bill. The original act with respect to the exportation of power from Canada was enacted in 1907. From 1907 up to the present time that act has not been amended. The amendment which the hon. member for Leeds proposed in 1928 and 1929 would have taken away the power which at present resides in the governor in council to issue licences, and would have transferred that power to parliament. It was the approval of parliament that my hon. friend desired should be

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because the ruling of the Speaker is that the telegram from Mr. Taggart should not have been on the record. It is because it is improperly on the record that the effort is now made to clear it up, and on which the question of privilege arises.

Mr. LAPOINTE (Quebec East): It is twice wrong, or perhaps three times.

Mr. BENNETT: Put yourself in his position.

Mr. PERLEY: On hearing the last statement I directed the following letter to Mr. Hunt:

Would you please let me have by return mail—

Some hon. MEMBERS: Order.

Mr. PERLEY: I asked the municipality for a statement as to whether they had supplied seed grain in 1935, 1936 and 1937 to Mr. Laidlaw. The reply was this—

Some hon. MEMBERS: Order.

Mr. PERLEY: Well, the reply was to the effect that they had not supplied Mr. Laidlaw with one bushel of seed during the years 1936 or 1937, nor one dollar's worth of feed. That is the reply signed by the secretary of the municipality.

Now, Mr. Speaker, I think the statement I have made so far proves conclusively that the telegram with respect to providing free freight and seed to Mr. Laidlaw was incorrect and was not a statement of fact. The latter part of the wire was more or less a personal attack on me, or was injected into the wire for the purpose of doing me a personal injury. I do not for one moment think that the Minister of Agriculture would desire to do that knowingly; not at all, and I am not charging him with that. But I am saying that he was grossly misinformed.

Mr. GARDINER: On a point of order, Mr. Speaker, I think the hon. member, in view of your ruling, is putting me in an impossible position, because I cannot reply. I should like to suggest that there is a proper opportunity for him to discuss this matter. When my estimates are before the house he can put on the record everything he is now seeking to put on, and I shall be quite prepared to deal with it at that time.

Mr. PERLEY: I want to refer to the concluding paragraph of the wire, which relates to myself.

Mr. SPEAKER: Order. If this is a question of privilege, I think the hon. member ought to be satisfied now, and if he desires to say anything further, when the estimates of the Department of Agriculture are before the house he can deal fully with the whole matter again. He has stated his point.

Mr. PERLEY: Mr. Speaker—

Some hon. MEMBERS: Order.

Mr. SPEAKER: The hon. member has explained his point of privilege.

Mr. PERLEY: As a matter of privilege, Mr. Speaker, I ask you to delete the latter part of that wire from the records of this house. I do so because it was injected for the purpose of doing me an injury. I am drawing your attention to the ruling you made on February 14, recorded on page 427. In the concluding paragraph you said:

The house may be indulgent in these matters but it is a well known principle that a statement made in this house cannot be contradicted by a statement made by a person who is not a member of the house.

I therefore suggest that you delete the latter part of that wire, which has personal reference to me, from the records of the house.

RADIO BROADCASTING

LICENCE FEE FOR RADIO SETS—QUESTION AS TO INCREASE, APPLICATION AND ABOLITION

On the orders of the day:

Mr. GORDON GRAYDON (Peel): I should like to direct an inquiry to the government through the Minister of Transport (Mr. Howe). In view of the fact that the current fiscal year terminates exactly three weeks from now, and licences for radio receiving sets ordinarily must be purchased before that time, I wish to ask two questions:

1. Does the government intend to rescind before March 31 of this year the recent order in council increasing the licence fee for radio sets and otherwise altering its application?

2. Has the government given consideration to the suggestion which I made in this house on February 1 last that the licence fee be entirely abolished?

Hon. C. D. HOWE (Minister of Transport): Both these questions involve matters of government policy. The policy of the government in regard to both matters will be made known in due course.

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given in respect to all future licences for the exportation of power. The principle contained in the present bill is the same as that which appeared in the bill of the hon. member for Leeds in 1928 and 1929. It is the principle not of completely prohibiting, under all circumstances, the exportation of power from Canada, but rather of making a general prohibition, subject to exemptions by approval of parliament.

The present bill, however, is a little different from that introduced by my hon. friend. It is not different in principle: the principle is the same, as I have indicated, the direct control of parliament over further export of power from Canada. But inasmuch as the legislation has not been amended since it was originally introduced in 1907, the present measure seeks to recast the legislation by separating those provisions which have to do with the export of electrical energy from those which have to do with the export of fluids, such as gases, oil and water. The provisions with respect to fluids are in no way changed but are placed by themselves in the bill. The provisions with respect to the export of electrical energy are likewise placed by themselves. A change is made in the provisions with respect to the export of electrical energy, in the manner that I have indicated.

My hon. friend's bill merely provided for the approval of parliament. It did not indicate in what particular form that approval should be given. Approval might have been given, under my hon. friend's bill, by resolution of this house or by a private act. The government has thought it preferable at this time to make provision for the approval of parliament being given specifically in a private act. One reason for preferring a private act to a resolution is that a resolution is not law. It would leave the legal position just as it is to-day; the governor in council would still have the power to grant licences. On each occasion the governor in council would simply have to wait until a resolution of both houses had been passed. But a private act has this advantage over a resolution; it enables the parties desiring to secure a licence for the export of power to make formal application, to present their views to a committee of the house and to have the house view the matter in a judicial as well as a legislative manner.

Mr. BENNETT: Might I ask the right hon. gentleman a question? Does he realize that a resolution, if it is to mean approval by parliament, cannot be effective unless it is in the form of a bill—because then it is a resolution not of both houses of parliament but of parliament itself, which is all three estates.

Mr. MACKENZIE KING: My right hon. friend is giving an interpretation which I had not thought had been placed on my hon. friend's bill in the first instance. This house passes many resolutions without enacting legislation as a result. On the other hand, very frequently the house enacts legislation as the result of a resolution, and certainly I had assumed that my hon. friend's bill would have made it possible for the approval of parliament to be given by a resolution—I mean a resolution approved by both houses of parliament. As the right hon. leader of the opposition (Mr. Bennett) has just indicated, an act would require the assent of the crown as well as action on the part of both houses. However, a resolution on the part of both houses might have been a course for which the present administration could have provided in this measure, had they desired to do so. We preferred, as I have said, in order to ensure that parliament would exercise its judicial as well as its legislative functions and powers, to proceed with the granting of licences by means of private acts rather than in any other way.

There is a third reason why it is preferable that the approval of both houses should be given in the form of a private act rather than in the form of a resolution; it is very difficult to draft into a resolution the specific terms which it might be advisable to have inserted with respect to any licences that might be granted.

My right hon. friend the leader of the opposition raised a point at the time of the first reading of the bill to which perhaps I ought to direct attention at once; that is, that the government should proceed by means of a public bill rather than a private bill. May I say to my right hon. friend that I am unable to follow him in his suggestion in that regard. At the time he spoke, I thought he was correcting me on a matter of terminology, but I see that he had something more in mind. As he knows, a public bill sets forth a general policy and makes the general provision with respect to the subject with which it deals. A private bill is in the nature of an exemption from a general law, and that is what the government desires to effect with respect to future authorization for the exportation of power. The measure before the house is a public bill providing that, except by private act, no further export of power can take place from Canada, other than under the exceptions in the bill itself, which are restricted to licences which have already been granted from year to year.

In support of what I have just said I would direct the attention of my right hon. friend

and members of the house to the citations in reference to private bills as indicated in Beauchesne's Parliamentary Rules and Forms. I quote first paragraph 840:

The object of a private bill is to alter the law relating to some particular locality or to confer rights on, or relieve from liability, some particular person or body of persons.

And paragraph 847:

The object of a private bill is, in fact, to obtain a privilegium—that is to say, an exception from the general law, or a provision for something which cannot be obtained by means of the general law, whether that general law is contained in a statute or is common law.

The present bill, if it passes both houses and is assented to by the crown, will be the general law. In order that hereafter any person or corporation or other body may obtain authorization to export electrical energy, he or it will have to come to parliament for a private bill granting that authority.

May I supplement what appears in Beauchesne by the following, which is taken from Ilbert's Legislative Methods and Forms, 1901, at page 28. Ilbert is a recognized authority in matters affecting legislative methods and forms.

Mr. BENNETT: He was clerk of the House of Commons in Great Britain.

Mr. MACKENZIE KING: Yes. I quote:

A public bill is introduced as a measure of public policy in which the whole community is interested, and originates on the motion of some member of the house in which the bill is introduced.

The object of a private bill is, in fact, to obtain a privilegium—that is to say, an exception from the general law, or a provision for something which cannot be obtained by means of the general law, whether that general law is contained in a statute or is common law.

Private and public bills differ not merely in the mode of origination, but in the mode of procedure for passing them. In the case of a private bill the rules of the standing orders of the two houses as to the giving of certain notices and the deposit of bills before a certain date must be complied with, in order that all persons may have notice if their private interests are affected. Each bill is considered by a select committee of each house, who hear the promoters and opponents by counsel, consider their private interests, and determine, in a quasi-judicial capacity, whether the promoters of the bill have justified their request for a privilegium, and whether private interests are properly protected.

The officers of the house and the different government departments watch private bills from the point of view of the public interest, and call the attention of the select committee to matters affecting that interest. The House of Commons also appoint annually a special committee on police and sanitary regulation bills, for the purpose of guarding against the insertion of enactments inconsistent with the general law.

Subject to these provisions for the protection of public interests, the proceedings on a private bill resemble more closely private litigation between the parties interested than a discussion on questions of public policy, though, as each bill has to go through the same stages in the whole house as a public bill, there is an opportunity for members to raise at those stages questions of public policy in respect of the bill.

When my right hon. friend raised the point on February 11, with respect to the term "private bill," I thought it well to ask the Deputy Minister of Justice if he would give me a written opinion on the matter. As the right hon. gentleman had raised the point, I thought it would be of some importance. May I now supplement the authorities I have read by the opinion of the Deputy Minister of Justice. The communication is dated at Ottawa, February 12, 1938, and reads:

Dear Mr. King,

With reference to the observation of the right honourable the leader of the opposition that a bill to authorize the export of power could hardly be designated a private bill but would be a public bill of a private nature, I beg to advise you as follows:

The question whether a bill should be classified as private or public, of course, depends upon the object thereof. The object of a private bill is to alter the law relating to some particular locality or to confer rights on or relieve from liability some particular person or body of persons. The object of a private bill is to obtain an exception from the general law.

If it is contemplated that the export of power in future is to be permitted in the same manner and circumstances as in the case of licenses under the present law, I would think that any such privilege under or exception from the general law prohibiting export would be an object which would properly be dealt with by means of a private bill resulting in a private act. The boundary line between public and private bills is a narrow one and since no conclusive definition or test exists for determining doubtful cases, individual opinions may differ.

My understanding was that the private bills procedure was considered to be peculiarly appropriate for dealing with applications to export power. Being initiated by petition to parliament, the proceedings partake of both judicial and legislative character. The promoters appear as suiters while those who apprehend injury are admitted as adverse parties. Petitions in favour of or in opposition to such a bill may be received at any time while the bill is under consideration.

My view is that the granting of an exception to the general law prohibiting export is comparable for example to the case of a loan company being excepted from the operation of the Money Lenders' Act; such exceptions are created by a private act.

Yours truly,

W. Stuart Edwards,
Deputy Minister of Justice.

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I would say, therefore, in connection with what is contemplated under the present measure, that, hereafter, parties proposing or desiring to obtain authorization for the export of power will have to proceed, for example, in exactly the same manner as persons interested in securing from parliament a charter to establish a bank or build a railway. They will have to follow the procedure for private bills, and thereby enable all parties interested to be heard, before any final decision is reached with respect to the measure in question.

There is a further consideration I should like to mention at this time. It is a reason why it would seem desirable to have the matter of the future export of electrical power removed from the control of the governor in council and placed under some other authority. The reason is not new; it was advanced in 1907, at the time the original bill was enacted, by Sir Robert Borden, who at the time, was leader of the opposition. The then Minister of Justice, Sir Allen Aylesworth, who had the legislation in hand, was not unfavourably impressed by the suggestion.

It was pointed out by Sir Robert Borden that the governor in council is necessarily concerned with matters largely of a political nature. He felt that the governer in council was not equipped to handle matters of administration as effectively as some other bodies, and necessarily the governor in council would have to be guided by the advice of individual officers in the public service. Apart from that, attention was drawn to the fact that, under our constitutional practice, council is composed of members of one political party, and, in dealing with a matter of this kind it might be assumed, although not necessarily so, that the action of the governor in council was being influenced by political reasons. That possibility would be removed altogether if the power were taken away hereafter from the governor in council. I may say, however, that there has been nothing in the thirty years since the act was passed to give reason to believe that there had been the slightest political motive or consideration behind the granting of any licences. Nevertheless, I think the point is one which deserves consideration and I must say that personally I rather favour the suggestion which was made at the time, that these matters of the export of electrical power and energy should be made the subject of review by a body such as the railway commission, or the transport commission as it is now known, which would deal with them as it does with other matters already under its jurisdiction.

When that proposal was made in 1907, it was urged that the railway commission had about all that it could attend to and that without reorganization it would not be advisable to add to its duties. No government from that time up to the present has thought it necessary to make the suggested change. However, something in the nature of a public utilities commission will, I believe, sooner or later become necessary. It might well be that we should have in mind the possible transfer to such a body of jurisdiction in the granting of future authorizations for the export of power. It may be of interest to the house to have before it the words used by Sir Robert Borden at the time with respect to this matter. They will be found at pages 4635 and 4636 of Hansard of March 13, 1907. Sir Robert said:

> The other objection is that the governor in council is about the worst body that could be found for the purpose of dealing with such a matter. I say that for two reasons; in the first place, because the governor in council is not composed of persons having any special knowledge of the conditions which should control the export. It is composed of men who are very much taken up and occupied with their political as distinguished from their administrative duties. For that reason one would not anticipate that any administration—I am not speaking especially of the present administration—would be a very competent or capable body to deal with a question of this kind. The answer may be that they would be governed by the report of some officer, but when we are confronted by that answer, then, there is another consideration.
>
> That is the consideration that the governor general in council under our system is and necessarily must be a partisan body. It represents presumably a majority of the people of this country and it certainly must always represent a majority of the members of parliament. It is a partisan body, it acts as a partisan body and you will have entrusted to the governor general in council under the provisions of section 5, very delicate questions indeed, questions which concern the material advantage of their political friends, questions which concern the material advantage of their political opponents; and it does not seem to me that it is wise to entrust so delicate a power as this must necessarily be to a body of that kind.

As I have already intimated, the then Minister of Justice Sir Allen Aylesworth rather agreed with Sir Robert Borden in the point of view he expressed, but no action was taken to change the method by which licences would be granted. I bring this suggestion before the house at the moment because I feel that in the existing situation it is important that hon. members should realize that the only desire of the government is to further the public interest and to ensure that there shall not be to appearances, directly or indirectly, or in reality, directly or indirectly, the determination of the export of electrical energy from any partisan political motive.

It might help the house better to appreciate the stand which the government has taken

with regard to some recent applications which have been made to the governor in council for the export of electrical energy if I were briefly to review the discussions which have taken place in this house on this all-important question. I shall try not to detain the house at too great length in this review, but to indicate in brief outline the essential features of the more important discussions, and in particular statements of policy as they have been put forth by different administrations in dealing with the question of the export of power. As already mentioned, the first debate of any importance on the subject was that which took place in 1907 when the existing legislation was enacted. I shall not go into the arguments which were put forward at that time, although I shall refer to one or two of them when I come to sum up the reasons which may be urged for and against the granting of licences for the export of power when there is a surplus of power available.

From 1907 on, for many years, there appears to have been very little in the way of discussion in parliament on this subject. In 1914 an important order in council was passed as a result of certain statements which had been made by the Public Service Commission of the state of New York to the effect that the termination of existing exports of power from Canada would paralyse the business and industry in the United States which had become dependent upon Canadian sources of power. I shall refer to that order in council later on as it sets forth reasons which are very important in considering the advisability of exporting power. The 1914 order in council will be found set forth at page 104 of the white paper recently tabled. It was not until 1925 that any extended discussion took place in this house on the question.

In 1925, the matter came before the house in connection with the placing of a duty on the export of power. In that year an effort was being made to develop the Carillon power site. Considerable discussion took place on the question of the export of the power which might be generated as a result of that project. Delegations made representations to the government with respect to the matter. In that year also a resolution was introduced into this house by Mr. LeSueur, the member for Lambton West. This resolution had an important bearing on the policies adopted at that time and thereafter, and I shall refer to it more particularly in a moment.

In the next year, 1926, a significant act was passed by the legislature of Quebec prohibiting the export of power from that province. That act was amended in 1933 to permit exports in certain cases. I shall have occasion to refer to both these measures when I come to set forth the reasons for and against the export of power. There was, however, no discussion in this house in 1926 on the export of power problem.

In 1927 the Beauharnois development was projected. There was some discussion on matters relating to waterways, but there was no discussion of importance on the subject of the export of power. In 1928, however, the Beauharnois company made an application to the government for the approval of plans in connection with the Beauharnois project. This served to bring to the fore the question of the possible export of power from Beauharnois once that development had been completed. As I have mentioned, it was in that year that the hon. member for Leeds (Mr. Stewart), who was then, as he is now, a member of the opposition, introduced the bill to which I have referred. At that session the measure received only two readings. In the following session the bill was re-introduced early in the year and passed by this house without debate. There was, however, in the year, considerable discussion on the St. Lawrence waterway development, and with respect to the approval of the plans of the Beauharnois company. From that time until 1933 there will not, I believe, be found in Hansard references to this question, other than some of a fleeting character made by members during the debates on the address or the debates on the budget, expressing their views as to the general policy that should be followed with respect to the export of power. The present leader of the opposition (Mr. Bennett) did make one or two references as to the views of his government. I shall bring those references to the attention of the house.

From stretching it thus in outline, it must be seen that the main discussions on the question on the export of power took place between 1925 and 1929. There was little discussion in the years intervening from 1907 and subsequently very little discussion until the present year. A Liberal administration, as hon. members will recall, was in office practically from 1921 until 1930, except for a short intervening period when the Right Hon. Arthur Meighen was in office. Such discussions as took place in that period occasioned declarations on the part of the government of the day as to its policy with respect to the export of power. I intend to give to the house these declarations and the circumstances which occasioned them.

While my right hon. friend was in office from 1930 to 1935, he did not introduce any legislation on this subject. He accepted, I think, the view which was generally held at the time when the bill of the hon. member for Leeds passed this house, that all parties were agreed upon the policy that there should not be further export of power from Canada without some form of parliamentary approval.

Mr. BENNETT: No new licences were issued.

Mr. MACKENZIE KING: As my right hon. friend says, no new licences were issued. The same was true of what has taken place since the present administration came again into office in 1935. From that year to the present time we have issued no new licences of any importance but have confined the action of the governor in council to renewing year by year the licences which had been previously granted.

In the early part of last year, the present Minister of Trade and Commerce (Mr. Euler), speaking in a discussion in this house on the export of power, set forth the view of the government as understood by him at the time, namely that further licences should not be granted without the consideration of each case on its merit; that there should be not a blanket prohibition, but a policy of prohibition admitting of exceptions where the circumstances of the case justified.

That was the position when the present administration received, in the summer and autumn of last year, three applications for export of power, two from the province of Quebec and one from the province of Ontario. Before I discuss these three applications, I should like to supplement what I have said by reference to declarations of policy and opinion as they were made in this house in regard to the various matters to which I have referred. First of all, in the debate which took place on the imposition of an export duty in 1925, a statement was made by the Hon. Charles Stewart, who was at that time Minister of the Interior, and as such had particularly to do with water power questions. Mr. Stewart, speaking in this house on March 30, 1925, stated the position of the government as follows:

There is a law upon the statute book at the moment authorizing us to issue licences for only one year, and so far as I can ascertain that is all that the government intend to do in that direction. Whatever their intention may be, as a member of the government I have not heard of any change of policy. What I do say is that notwithstanding the fact that we have only developed to the extent of three million odd horsepower out of a possible development of forty-one million horsepower, I think it is good business to keep the cheap power in Canada for the development of Canadian industry, and I see no objection, and my hon. friend opposite sees no objection, to the imposition of an export duty.

That, as I have indicated, was the one important pronouncement made in that debate.

A little later in the year a delegation from the Ottawa valley on behalf of the National Hydro Electric Company waited on the government to advocate the export of 300,000 horse power from the development at Carillon. That delegation was received by the Right Hon. George P. Graham, the Hon. Charles Murphy and myself. We gave to the delegation the promise of consideration of their request, but no assurance was given that any additional licences would be granted. It may be of interest to the house to know the government's view as expressed to the delegation. I have to give it as it appeared in the local press, as the delegation was received at my office and the record of its proceedings does not, of course, appear on Hansard. The Ottawa Citizen of May 5, 1925, under the heading, "Places Interest of Canada First on Power Issue," reads as follows:—

Premier King Says This Chief Consideration in Reaching Decision on Export Question.

Deputation Urges Carillon Scheme.

Prime Minister Says It's National Problem. Cabinet to Discuss It.

That the future of Canada would be the first consideration in the question of permitting the export of electrical energy to United States was stated by the Prime Minister yesterday afternoon in replying to a large and representative delegation from the municipalities bordering on the Ottawa river. The delegates came to urge the administration to grant permission to export power from the proposed development at Carillon.

* * * *

The Prime Minister replied that the problem which the government had to consider was not local to the Ottawa valley, but had its national, international, and interprovincial viewpoints. The government had only one desire, namely, to further the public interest. When private interest could be helped without injuring the public interest, it was desirable to help it also.

The main question for the government was to decide for the public interest, and in the export of power it was necessary to see that the future of the country was not prejudiced in any way. Immediate consideration was promised.

Speaking in this house that year, the Right Hon. George P. Graham made some significant statements with regard to the export of electrical power. In Hansard of May 14, 1925, at page 3222, he stated:

I am strongly of the opinion—if it were my personal business, I might perhaps think otherwise, being after the profits—that any government in Canada ought to go very slow

in approving of the export of power in any great quantity. There is no question about that in my mind; I agree heartily. There is an argument on the other side which has been presented to us very strongly time and again by people living along certain powers, who feel they are losing day by day in seeing the power flow by their doors without development. They take the ground that development cannot take place unless outside capital is got for that development, and that would imply the export of a part of the power. That is the situation. It is not changed at the present time from what it has been for months and years.

Again, speaking on May 19, at page 3348, Mr. Graham said:

I am stating the government's policy. I am pointing out that my hon. friend's supposed policy the other night is not practicable; is not followed by his own friends in any province; is not followed by any government. In the production of power business demands that under certain circumstances, such as those existing in connection with the hydro-electric projects, an export of power should be allowed.

Mr. Manion: Temporarily.

Mr. Graham: I will come to that. I want to nail it down fast and tight that the policy of any government looking to the welfare of the Dominion of Canada and to the development of power in Canada should not be a prohibition of the export of power under all circumstances to the United States; for the result would be at one fell swoop to bring about increased rates on the part of the hydro-electric power projects in Ontario as well as on the part of other companies.

Let me go a little further. My hon. friend (Mr. Manion) suggests that the export should be temporary; I am coming to that. The legislation of the parliament of Canada has been sane along these lines. The regulations adopted in 1907-08 by the Laurier administration were sane. They restricted by regulation under the statute the period of time for which licences might be granted, limiting it at twelve months. That was wise. The hon. gentleman may say that that might permit the establishing of vested rights. What vested right could be established in twelve months? None, and none has been so established. This regulation restricting the export of power to a period of twelve months is notice to the United States users that this supply of power to them is not permanent; that it can be taken away from them at the end of any twelve-months period. It is notice to every person concerned that this is only temporary. I want to put it again, as strongly as I can, that the policy of this government in power is the policy that has been adopted in Canada and successfully followed during the last eighteen years. It is the policy that has been practised by the Hydro-Electric Commission of Ontario and by the companies, and it is a policy under which every interest is safeguarded so far as the Canadian user is concerned.

That statement, I think, sets forth clearly the policy of the administration at that time. The question of export of power was also brought before the house that year in a debate on a resolution introduced by Mr. LeSueur, the then member for West Lambton.

The resolution proposed that export be permitted only on a yearly licence, no licence to be issued "beyond those at present outstanding except for off-peak power."

The resolution as introduced practically meant the prohibition of export except with respect to off-peak power. When the resolution was presented to the house by Mr. LeSueur, who was then in opposition, I suggested on behalf of the government that it should be amended so as to permit the export of power only upon the consent of the government or governments of the province or provinces concerned, and the amendment was accepted by the opposition. The Right Hon. Arthur Meighen, who at the time was the leader of the opposition, said that he accepted the amendment because he believed that so far as the provinces were concerned they would not wish to give their consent to the export of power. He thought that prohibition of export would be obtained in that way. In addition to that reason, however, he thought it desirable to have, if possible, unanimous agreement in the house on so important a question, and accordingly was prepared to accept the amendment which the government proposed. The amendment struck out the words "except for off-peak power" and substituted the words "except with the concurrence of the province or provinces in which it is proposed to develop such power." I shall read in a moment the text of Mr. Meighen's remarks at the time. The resolution as introduced read:

That in the opinion of this house the export of hydro-electric power from Canada should be permitted only on yearly licence and no licences should be issued beyond those at present outstanding except for off-peak power.

My observations on the resolution appear in Hansard of June 15, 1925, at page 4276, as follows:

I am sure every hon. member would wish, with respect to the export of power, to see that under no condition was power exported which we would likely need in the immediate future, or which we would be unable to recover before the time at which the actual need might arise. With any policy that has that end in view, the government is wholeheartedly in accord.

And at page 4278:

I would suggest that the hon. member amend his resolution by deleting the words "and no licences should be issued," and so on, and substituting therefor the words:

—and that hereafter no licence for the export of power beyond that already granted should be issued except with the concurrence of the province or provinces in which it is proposed to develop such power.

I believe that if that provision were substituted it would give all the security that is needed. . . .

In a word, if this parliament declares that there should be no export of power except by yearly licence, it thereby serves notice on its neighbour—because it is only to the United States that any export can take place—that at any time, as the needs of this country demand, that power export may be terminated, without occasioning a grievance or without having established any vested rights of the other side meanwhile. If beyond this it couples with that declaration the provision that all future licences shall be granted only by concurrence of the province from which the power is to be exported, there should be every reason to feel that we have gone as far as we should in seeking to safeguard our resources. To go further would be possibly to work an injury in the opposite direction.

The motion as amended was agreed to, on June 15, 1925, and appears at page 4288 of Hansard:

That in the opinion of this house the export of hydro-electric power from Canada should be permitted only on yearly licence, and that hereafter no licence for export of power beyond that already granted should be issued except with the concurrence of the province or provinces in which it is proposed to develop such power and of any other provinces adjacent to such development and interested therein.

In the course of that debate, in addition to Mr. Meighen and myself, the Right Hon. George P. Graham also spoke, and his utterances in reference to the policy at the time I think should be quoted. Mr. Graham said, as reported at page 4258:

It is different in the case of a yearly licence. If a licence is given for twelve months, as has been the practice since 1907, the party who receives the power—unless something unforeseen happens or he gets notice to the contrary in advance—has a certain right to believe that year by year that licence will be renewed. That is really what has been done. That is what has to be done if the contract is for one hundred years. That has been done for years in the case of the Hydro-Electric, and that is being done also in the case of the Cedar Rapids power development. Giving a licence year by year leads to the conclusion that, unless something unforeseen happens, such yearly licence will be granted annually. . . . .

I just want to point out to my hon. friend and to the house that we must be careful how far we go with a resolution aimed at the export of power. The general principle may be all right but if we are going so far to say that it never shall be possible, that it cannot be possible under any circumstances, that any new power developed in this country should be exported, then we may tie up some very laudable enterprises, including the development under way in the province of New Brunswick, which is not in the hands of a private concern at all but is a provincial enterprise respecting which the province has been trying for a long time to get a proper status so that it could proceed with the necessary construction and development. I think we ought to be very careful as to how we proceed in tying up beyond peradventure the right of some province to export power. . . .

Of course I can imagine the time might come when it might be the duty of any government then in power, no matter of what party, to consider the situation and to see that the power in Canada is retained to the people of the dominion to whom it belongs; but to tie ourselves up absolutely and to say that under no circumstances whatever shall power be exported would be an altogether different thing. I think my hon. friend will see himself that it might be a mistake to make this resolution so far-reaching. Personally I have no objection at all to the first part of the resolution, but I think it would be a great mistake to insist that we should never export one single horsepower hereafter except off-peak load.

The statements of the Right Hon. Arthur Meighen will be found in Hansard of June 15, 1925, at page 4281:

Power is the rawest of all resources. Power is much more rudimentary, much more an instrument of further development and production than is any other raw resource whatsoever. Power bears the same relation to the ordinary raw resources of a country that those raw resources bear to the finished products of the country. It is the instrument by which the mineral is delved from the ground; it is the instrument by which the coal is heaved to the surface. It is the most fundamental and rudimentary of all things looking to the expansion of a nation; so that the arguments which apply in favour of directing trade currents and trade policy so as to keep raw resources for development by the people of a country apply with double force to the case of power. . . .

At page 4282:

Power is not something that is in the world market, that another country can substitute for if a first country withdraws. Power is something which once exported becomes the foundation of a great vested right and the withdrawal of it—however closely, however narrowly and carefully it may have been provided for—becomes a practical impossibility. We found ourselves in the position that when we needed the power badly we could not withdraw it, and we found, as well, that although we applied the system of yearly licences the company undertook to give contracts extending over a period of time and we were bound not only by the rights secured by the industry erected but were also bound, in a measure, by the contract although that contract had no warrant to be entered into.

At page 4287:

I accept the amendment in order that we may be united and that the whole world may know how we are travelling in relation to this great question. But I would prefer that governmental responsibility should not be shirked, and I would have preferred that it be declared once and for all that we are against further exportation; but I accept it inasmuch as I believe this amendment in its practical result will reach the same end as the amendment that was moved before, because I do not believe that our provinces will agree to the export at all. That being my opinion, I accept the amendment as now agreed to by the Prime Minister himself.

The references I have given make it clear that in the year 1925 all parties in this house were united on a policy of permitting the export of electrical energy by yearly licence only, subject to the approval of the province or provinces concerned. They were united as well in agreeing that, with these precautions, individual applications might be considered upon their merits.

In 1926 there was, as I have already indicated, nothing further in the way of discussion in this house. But in that year—and I refer to this particularly because it bears on the position of the provinces—the province of Quebec passed an act prohibiting the exportation of hydro-electric power from that province to places outside Canada. The first clause of the act is as follows:

> Every sale, lease or grant whatsoever of water powers belonging to the province or in which it has rights of ownership or other rights, made on or after March 24, 1926, shall contain a clause prohibiting the exportation outside of Canada of the electric power which may be developed in this province.

The following year, 1927, there was no discussion in this house, although the then hon. member for Vancouver Centre, the present member for Kootenay East (Mr. Stevens), in the course of the debate on the budget gave his views at some length with respect to the export of power.

I come now to the year 1928, the year in which my hon. friend the member for Leeds introduced his bill for the first time. On January 7, 1928 the Beauharnois company made application for the approval of its plans under the Navigable Waters Protection Act. I should like to make perfectly clear what was the duty of the administration of the day with respect to that application. Some hon. members who were not in the house at the time may not be familiar with the law with respect to the development of water power on navigable rivers. The law requires that, where any power development is contemplated on a navigable river, the plans must be submitted in the first instance to the Department of Public Works of the federal administration, and be approved with respect to their non-interference with navigation. In other words, under the Navigable Waters Protection Act, no development is permitted on a navigable stream, which is calculated or likely to impede navigation. The application of the Beauharnois company for the approval of its plans, was made pursuant to the provisions of this act. The Beauharnois company had obtained its charter, not from the federal government but from the government of Quebec. All the federal government had to consider was whether or not the plans as proposed interfered with navigation.

May I direct attention to this fact, that the province of Ontario had for many years been developing power at Niagara. The province of Quebec was equally anxious to develop power within its boundaries. Had the government of Canada at that time refused to approve the plans of the Beauharnois company, when as finally submitted they in no way interfered with navigation but as a matter of fact took into full account possible future developments with regard to navigation, this government would have been denying the province of Quebec a right which the province of Ontario had exercised for many years. I think that ought to be clearly understood, because many efforts have been made to misrepresent the action of the then federal government with respect to the Beauharnois development. All that was done was to approve the company's plans under the Navigable Waters Protection Act. I do not think it has ever been claimed that the approval was not properly given. It was given in the light of the reports of technical experts, who were agreed that the plans in reference to the development of power did not prejudice the federal interest in the matter of navigation.

At the same time there was before the country and before parliament the question of the development of the St. Lawrence waterway, involving a navigation project as distinguished from a power project. The St. Lawrence waterway occasioned a great deal in the way of discussion and consideration in parliament. Being discussed pretty much at the same time as the Beauharnois power development, the two questions came to be interlocked, as it were, and each was referred to in discussions on the other. When discussions took place with regard to the development of the St. Lawrence, the question of what attitude should be taken with regard to the power that might be developed on the St. Lawrence, as a result of the navigation development, naturally came up for consideration, and the government felt it imperative to express its views in reference thereto. What was said with respect to what related to navigation must be viewed in the light of the particular proposals to which it had reference..

In order to be fully advised with respect to the development of the St. Lawrence waterway, the dominion government appointed an advisory committee composed of a number of gentlemen who had

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special knowledge of the questions involved. This body, which was known as the Canadian national advisory committee on the St. Lawrence waterway, made its report to the government on January 11, 1928. The report will be found in the white paper which was tabled the other day. I shall make reference to one or two passages from the report. They bear on the question of the export of power and the policy that should be adopted in reference thereto.

Parliament met early in January, 1928, and on January 30 of that year the hon. member for Leeds introduced his amendment to the Electricity and Fluid Exportation Act, which provided that no person should export power without the approval of parliament. In introducing his bill my hon. friend said, as will be found in Hansard for that year, on page 12:

> The effect of this bill is to provide that a licence shall only issue by the authority of parliament, and on such terms as may be determined by parliament. The necessary amendments to the existing act are included in this bill, and there is an express provision that nothing contained in this bill shall be deemed in any way to affect the rights of the provinces in connection with electric power.

The right hon. leader of the opposition (Mr. Bennett) spoke on the second reading of the bill and made the following statement, which will be found on page 361 of Hansard for February 10, 1928:

> There is, however, a general tendency towards believing that, with respect to the exportation of electric energy, parliament should be consulted because of unfortunate incidents that sometimes arise by reason of such licences being granted, and then when the power may be required for domestic purposes at home, it is found that there have been created abroad vested interests of such a character that the cancellation of the licence is regarded as an unfriendly act. Parliament, therefore, should consider these matters in every detail before a licence is granted.

Hon. Charles Stewart, taking part in the debate and speaking on behalf of the Liberal administration of the day, on February 14, as will be found at page 453 of Hansard for that year, declared:

> The government is taking no exception to this bill. It does not make any drastic change, but I think the sponsor has in mind that in cases where new developments spring up, and there is a possibility of a certain portion of the power being exported, the company or individual promoting the measure shall come to parliament and obtain a private bill for that purpose. With that suggestion the government has no quarrel; indeed I think I may say on behalf of the government that we will go even a step further. It is in our opinion desirable that the exportation of electricity be absolutely prohibited; it is too valuable an asset for us to permit it to leave our country.

Speaking on behalf of the government during the budget debate of that year I gave to this house a very explicit statement of the views which the government held at that time. In doing so, I had in mind the existing controversy with respect to the development of the St. Lawrence, and the desirability of making the position clear in order that undue expectations might not be aroused in other countries with respect to the power which might be developed as a result of the project. The quotation is:

> Then take our water powers; a few years ago we did not even regard them as an asset; to-day they are one of our greatest assets. This government has laid down the policy that the export of hydro-electric power shall be prohibited so that these great reserves of energy may be utilized in building up the dominion. We have available forty-one million horsepower, of which at present only four and three-quarter million has been developed.

That was the position in 1928. In 1929 my hon. friend re-introduced his bill and, as I have said, it was passed without discussion. It was given its three readings in this house with the unaminous approval of all members. The present Premier of Ontario, the Hon. M. F. Hepburn, was at the time a member of the house and, from the record of a division on that day, it will be seen that Mr. Hepburn was present in the house the day the bill received its three readings. As a matter of fact, so united were hon. members on the measure as proposed, which had as its essential principle the approval by parliament of the granting of all subsequent licences for the export of power, that it went through the house in one day.

Mr. MacNICOL: Did Mr. Hepburn vote for or against it?

Mr. MACKENZIE KING: In effect everyone voted for it. There was no division.

Mr. BENNETT: It was just called "Carried".

Mr. MACKENZIE KING: The bill was carried unanimously in this house. That was on February 21. On February 25, a debate took place on the St. Lawrence waterways development, and on that occasion I brought out clearly the government's view with respect to the exportation of power developed through that project from Canada to the United States.

I wish at this point to make clear to the house exactly what was in the mind of hon. members at the time that measure was discussed. One of the arguments strongly urged in favour of the St. Lawrence waterways project was that, under certain circumstances, it might be possible to have the whole cost

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of canalization of the St. Lawrence borne by the United States. Canada had already made expensive developments in connection with the Great Lakes-Niagara-St. Lawrence waterway system. We had constructed the Welland canal, and there are other important developments of which hon. members are aware. Our outlay had already been very considerable, so that if the project were to be proceeded with it remained then for our American friends to meet the major portion of the expense, and we would have the advantage of the development, without much by way of further cost to Canada.

The situation was that the eastern states were in need of power and Canada requested only a limited amount; she did not require anything like the amount of power which could be developed on the St. Lawrence. The proposal was made from different quarters that Canada might be prepared to allow export of power to the United States for a number of years, until the demand had increased sufficiently to enable the Canadian market to absorb all the surplus power. That point was raised concretely in connection with the Beauharnois project. It was stated that if it could be agreed between the two countries that a large part of the surplus power developed at Beauharnois should be exported to the United States for a period of years, the amount paid for the power would be sufficient to meet whatever expenditures might have to be made by Canada for the canalization of the St. Lawrence.

Mr. BENNETT: That was predicated on the St. Lawrence waterways.

Mr. MACKENZIE KING: Yes; as my right hon. friend has said, it was predicated on the St. Lawrence waterways development. It was in that connection the government found it necessary to make it clear to the United States that we would not for one moment consider the export of power to the extent that would be involved in a proposal of that kind. In other words, public opinion in Canada would not entertain the thought of large quantities of power being exported to the United States, to the extent that it would develop communities on the other side of the St. Lawrence river which would be dependent upon Canadian power. In its report, the committee appointed to advise the government made it very clear that they felt any export of power to that degree would not be in accord with the views of the Canadian people, and should not be contemplated. It was made clear, once and for all, in discussions in connection with the St. Lawrence waterways development, that we would not consider the possibility of large-scale exportation of power from Canada to the United States.

I shall not refer to the brief observations of the hon. member for Leeds in reintroducing his bill. I shall, however, read to the house what I said in the debate on the St. Lawrence waterways. My observations are to be found in Hansard of February 25, 1929, page 415:

Our government has repeatedly made clear its policy with respect to the exportation of power from Canada to the United States. We have given it as our opinion that power should not be exported. That opinion was endorsed by the national advisory committee with respect to the power which might be generated in connection with the development of the St. Lawrence. Accordingly, in writing the United States with respect to any possible basis of negotiation, our position in this regard was made very clear. The exact statement made by our government will be found in the correspondence which passed between the United States and Canada, all of which was tabled in this house on April 17, of last year. In that correspondence will be found a communication dated January 31, 1928, which contains these words:

"Reference was made in your note to the early development of hydro electric power as a factor which must have equal application to and influence upon the Dominion of Canada. The opportunity of developing great quantities of power incidental to navigation is, it is agreed, a special advantage possessed by the St. Lawrence project, and an important consideration in determining its advisability. In this aspect of the project, however, there are again special features in the Canadian situation which it is desirable to make clear. Public opinion in Canada is opposed to the export of hydro-electric power, and is insistent that such power as may be rendered available on the St. Lawrence, whether from the wholly Canadian section, or from the Canadian half of the international section, shall be utilized within the dominion to stimulate Canadian industry and develop the natural resources. With this view the national advisory committee expresses itself as in complete accord."

That finishes the quotation from the note: I now return to my observations:

When the United States government replied to our communication it was made perfectly clear that from the point of view of the United States, Canada was entirely within her rights in taking such a position, and that no question would be raised on the part of the United States with respect thereto.

And later on:

What I wish to make clear at the moment is that, with respect to any projected St. Lawrence development, this parliament may take it as definitely settled and understood between the United States and Canada that power generated on the St. Lawrence and belonging to Canada will not be exported to the United States but will be used for the development of our industries and our natural resources.

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Hon. members will find, at page 112 of the white paper I tabled a few days ago, the report of the Canadian National Advisory Committee. The opinion of the committee is found in section 9 at page 116:

In consideration of the economic aspect, we have given some thought to the question of possible export of power. As to that we would say that we are in complete accord with the feeling throughout Canada that export of power should not be permitted.

Then, at page 119 is the expression of opinion of Mr. Beaudry Leman and Adelard Turgeon, two members of the committee who, while in agreement with the other members of the committee, made additional observations, a part of which reads as follows:

It would seem wholly desirable that power developed in the national sections and Canada's share of power developed in the international section be not exported, permanently or temporarily. The energy so produced should be retained permanently in Canada as being a very important factor in its development. Should large amounts of power be temporarily exported there would be strong possibilities of causes of friction developing with the United States when this power would be required for use in Canada.

In view of the large amounts of power which would ultimately become available for use in the provinces of Quebec and Ontario, it would appear desirable that the governments of the provinces of Quebec and Ontario agree with the broad lines of the policy adopted by the government of Canada. It would seem important that the cooperation of the provincial governments concerned be obtained in respect of the features of this project wherein power development is the predominating object. The collaboration of the government of Canada and of the provincial governments concerned towards the realization of this project would be a potent factor in insuring its success.

Mr. CAHAN: What is the date of that?

Mr. MACKENZIE KING: It is dated Montreal, January 18, 1927. Based on that advice of the advisory board, a communication of some length was sent by the Canadian government, through its minister at Washington, to the Secretary of State of the United States. This communication was dated January 31, 1928, and made clear to the government of the United States how the government of Canada viewed the question of any possibility of large exports of power from the Canadian St. Lawrence waterway developments. In 1928 I tabled the correspondence relating to the St. Lawrence waterway project as a white paper. The report of the Canadian National Advisory Committee appears in that white paper as well as the correspondence between the governments of Canada and the United States. I intend to read a part of the dispatch of January 31, 1928, which will be found at page 9 of the white paper, of 1928:

Reference was made in your note to the early development of hydro-electric power as a factor which must have equal application to and influence upon the Dominion of Canada. The opportunity of developing great quantities of power incidental to navigation is, it is agreed, a special advantage possessed by the St. Lawrence project, and an important consideration in determining its advisability. In this aspect of the project, however, there are again special features in the Canadian situation which it is desirable to make clear. Public opinion in Canada is opposed to the export of hydro-electric power, and is insistent that such power as may be rendered available on the St. Lawrence, whether from the wholly Canadian section, or from the Canadian half of the international section, shall be utilized within the dominion to stimulate Canadian industry and develop the national resources. With this in view the national advisory committee expresses itself as in complete accord. The committee further indicates that, in view of the relatively limited capacity of the Canadian market to absorb the vast blocks of power contemplated by the St. Lawrence proposals, it follows that it is most important, in any arrangement which may be considered, that the development of power on the Canadian side should not exceed the capacity of the Canadian market to absorb it.

I wish to make clear again the circumstances in which these communications were sent to the United States government. They arose out of the development of the St. Lawrence waterway project and the proposal that, if the government of Canada would consent to the export of large quantities of power, it might be possible to have the canalization of the St. Lawrence made at the expense of the United States rather than at the expense of Canada. This brings the matter up to the end of 1929. The statements which I have given were made prior to the passing of the order in council which approved the plans of the Beauharnois Power Company. The statements were made in order to make the position of the government clear with respect to this larger proposal before any formal approval was given to the power development plans. As I indicated in the outline I gave a few moments ago, there has been no further major discussion in this house on this question since 1929.

In the years 1930 to 1935, my right hon. friend opposite was in office. During that period one significant measure was passed by the legislature of Quebec, which reversed the policy of that province of opposition to export of power from Quebec. I have already quoted the important sections of the statute of 1926. On April 4, 1933, that act was amended to permit the export of a limited

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amount of power under certain conditions. I shall refer to these conditions before I conclude, but at the moment I think the house will be interested to know the position taken in 1933 by the present premier of Quebec with respect to the proposal that the act should be amended to permit the export of power from Quebec to the United States. The Quebes legislature does not happen to have a Hansard in which discussions are recorded, as is the case in this house, and I have therefore to fall back on the press report. I imagine the following report is correct, at least no exception has been taken to it so far as I know. The Montreal Gazette of April 5, 1933, reports a speech made by Mr. M. L. Duplessis, the leader of the opposition in the Quebec legislative assembly, during the debate on the bill to permit the export of power, as follows:

Mr. Duplessis said that the premier (Mr Taschereau) had declared at the time of the export prohibition legislation that once the power went to the United States it would be impossible to recall it, and to seek to do so would be a cause of war, so it was apparent that the government would not have control of the power to be exported. It meant a permanent alienation of 250,000 horse-power developed in Quebec. Already there was export of power from Cedars Rapids, and the Southern Canada Power Company also exported power to the United States. Evidently, the law had already been breached.

The second excuse was that the provincial government needs more revenue. But, demanded Mr. Duplessis hotly, was this a sufficient reason for alienation of natural resources? The conduct of the government was most regrettable, most condemnable. It meant that the United States would be aided in building up its industries, and Canadian workmen suffer from lack of employment.

"I cannot understand how the government, speaking through the voice of the distinguished minister of lands and forests, can tell the province that because it needs money it is necessary to part with our precious capital," said the opposition leader. "These resources were handed over to us as trustees, so as to insure the survival of our people, to maintain our national life, and not because we could get some revenue. We need money, but that is paying very dear for the few dollars. The minister asks for legislation to enable the government to give part of the soul of Quebec to the Americans for an annual revenue which does not represent more than a small share of the actual value of the power. The government says that things have changed, but the conditions of to-day are those made by the government, which has permitted over-capitalization, forced pulp and paper manufacturers to build new mills, permitted Sunday labour in those mills, and thereby added to the causes of the trouble. The government in 1926, following the policies preached by the opposition, adopted a policy of leasing our natural resources, and now the government asks for a return to the disastrous policy of alienation."

[Mr. Mackenzie King.]

As to argument that the province has almost unlimited resources, Mr. Duplessis suggested that this surplus of electricity be used to electrify the countryside, supply light at cheap rates. For while 1,000 rural municipalities get electricity, he was ready to engage that the whole 1,000 complained of the rates charged. The country could be made more attractive with electricity, farming could be made to pay, and thereby a great problem would be solved, and there was also the matter of heating by electricity to be considered. Charity commenced at home, said Mr. Duplessis, and when all the things he had mentioned had been done, it would be time to consider if we had a surplus which could not be disposed of in Canada, and then the attitude to be adopted could be decided. There was talk of the need of preserving the savings of the people, but the greatest saving for the people would be to safeguard the natural resources for their benefit. What should be done was to commence rectifying the errors the government had committed in the past as much as possible, for there must be respect for rights legitimately acquired.

The present legislation meant that the richest and most accessible water powers would go to the benefit of the United States. Mr. Duplessis said the legislation was of a permanent nature, and it was to deal with a temporary condition of depression, and had it not been the premier who this session had repeatedly declared against legislation of a permanent nature to deal with temporary difficulties. The opposition was against the legislation with all its powers, and would not support a policy that was ruinous, backward and disastrous. It was asked that the lieutenant-governor in council be given the powers needed, but there had been abuses in the past, and he for one had no confidence in the lieutenant-governor in council, nor in the ability to make terms for the sale of our natural resources to the Americans. "We are of the opinion that the legislation presented is inopportune and prejudicial to the public interested," concluded Mr. Duplessis.

That, I think, is all that I need quote for the period from 1930 to 1935, except the following, which I imagine my right hon. friend the leader of the opposition will wish to have placed on record. Speaking on May 17, 1933, the then Prime Minister (Mr. Bennett) said, as reported in Hansard, at page 5131:

With respect to the export of power from Canada to the United States, those who are interested will find that in 1925 the legislature of Quebec passed a statute, the preamble of which is as concise and powerful an indictment of any policy that will permit the export of power as it is possible to conceive can be put into words. No stronger indictment as to the evil consequences that will flow from permitting the export of power to the United States can be found than will be found in that statute. But the province of Quebec has not the jurisdiction over the export of any commodity from this dominion. That rests within the jurisdiction of the dominion, and this parliament passed a statute which provides for licences being given before power or gas is exported from our country.

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Elsewhere in the course of the discussion my right hon. friend mentioned, I believe, that no further licences had been granted by his administration and that they had no intention of permitting further exports.

In 1934, 1935 and 1936 there were no discussions in this house. I come now to the year 1937. Last year there was a short discussion; it took place on an item in the estimates, "Electricity and Fluid Exportation Act, administration of, $750." At that time the late Right Hon. Sir George Perley questioned the Minister of Trade and Commerce (Mr. Euler), who was then submitting his estimates, with respect to the policy of the government on the export of power. The discussion is reported, at page 2932 of unrevised Hansard of April 7, 1937, as follows:

Sir George Perley: I understand it is the policy of the government not to issue any further licences for export. . . . .

Mr. Euler: We do not grant licences to export power, except with the consent of the province concerned. We have given only this one.

Sir George Perley: I understand that. This one seems quite all right, because it involves only an exchange of power; we get back what we export. But if at the present time an application is made to the government for a licence to export a large quantity of power, what would the procedure be? What is the government's policy in that respect?

Mr. Euler: I do not know that I am in a position to say, except that I suppose each case would be judged on its merits. As a general principle, and speaking for myself rather than for the government—in fact, that is the only way I can speak—I would say it is not the policy of the government to export to another country power which might be needed in this country. However, no applications have been received, and I believe there are none before the department. About all I can say to my right hon. friend would be that we will cross that bridge when we come to it.

Later, Sir George Perley having said, with reference to some other point, "The minister does not seem to have taken that view of it,"—

Mr. Euler: . . . I cannot definitely say at this time, if the right hon. gentleman wishes me to make a direct statement, that this government is taking the absolute position that in no case whatsoever will it issue a licence to export power. I cannot say that. But I will say, as I said before, that I do not anticipate any substantial exportation of power, and certainly none which in my opinion of the government would in any way prejudice Canada's position in the future with regard to power requirements. I can give my right hon. friend no further assurance than that. I do not know of any absolute assertion by any government that as a matter of definite and conclusive fact it will not at any time export any power.

Sir George Perley: I think the minister is right in that.

Mr. Euler: I think we should consider each case on its merits.

That concludes all I wish to say with regard to the discussions which have taken place in this parliament and what appears on the record as to the views of different administrations with regard to the export of power. I have made these quotations in extenso for the reason that they bear immediately upon the question which the government had to consider last year. From what I have pointed out, I think it is clear that, after the bill of the hon. member for Leeds had passed this house unanimously, the government—all governments from that time on—assumed that further licences were not to be granted without, at least, securing the approval of parliament. The fact that the bill referred to passed its first and second readings in 1928 and all three readings in 1929 without a division, settled, I believe, in the minds of the administrations that followed—that of my right hon. friend during his time, and the present administration since we have come into office—the view, which we believed the House of Commons would take with respect to any applications, namely that, while we should not close the door wholly to any export of power, we should provide that no further licences should be granted without the approval of parliament and that, in seeking to secure such approval, each application should be considered on its merits.

Much of the discussion that took place in previous years related to developments for purposes of navigation; but out of all the discussion we reached the point where this House of Commons was agreed upon a policy of permitting future export of power only with the approval of parliament. That was the position when, in April of last year, the government received an application from the Montreal Light, Heat and Power Company for the right to export 40,000 horse power to the United States, to the Aluminum Company of America at Massena, New York. The application will be found at page 65 of the white paper I tabled the other day. It was made on April 17. Some of my colleagues and myself were preparing at that time to leave for the coronation and the imperial conference, and when the application was brought to the cabinet we felt that we could not possibly give it adequate consideration in the little time that remained before we left. Accordingly we advised the parties who made the application that it would have to stand

over until after the return to this country of those members of the cabinet who were going abroad.

In the application, very strong arguments were presented as to why it should be granted immediately. For example, the application set forth that it would mean a reduction in the rates to consumers of electricity in the city of Montreal, whereas, not to grant the application at once was to deny consumers in that city a reduction in rates which they otherwise would have. That presented, of course, an important consideration. While the imperial conference was in session the company renewed its application to the cabinet, stressing that the matter was of such importance that it desired to have the licence granted before the return of the ministers who were abroad. It was pointed out that unless this application were immediately granted, the company might lose altogether the chance of making an important contract which it had under negotiation. However, the members of the government in Ottawa, in the absence of their colleagues abroad, declined to grant the application and took the view that the matter must be held over until the return of the absent members when there would be a full cabinet to consider the whole question.

When we returned, this question was one of the first taken up by my colleagues and myself. The president of the Montreal Light, Heat and Power Company wrote me a letter in regard to the application and asked for an immediate answer to the representations that had been made. The answer I made was to the effect that, in view of the importance of the subject, and the extent to which it had been discussed in parliament in the past, the government felt that the matter would have to be discussed in parliament in the first instance.

It was in August that the president of the company communicated with me. In November another application was received, this time from Mr. Powell, the president of Aluminium Limited of Montreal. Mr. Powell called upon me personally, accompanied by his counsel, Mr. Geoffrion, and presented the representations of his company with respect to the necessity for granting their application. It was pointed out that important contracts which had international significance were being held up because of a shortage of power experienced by a concern in the United States with which the Canadian company was allied, and that unless the application were granted forthwith these contracts might be prejudiced. It was claimed that all that was being requested was the right to export surplus power going to waste in Canada. It was urged that to deny to the company the right to export surplus power to help them to meet an important demand on the other side was to take an indefensible position. It was also advanced that the proceeds which the company would obtain from exportation of power would result in additional employment at a time when employment was needed, and that it would also have its effect on consumers' rates.

These were strong representations. The government took again the same position that I have described with reference to the previous application, namely, that, however willing we might be to grant the application, we did not feel that, in the light of previous discussions in this house and the view that it had unanimously taken with respect to the bill requiring the approval of parliament in the first instance before any export should be granted, we could do other than bring the matter here to parliament before consenting to such exportation.

I have brought the matter up to the second of November. Up to that time neither my colleagues nor myself had had any knowledge whatever that any other application was likely to be forthcoming. I am making this clear because I wish the house to understand exactly how it has come about that this bill has been brought in at the present time. It has not been brought in because the government of Ontario made an application. Representations in respect of the Ontario government's application were not made until late in the month of November.

Mr. BENNETT: It is significant that in the meantime the Cedars Rapids had withdrawn their application.

Mr. MACKENZIE KING: That point will come out later.

Mr. BENNETT: It is in the white paper.

Mr. MACKENZIE KING: But it does not bear upon what I have in mind at the moment. What I wish to bring out is that it was November 29 before representations were made by the premier of Ontario to my colleagues and myself with respect to granting a licence to the Ontario Hydro-Electric Commission to export 120,000 horse power. The position of the government had been taken, not in reference to any application from the province of Ontario, but with respect to two applications from the province of Quebec. That, I wish hon. members to see clearly, and to understand. The decision of the administration to deal at this session with the export of hydro-electric power, in a manner which would lead to a discussion of the whole subject on the floor of parliament,

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grew out of the two applications made by Quebec companies, one in April and the other early in November, 1937. And the decision was reached and made of record in the replies that were sent to those companies before any member of the administration had any knowledge or thought of the possibilities of any application coming from the province of Ontario. I notice that the hon. member for Dufferin-Simcoe (Mr. Rowe), speaking the other night in Petrolia, sought to present an entirely different view. I marvel very much at what he said in the light of the knowledge he must have possessed of the facts. Here is what he said, as reported in the Toronto Star of March 8, 1938:

> Petrolia, March 8—"Premier Hepburn frightened King so badly over the export of power from this province that now the Prime Minister of this dominion has turned right-about-face and has submitted the matter of power export to parliament." Hon. Earl Rowe, Ontario Conservative leader, made this statement here last night.

And the statement is in quotation marks.

Now may I say to my hon. friend that it was not Mr. King who was frightened by Mr. Hepburn, but it was my hon. friend himself who had the life frightened out of him. What is the present position? After he fought a provincial campaign with Mr. Hepburn and was badly defeated he took to cover very quickly, and is under cover at the present time in this house. He ought to be in the Ontario house fighting his battles with the premier of Ontario there. Evidently he is too frightened for anything like that; he has come back into the fold here and is carefully protecting himself in the shelter of this house while he makes attacks of this sort outside, which are wholly unwarranted and unjustifiable. I say to my hon. friend that as far as the application from Ontario is concerned, that application had nothing whatever to do with the decision of the government to refer the question to parliament at this session. That decision was made, as I have indicated, before any word whatever had come to the government from the province of Ontario, nor was there the slightest thought in the mind of any of us that an application would be received from that source.

I have another reason for having placed on the record these statements this afternoon. It is to make perfectly clear to hon. members, and to the members of the Ontario legislature and to the people of Ontario, why the present administration could not possibly have given any other answer than the answer it gave to the premier of Ontario when he made the application to us to give to the Hydro-Electric Power Commission of Ontario the right to export 120,000 horsepower. We were already on record in writing to these two Quebec companies that they would have to wait until parliament met and the whole question was discussed here, before we could consider their request, and that we would only grant their request if we had reason to believe our doing so would be favourably viewed by this parliament. We expressly stated that we wished to be guided by the views of parliament, recognizing that in the course of years there may be reasons for modifying policies, but equally that, if those policies are to be modified, it must be in the light of reasons sufficient for that purpose.

I now refer the house to the application of Montreal Light, Heat and Power Consolidated, which will be found at page 57 of the white paper tabled the other day. The reply sent to that application appears on page 65 of the white paper. I wish to read that reply because it is what governs the situation. This letter was sent by myself in reply to a communication from J. S. Norris, president of Montreal Light, Heat and Power Consolidated. The president's letter is dated Montreal, August 10, 1937. I shall not read the entire letter but shall read two paragraphs:

> The proposition is a matter of business in that it affords an excellent opportunity of disposing, temporarily, of some surplus power and bringing into the Dominion of Canada a substantial amount of money which would otherwise be lost.
>
> The granting of the export licence requested will bring to the federal government approximately $75,000 per annum, by reason of the export tax, to the Quebec government a very substantial increase in revenue, and to the electricity customers in the Montreal area the amount indicated.
>
> . . . we bespeak your good offices toward early and favourable consideration of the matter by your government; in other words we are fearful of losing the opportunity of this sale and consequently would appreciate an early decision.

The reply I made to that communication was as follows:

Ottawa, August 14, 1937.

J. S. Norris, Esq.,
President,
Montreal Light, Heat and Power
Consolidated,
Montreal, Que.

Dear Mr. Norris:

I wish to acknowledge your letter of August the 10th, just received, with reference to the application of the Cedars Rapids Manufacturing and Power Company, a subsidiary of the Montreal Light, Heat and Power Company, for a

licence to export 40,000 horse power to the United States, for sole use by the Aluminum Company of America, at Massena, New York.

The representations of your letter have received the most careful consideration of my colleagues and myself. I regret, however, that the government is not in a position to grant the licence, at the present time. In view of the broad question of policy involved, and the fact that the export of power to the United States has been debated at length in parliament on several occasions, the government is of the opinion that an opportunity should be afforded at the approaching session for a discussion on the subject, before any final action is taken with respect to the application of the Cedars Rapids Manufacturing and Power Company.

Yours sincerely,

W. L. Mackenzie King.

The interview with Mr. Powell, president of Aluminium Limited of Montreal, was held in my office, on November 2. In the absence of the under Secretary of State for External Affairs, the acting under secretary, Mr. Read, was present. I later asked Mr. Read to communicate to the company the views of the government as they were given after we had an opportunity of considering this second application. The following is the communication which was sent by Mr. Read to the president of Aluminium, Limited, Montreal:

Ottawa, 12th November, 1937.

Dear Mr. Powell:

May I refer to your interview last week with regard to the question of the application of the Cedar Rapids Manufacturing and Power Company, a subsidiary of the Montreal Light, Heat and Power Company, for a licence to export 40,000 horsepower to the United States for the sole use of the Aluminum Company of America at Massena, New York. During that interview you and Mr. Geoffrion discussed the relationship between the question of granting the export licence and the position of your company, Aluminium Limited, and its subsidiaries, especially with regard to the use of waste power developed on the Saguenay and the problem of the export markets.

The representations with regard to this matter have received the most careful consideration by the Prime Minister and his colleagues. It is a matter of regret, however, that the government is not in a position to grant the licence at the present time. In view of the broad questions of policy involved and of the fact that export of power to the United States has been debated at length in parliament on several occasions, the government is of the opinion that an opportunity should be afforded at the approaching session for a discussion on this subject before any final action is taken with regard to the application for the export licence in question.

Accordingly I have been instructed to communicate this conclusion to you for your information.

Yours sincerely,

J. E. Read,
Acting Under Secretary of State
for External Affairs

R. E. Powell, Esq.,
President,
Aluminium Limited,
Montreal, P.Q.

[Mr. Mackenzie King.]

That communication, as I have said, is dated November 12. It was not until November 26 that the premier of Ontario asked to have an opportunity of meeting my colleagues and myself to discuss the question of granting to the Ontario Hydro-Electric Power Commission a licence for the export of 120,000 horsepower. Perhaps I should pause for a moment to make clear how the matter was brought to our attention in the first instance. My colleague the Postmaster General (Mr. Elliott) was in Toronto over the week end of November 21. While he was there, he had an interview with the premier of Ontario, in the course of which the premier handed him a communication which had been sent to him by the chairman of the Ontario Hydro-Electric Power Commission giving certain facts and making certain statements with respect to the power situation in Ontario. This communication was given by the premier to the Postmaster General to bring down to me to be considered by the government as an application, or at least as the basis for an application to the dominion government for an export licence. The communication appears in the white paper at page 67. It was not until January 21 of the present year that an application was made in due form. It appears at page 72 of the white paper.

When the first communication I have referred to was received by me, I sent it to my colleague the Minister of Trade and Commerce, who informed the premier of Ontario of the two previous applications which the government had received and of the action we had taken with respect to them. The minister indicated that it would not be possible to have the matter given consideration at that time. On November 26 I received a telephone communication from the premier of Ontario asking if he might be permitted to present the application to the cabinet in person. I arranged for a special meeting with my colleagues. I had planned to leave Ottawa during the previous week for an absence of a few days, but deferred my departure in order to make possible the meeting, and I asked my colleagues to have their plans so arranged as to permit them to be present also. On November 29 Mr. Hepburn met with my colleagues and myself in my office and made what I think might be considered as an application on behalf of the Ontario Hydro-Electric Power Commission to export 120,000 horse power.

I need not go into what was said at the interview; that is beside the point. All I think it is important to communicate to this house is that the premier of Ontario pressed very hard for an assurance from the government that we would grant the application.

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In the presence of my colleagues, I read to the premier of Ontario the reply which I had made to Mr. Norris and the reply which Mr. Read had made to Mr. Powell with respect to their applications. I quoted several of the declarations of policy, which I have placed on Hansard this afternoon. I directed the premier's attention to the fact that he himself was in the house on the day in 1929 that the bill of the hon. member for Leeds was unanimously put through all its stages, and the house had decided there should be no further export until parliament had been given an opportunity of approving it. I pointed out wherein this had been the policy of all administrations from 1929 on. I intimated that in the circumstances it was impossible for the government then and there to accede to the request that had been made and that consideration of the application would have to be held over until after the assembling of parliament.

We were told that the matter was extremely urgent; that the answer must be given that day; for the reason that if it were not given that day the speech from the throne, which was already prepared and was to be delivered on the following day, would have to be changed. I intimated, in speaking with the premier of Ontario, that being a responsible ministry we held the view that as the executive we were the servants, not the masters, of parliament, and that inasmuch as parliament had repeatedly shown a special interest in this matter, and as we had stated in writing our intention to bring the matter before parliament at this session, we could take and would take no action until after an opportunity had been afforded for a full discussion on the export of power in parliament. Naturally the premier of Ontario was much disappointed at that reply. I think I have indicated all that is essential in regard to what took place, and why at that time it was not possible to meet the wishes of the premier of Ontario.

Perhaps I should conclude what I have to say by briefly summing up the reasons pro and con with respect to the granting of an application for the export of power. I hope I have made it clear that so far as the administration is concerned, we have been actuated not by personal motives in any shape or form but solely by a desire to further the public interest and to be true to what we believe to be the relation of an executive to the parliament to which it is responsible. I would now say that in our opinion not only should members of this house feel free to express their views with respect to what is wisest in the matter of granting permission for the exportation of power, but they should consider the question most carefully and should not fail to express their views in the clearest manner possible. The views which have been already expressed in this house in previous years show there can be no doubt that the question is one of the most important that at any time is likely to present itself for the consideration of parliament. It is perfectly clear that policies have tended more and more in the direction of safeguarding our electrical energy in this country; it is, however, equally clear that as time has passed it has become apparent that there may be cases where it may be wholly justifiable to grant permission for the further export of power. I would go a step further and say that there may be cases where it would be an injustice not to grant such permission, provided that the case on its merits establishes the wisdom of so doing.

With respect to the particular applications I have mentioned, the only one which has come before us since the last session of parliament, that of the company at Cedars Rapids, as the right hon. the leader of the opposition has already remarked, has been withdrawn. I am not so sure as to the application of the Montreal Light, Heat and Power Company, but as one is a subsidiary of the other I believe the cancellation of one application would involve the cancellation of the other.

Mr. BENNETT: It is the same organization.

Mr. MACKENZIE KING: This means that at the present time the government has before it for consideration only one application, namely that which comes from the government of Ontario. I hope I need not say that the attitude the government will take towards the matter is precisely the same as if the application had come from any other province of the dominion. May I point out further that in considering this matter I believe we should seek to free ourselves of any feelings of prejudice which may have been aroused as a result of discussions which have taken place. In the present measure, we are not deciding what is to be done in connection with the Ontario application, more than to state that the application can be granted only after a private bill has been introduced, has passed this house and the senate, and been given assent. To-day we are deciding what steps should be taken in the event of applications from Nova Scotia, New Brunswick, Prince Edward Island, Quebec, Ontario, Manitoba, Saskatchewan, Alberta or British Columbia. If possible at this stage, I should like to divest this measure at all events of any special relationship to

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the province of Ontario. That question can be debated when, in the event of this measure passing, we have the private bill before us.

The house must now consider the broad question of whether or not some cases may arise or have not already arisen where parliament would be justified in granting licences for the export of power. What, then, are the arguments pro and con? Possibly I could sum them up for the benefit of the house. The argument in the first instance against the export of power is that we are parting with our natural resources; that we should not deplete our natural resources. It is stated that the natural resources are the greatest assets of a country, and that in allowing the export of power we are losing the value of a great asset. I believe the answer to the assertion is that power differs from other natural resources in that unless it is used at the time it is created it wastes and is lost forever. Nothing but surplus power, it is said, is to be thought of in connection with exportation. Once power is created, unless it is used immediately it is gone for all time.

This consideration does not apply to other resources. Exportations from our mines and our forests are exportations of national assets which may be limited in quantity. Electrical power is not so limited; the supply is not lessened by permitting export of surplus quantity. When we export power we are not parting with national capital. We do not export the rivers or the falls which create the power. They remain, and continue to function. The same is not true of copper, gold or any other natural resource which may be exported. The true parallel is found in the annual crop. In the exportation of surplus power we have something similar to the exportation of a perishable crop, because if it is not exported it is wasted for all time. It would be as reasonable, it is contended, to prohibit the export of wheat, or cattle or paper to the United States or for the United States to prohibit the export of its coal or oil to Canada. I believe the difference must be apparent, and it is a fundamental one to keep in mind in connection with any application for the export of surplus power.

The next argument is that we ought to keep power in Canada for the purpose of building up our own industries. It is stated that we should keep it for our own industrial and commercial development and, particularly, that it should be kept in the country for use in shops, factories, and for domestic use in homes for purposes of lighting, heating and motive power. There is first the argument that electrical power should be used more extensively on our farms to relieve much of the work now being done by manual labour. Especially as other fuel becomes more scarce and expensive is there the greater need to keep electrical energy in our own country. The contention is that if at this time we export power to any great extent, as time runs on it would not be available, and it would be more difficult for domestic industry to secure, at the low cost which would otherwise prevail, the power which should be available. Also it is contended we should, by retaining our power, seek to attract industries and capital to Canada.

Mr. MacNICOL: What is the Prime Minister's idea with respect to the possibility of withdrawing the right to export power, after it has been exported?

Mr. MACKENZIE KING: I shall deal with that point later. I am now trying to present both sides of the case as fairly as possible, because undoubtedly there would be no justification for asking parliament to permit the export of power only by private act unless there were cases where such private acts of parliament would be wholly justified. For that reason I am presenting the argument in this form, to make clear to the house what is to be said for and against the export of power. I do this so that the entire situation may be clear to hon. members.

The opposite side of the same shield is that, with our own power, we should not through export, help to build up competitive industry on the other side of the boundary line. It is alleged that as we send power out of the country we are helping to create industries in another country. As the hon. member for St. Lawrence-St. George (Mr. Cahan) argued on one occasion, we were sending power to build up factories in the United States and to give employment to United States labour, while our own people were unemployed.

There is, however, something to be said here on the other side. In connection with the development of power, capital is necessary for the erection of plants in which the power can be generated. Capital must be found for transmission and installation of electrical energy before its use can become general. From where is that capital to come? It has been argued—and I believe it can be argued successfully—that some of the enterprises which have already been established in Canada for the purpose of developing power have been established with the assistance of United States capital, and that the capital would not have come to Canada had it not been for the fact that some of the power was to be exported to

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the United States. In other words, those who take this position contend that to establish a power development requires extensive capital, and that capital can best be secured by permitting the export of a limited amount of the surplus power, until the necessary further capital is found in the country itself to provide for additional transmission, installation and the like. It is the demand for power that creates the capital needed for its development. If that demand is not effective it is of little avail. If it cannot be found at home, it is contended that by supplying it abroad from surplus power developed at home employment is thereby being given our own labour and additional income secured wherewith to expand and extend facilities at home.

In connection with the building up of industries elsewhere, it is important to note that apart altogether from available power, there are many other factors which must be taken into account. Power is a decisive factor in deciding the location of industry in only relatively few cases. Most industries depend upon other available materials, the accessibility to markets and in some cases the geographical location. Power is vital to certain industries, but in others it is not the most important factor. It is probably more important in the paper and aluminium industries than in most others. It has further to be kept in mind that steam power can be produced from coal and that under present day developments it is possible to have it produced at a much lower cost than could have been done heretofore. It is alleged that what will happen in the event of surplus power not being exported is simply that coal will be used to develop power from steam as a substitute.

It is claimed that exported power brings revenue to the country that exports. That is one of the answers given to the statement that the export of power means that our own people are going to suffer as a consequence. The export of power, it is claimed, increases the cost to consumers at home by limiting the quantity available at any moment, and by deferring the time when the surplus power may be used for domestic purposes. The contrary argument is that the extra sale of power enables companies to reduce costs to consumers. The applications that were before the government last fall all asserted that in the event of the export of surplus power being permitted, the company would be in a position to reduce rates to the consumers. What was promised in that connection will be found at pages 57, 65 and 75, 76 and 77 of the white paper. There will be found the answer of the companies mentioned to the assertion that the exporting of power may mean that the day is being postponed when consumers in our own country will get lower rates.

Mr. CAHAN: Did they suggest to what time the reduction would continue?

Mr. MACKENZIE KING: The point to be considered in that connection is that every grant of permission for export would be made subject to clearly defined terms and conditions; that in the granting of permission the government would fix a definite time limit and a definite amount of power related to the quantity that is available and required in Canada, and that there must be reasonable belief that the surplus power to be exported would not and could not be used at home at the time of the export.

Mr. BENNETT: Within a reasonable time.

Mr. MACKENZIE KING: Within a reasonable time. I am simply outlining the argument; I am not saying that it is substantial or otherwise. I think it is right that we should see that there are two sides to this question.

The main argument against the export of power is that which has been referred to by the hon. member for Davenport (Mr. MacNicol), namely, that once power is exported it is difficult to retrieve; that it creates vested interests in other lands, and international complications are almost certain to result once an effort is made to stop the export of power that has been exported for a certain length of time. As I mentioned in the earlier part of my remarks, in 1914 the governor in council found it necessary to deal with that phase of the question. The Public Service Commission of the state of New York had made representations to the effect that power which was being imported from Canadian sources could not be cut off summarily. They had given it as their opinion that the government of Canada would not be justified in stopping this power once it had been supplied for a considerable period of time. The government of Sir Robert Borden felt it necessary to take official notice of that statement and reply to it. This was done by passing an order in council in which it was made quite clear that the government of Canada could not be expected to refrain from stopping the supply of power at any time that it might deem it necessary to do so, and that it must be understood in the United States that any power which was being exported from Canada was being exported only by yearly

licence. This yearly licence, it was asserted, was being required that exports from Canada might be considered not as creating a permanent vested right which companies operating in the United States could hold and claim, but simply a right extending from year to year.

Mr. BENNETT: That the licence meant what it said.

Mr. MacNICOL: Has there been any instance where power has been cut off? What about the large company the Prime Minister has referred to, the Niagara Hudson Company?

Mr. MACKENZIE KING: I cannot go into details at the moment; I am just trying to give the broad aspects of the situation. What I want to make clear is that that question did come up in 1914. I am not sure, as I have no personal knowledge, that during the war the question was not considered by the government of the day.

Mr. BENNETT: That is right.

Mr. MACKENZIE KING: I believe there was a desire on the part of some Canadian interests to take back some of the power which was being exported to the United States. The power, I have been given to understand, was being used by industries manufacturing essential war supplies, and as the United States was friendly to Great Britain at the time, and subsequently an ally, pressure, I understand was brought to bear on the Canadian government by the government of Great Britain as well as that of the United States to allow the export of power to be continued.

Mr. BENNETT: Certain changes were made in the Massena dam.

Mr. MACKENZIE KING: I have no personal knowledge of the matter, but I believe that is the fact. The situation was met in that way. The significant fact, however, is that thirty years have passed since 1907, and thus far we appear to have escaped anything in the nature of serious international complications. I think our American friends fully understand the terms upon which power is being exported and will understand whatever terms may be put into any permission to export power that may be granted.

May I just say this word in conclusion. At the present time the question arises as to what might happen in a critical situation were large quantities of power being exported to the United States. During the last few days we have seen references in the press to alleged representations made in Washington by the New York power authorities in conference with the president and as to views said to be entertained by the president concerning the significance of any extensive export of power from Canada to the United States. While there is no possibility, I imagine, of war arising at any time between this country and the United States, none of us can say that there is not a possibility at some time in the future—I hope and pray it may never come—that the United States may be drawn into a war into which Canada is not drawn, or conceivably that Canada might be drawn into a war into which, as for awhile was the case during the great war, the United States may not be drawn. Then the question might arise as to how far neutrality was being preserved by a country that was not at war when, on the one hand, it was supplying power to a nation that was at war, or on the other was receiving from a nation that was at war the power to develop some of its industries producing essential war supplies. I believe that question is important enough to raise as a consideration of which account should be taken in considering possible future complications, and of course it is something that will have to be considered in the event of further exports of power.

These are all important considerations. If the house will permit me, I should like, for a few minutes after we resume, to place on the record one or two statements which I think it is important to have on Hansard and which bear out the contentions that I have been making with respect to the pros and cons of the export of power. I hope, however, that enough has been said to convince hon. members not only that there is ample justification for the government bringing forward this legislation at the present time but for giving it the form it has, namely requiring that power shall hereafter be exported from Canada only with the approval of parliament, and that in the light of all existing circumstances and the merits of the case, realizing that there is much to be said both for and against the export of power, and that the course it may be wisest to take can best be decided only after all sides have been heard and all relevant facts carefully considered.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. MACKENZIE KING: What I had in mind before adjournment as an addition to my remarks was largely in the nature of quotations from some of the documents which are recorded in the white paper I tabled some

days ago. If the house will allow me to indicate in Hansard where the quotations appear it will save the trouble of putting them at length on the record. With this permission I shall now conclude what for the present I have to say on the subject of export of power.

Hon. H. A. STEWART (Leeds): The complete and extensive review made by the right hon. the Prime Minister (Mr. Mackenzie King) of the history of parliament's attitude to this question and the attitude of those who have spoken from time to time on the export of hydro-electric power has lightened my task, because I had intended, though to a more limited extent, to place before the house the views expressed in the way in which the right hon. gentleman has quoted them. I had not intended, however, to go into as much detail as he has done. I think it fair to say that the only conclusion which can be drawn from these quotations is that public opinion has been moving over a period of years in the direction of the limitation and perhaps the prohibition of the export of electrical power from Canada. There are two other observations which I would make in connection with the Prime Minister's speech. A considerable portion of it, I submit, would be more applicable to a private bill which might be introduced in the house to permit the export of electrical power; and as far as that is true, I do not propose to follow in detail the course the Prime Minister has adopted but will reserve the right to take an opportunity to discuss the situation if and when such a bill is introduced.

Undoubtedly hydro-electric power is a great natural resource, and the Prime Minister has stated that it may be distinguished from our other natural resources in that if it is not used it will go to waste. I think we all agree that it is the duty of the government and of parliament to deal with the natural resources of Canada in the way best calculated to serve the interests of the Canadian people, and I cannot conceive that over the long period of years during which this subject has been discussed, this distinction between hydro-electric power and other natural resources has been overlooked by those who have discussed the matter. It is not at all a new statement to make, and I have just this to say, that if it be waste not to use hydro-electric power, it would be far worse than waste to allow it to be used by the competitors of Canadian producers and industry to the disadvantage of Canadian producers, thus enabling their competitors to add another advantage to those which they already possess.

I look upon this as perhaps the most important bill that has been introduced in the house this session or that will come before parliament. It affects our dealings with one of our great natural resources and for that reason it deserves careful and serious consideration. In days gone by we have boasted of our natural resources and then we have proceeded in many cases to waste, to dissipate and to destroy them; now we are turning our attention to the conservation of these natural resources.

I propose to discuss this bill from two angles: our interest and responsibility to the Canadian people, and our relations to our great neighbour the United States. I had hoped that the attitude of the government would be the same on this occasion as it was when I introduced Bill No. 15 in 1928, on which occasion the then Minister of the Interior, speaking for the government, supported the bill and said that they were all prepared to go further and prohibit the export of power.

As far as I know, the first steps taken to control the export of power or electricity or fluid was in 1907 under the Electricity and Fluid Exportation Act. That act provided for a licence to be issued under order in council. This provision of the law continued without any amendment until 1928, and in fact no amendment has yet been made. An attempt was made in 1928 to make an amendment which would have practically the same effect as the bill now before the house. Clause 1 of Bill No. 15, which I introduced, reads:

> Section five of the Electricity and Fluid Exportation Act, chapter fifty-four of the Revised Statutes of Canada, 1927, is hereby repealed, and the following is substituted therefor:
>
> "5. No person shall export any power without approval of parliament or on any terms or conditions other than those approved by parliament.
>
> Provided nothing herein contained shall be deemed to affect the right of the governor in council to renew or cancel wholly or in part any licence for the exportation of power issued before the first day of January, 1929.
>
> Provided also that the governor in council may grant licences, or may authorize an increase in the amount of surplus power to be exported under existing licences, in cases of temporary emergency."

That, I submit, is in effect quite similar to the bill now before parliament. My bill passed this house unanimously but failed to receive approval in another part of this building. The object of the amendment on that occasion was to place the responsibility upon parliament rather than upon the governor in council. Orders in council may perhaps in some cases be considered more of a routine matter, and certainly the growing appreciation of the importance and value of hydro-electric power

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makes it desirable that any disposition of it should be considered by parliament rather than by the governor in council.

I think we can all recall that in the early days of the history of this country industry established itself around a waterfall. Communities were built up, stores established, and it became a centre of influence and activity. Now that is all changed. Instead of industry finding it necessary to go to the waterfall for power, the power may be transmitted very long distances to wherever industry may desire to establish itself. Whether that is to the general public advantage may be a question; but the fact remains, and must be recognized in our consideration of this matter. The necessity for conserving our natural resources was recognized, as I recall it, in 1909, when a commission on conservation was appointed by chapter 27 of the statutes of 1909. Some of the provisions of that statute are as follows:

1. There shall be a body to be known as "The Commission of Conservation," hereinafter called "the commission."

2. In addition to ex officio members, the commission shall consist of twenty members appointed by the governor in council, and who shall hold office during pleasure.

3. The Minister of Agriculture, the Minister of the Interior, the Minister of Mines and the member of each provincial government in Canada who is charged with the administration of the natural resources of such province shall be ex officio members of the commission.

10. It shall be the duty of the commission to take into consideration all questions which may be brought to its notice relating to the conservation and better utilization of the natural resources of Canada, to make such inventories, collect and disseminate such information, conduct such investigations inside and outside of Canada, and frame such recommendations as seem conducive to the accomplishment of that end.

I submit that a commission set up in the way this one was for the single purpose which it had in view, constituted as it was, non-partisan in its political character, and equipped as it was, was well qualified to give advice and to deal with matters committed to its care. And the recommendations and reports of such a commission should carry great weight with this house. Therefore I propose to quote briefly from some of the reports of this commission on this subject of hydro-electric power.

First I quote from the second report of the commission, 1911, page 113. The title of the chapter is, Opinions Given, 1910. They were dealing with the question of a proposed dam in the St. Lawrence river. The St. Lawrence Power Company, which had passed under the control of the Long Sault Development Company, was incorporated by an act of the dominion parliament on May 23, 1901. Its object was to construct a dam in the St. Lawrence and to develop hydro-electric power. The observation of the commission with respect to the particular phase of the matter now before the house was as follows:

Canadian interests are given a minimum consideration in the company's plans. Of the total available development of 600,000 horsepower only a small portion, one-sixth, would be developed on the Canadian side of the river. The Canadian market cannot at present absorb its half of the proposed development and should power be exported to the United States the vested interests it would create there would prevent its subsequent withdrawal to meet the future needs of Canadian industries.

Then again, dealing with a bill of the St. Lawrence Power Transmission Company, which came before this parliament, they say:

The House of Commons amended the bill so that the company could neither acquire water powers, generate electricity nor export it from the country.

Then I refer to the eighth report of that commission at page 183, Our Water Powers and Industrial Development, by Leo G. Denis, hydro-electric engineer, commission of conservation:

The war has awakened Canadians to a realization of the natural resources of their country. It has thrown us back upon ourselves in a way which perhaps no other one thing could possibly have done. It has shown us that we must be less wasteful in the use of our resources and must devote more attention to their more adequate development. If we are to retain our place industrially we must learn to do for ourselves what others have been doing for us. The time has surely arrived when we should work out our industrial independence and prepare for the industrial struggle that must follow the war, otherwise it is more than likely we will lapse into our old helpless dependence and never realize our destiny of becoming a really great industrial nation.

Again at page 189:

Canada is by no means backward in hydro-electric development. With but few exceptions all our principal cities and by far the greater number of our towns and villages are supplied with hydro-electric energy, while the electro-chemical industries centred at Niagara, Shawinigan and elsewhere evidence the development in that direction. Nevertheless with proper direction and encouragement this could be greatly increased. An example of this is given in the electro-chemical field where although exact figures are not available it is safe to say that more hydro-electric energy is exported for this industry than is used in Canada for the same purpose.

Industries in which the cost of power is but a small factor in the total cost of production do not benefit greatly from cheap power. While cheap power is an attraction to all industries, other things being equal those requiring the largest amount figured on a basis of the value of their product will naturally be more interested.

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"K" Speeches

ELECTRIC POWER

TRANSFER TO PARLIAMENT OF CONTROL OF EXPORT EXCEPT IN INTERNATIONAL EMERGENCY

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved for leave to introduce Bill No. 21, to amend the Electricity and Fluid Exportation Act.

He said: While this bill in form constitutes a general amendment and recasting of the Electricity and Fluid Exportation Act which has not heretofore been amended since it was passed in 1907, in substance its object is to transfer to parliament itself the power at present legally vested in the governor in council to control the export of electrical power from this country.

The bill does not affect the licences to export power which have already been granted, nor does it take from the governor in council the right to renew or cancel the existing licences. It does provide that no further exports of power may be made unless they are specifically authorized by a private act of parliament.

An exception to this rule is made only in the event of a temporary international emergency and only for the duration of such an emergency.

Motion agreed to.

Mr. MACKENZIE KING moved the first reading of the bill.

Right Hon. R. B. BENNETT (Leader of the Opposition): This is not a debatable motion, but the right hon. gentleman used the words "private bill." I should hardly think it could be designated a private bill. It would be a public bill of a private nature, but in any event it would be a public bill that granted the right to export electricity from this country, I should think.

Mr. MACKENZIE KING: The point raised is a matter of terminology.

Motion agreed to and bill read the first time.

DIVERSION OF WATER

EFFECT OF BOUNDARY WATERS TREATY WITH UNITED STATES RESPECTING DIVERSION FROM LAKE MICHIGAN

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I have a further reply to make to the hon. member for Davenport (Mr. MacNicol); not with respect to the question of privilege he raised yesterday but with respect to the question he raised the day before on the orders of the day, respecting the diversion of water from lake Michigan.

The treaty to which the question refers is doubtless the one commonly known as the Boundary Waters Treaty signed in 1909. It was ratified in 1910, but the customary practice is to describe a treaty by reference to the date of signature.

I do not think it is advisable to enter upon a detailed explanation of the government's position upon a legal or international question merely because of some controversial statement. The Canadian position has been indicated in a number of official publications containing correspondence and other material, such as sessional papers numbers 101 c-d-e-f-g, 157, 180, session of 1924, "Papers relating to the St. Lawrence waterway project and the Chicago drainage canal"; "Correspondence relating to diversion of the waters of the great lakes by the Sanitary District of Chicago, from March 27, 1912, to October 17, 1927"; No. 227-1928, "The Senate of Canada—Proceedings of the special committee appointed to inquire into the development and improvement of the St. Lawrence river," 1928. Beyond saying that no Canadian government has ever accepted the interpretation to which the hon. member's question refers, I do not think I need do more than direct his attention to those publications.

As is well known, the diversion in question has occupied the attention of Canadian and United States governments for many years. There have been various stages in the negotiations and the effort has been to work out practical solutions which might afford reasonable safeguards to the various interests concerned. The immediate subject of the question of the hon. member for Davenport has come to the attention of the departments concerned, and the house may be assured that such matters are taken into account and carefully considered.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Thursday, February 10, consideration of the motion of Mr. J. N. Francœur for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the proposed amendment thereto of Mr. Bennett.

Mr. C. E. JOHNSTON (Bow River): Mr. Speaker, before the house adjourned last night I had not completed my observations, and I

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should like to speak first with respect to a matter which has been referred to on one or two occasions, namely that having to do with elections, and levies made from certain contractors.

It may be said that I am following the pattern or the insinuations left by the leader of the opposition (Mr. Bennett), but notwithstanding that I must refer to the observations of the Minister of Agriculture (Mr. Gardiner) as they are reported at page 176 of Hansard. He said:

To the hon. member for Peace River—

Referring to Mr. Pelletier—

—I would say that when he has been longer in the house, or it may be in some other house, he will realize that when a man across the floor throws out vague insinuations in his remarks he is not making a charge.

It may be true that some of the younger members of the house cannot clearly distinguish between insinuations and charges, but notwithstanding that, I think it would be well to recall to the house the exact words of the right hon. the leader of the opposition.

A contribution is one thing, but a levy of a certain per cent is another. The time has come when this must stop because the contractors themselves are complaining.

That part may be the insinuation. However, I shall read further:

Mr. Howe: As one who places a great many contracts for this government I ask the right hon. gentleman to give me a specific instance of a levy.

Mr. Bennett: I can give the minister as many as he wants, but I am not going to do it here and now.

And this is the point I wish to emphasize:

What is more, I know of levies being made in connection with Canadian National Railways contracts.

Mr. Bradette: That was under Mr. Manion.

Mr. Bennett: No; it was not; it was in the last few months. Let us have no misunderstanding about that.

Mr. Howe: The right hon. gentleman has said either too much or too little. This matter must be threshed out.

Mr. Bennett: It can be threshed out any time you want any committee of this house that you desire to appoint to go into the matter.

I say, Mr. Speaker, that the reference here made by the leader of the opposition in connection with levies is no vague insinuation, in my interpretation of the word. I believe it is the charge of a man who apparently knows of such illegal practices in connection with these contracts. I say this house should know whether such things are being done. It is not a question of trying to avoid the issue;

rather we must come out clearly and show, not only to the public but to hon. members, whether such a charge is true or false.

I think any hon. member would be only too willing to have a committee set up, as I understand it may be, and to have the matter investigated. I know from actual experience in the west that the money being sent in there is not received by contributions from the people. This brings up a serious question, of which I think hon. members must take serious notice. There is a condition arising in the west caused either directly or indirectly by this very thing. Last year when speaking to the house I said that unless something was done in the next session at Ottawa there would be serious consequences, and that a serious situation would arise for which the government would be directly responsible. I wish once more to draw the attention of the house to that very fact.

There is a condition arising between the west and the east which is of great importance, and it is imperative that the house take these matters into consideration. The feeling in the west is becoming greatly intensified by such conditions as I have just pointed out, in connection with elections, and they are wondering where the money comes from for election propaganda. We know that thousands of dollars are being spread out through the west for propaganda purposes. The question every honest citizen is asking is this: Where is that money coming from? How can we expect the people of Canada to express a conscientious and sincere vote, when money is being taken presumably from the east and sent out to the west to be devoted to all sorts of propaganda? That is not the way to induce good citizenship.

In the west we have conditions which are not found here in the east. In Alberta there was an election in which the majority was the greatest of that found in any province, and it was not done by graft on the part of political parties or by contributions from organizations. It was done by nickels and dimes given by those poor people out there who realize that something must be done.

Mr. McPHEE: What about the promise of $25 per month?

Mr. JOHNSTON (Bow River): If the leader of this Liberal government had kept his promise they would have got their $25 a month. Do hon. members know that the leader of this government said, "I wish with all my heart that social credit may succeed"? His policy was "hands of Alberta". Any hon.

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back to Sunday school for a while before he begins to lecture this House of Commons on election promises.

Mr. BENNETT: Every one of those was carried out.

Mr. MACKENZIE KING: Those who make promises sometimes find it difficult to carry them out. I do not believe in making promises myself. I agree with my right hon. friend when he says that we should discourage that sort of thing as much as possible, but I say that he is the last one who should try to teach anyone that particular lesson.

My right hon. friend appeared to be critical of the government with regard to the action taken in connection with the export of power. Has the action we have taken been of a character to deprive parliament of control? He says that whatever is to be done must be done by an act of parliament, an act that will pass the Commons, an act that will pass the Senate and an act that will be assented to by His Excellency the Governor General. He is going to get his act and it will help in making effective the control of this parliament with respect to the export of electrical power.

May I say that I think it ill becomes him to bring into a debate on this subject in the manner he did to-night the names of any members of another house.

Mr. BENNETT: It was as officers of the Liberal association.

Mr. MACKENZIE KING: If I wished to do so I might have pointed to my right hon. friend's deskmates who sat on either side of him in past years, and who while members of this House of Commons were treasurers and organizers of his party.

Mr. BENNETT: No.

Mr. MACKENZIE KING: Yes. Organizers and treasurers of his party. And referring to the Senate, what about Senator McRae?

Mr. BENNETT: He was not in the Senate; he was not appointed until after. He declined to have anything to do with the matter.

Mr. MACKENZIE KING: I should like to know since when it has become a crime, political or otherwise for an honest, honourable man to hold the position of treasurer of a political party? I should like to know since when it has been made a crime, political or otherwise, for a gentleman to give his time as president of a party association?

Mr. BENNETT: That is not what was said.

[Mr. Mackenzie King.]

Mr. MACKENZIE KING: That was the insinuation.

Mr. BENNETT: There was no insinuation.

Mr. MACKENZIE KING: I resent it very strongly. I say that it was unworthy of my right hon. friend to make the references he did. I believe that on reflection he will regret having done so. Every one who has had to do with politics knows that no political party can be managed without some of its members performing the duty of treasurers. The fact that a man is made treasurer of a political party is usually a mark of confidence which his fellow men have in his integrity and honesty. My right hon. friend knows that the position of president of the National Liberal Federation, a body which commands the confidence of young and old alike from one coast to the other, is one of the highest offices of honour and trust a man can hold in this country. It is an office of trust and responsibility, and the fact that a man holds such an office should commend him highly to the favour and regard of his fellow men.

Let me return to what I was saying about the export of power. If this government were seeking to deprive parliament of its control over the export of power, then we might be challenged as to our reasons for so doing, but the action we have taken has had the effect of reserving the question for a fuller measure of control by parliament.

I shall say only a word about the export of power as the whole matter will come up in full discussion when the bill is introduced. On April 17 last, an application was received from Montreal Light, Heat and Power Consolidated asking for a licence to export a certain quantity of electrical energy. Some of my colleagues and myself were leaving at that time for the imperial conference, and speaking on behalf of the government I stated that it would be impossible for us at that time even to consider the application. The law of the country as it stands gives to the government the right to issue licences for the export of power. The executive has to take the responsibility for granting or refusing to grant a licence, but the authority is there. We would have been taking no new authority to ourselves had we granted a licence to export power. As I have said, I took the position that it was impossible to consider the application and the grounds for granting or refusing to grant a licence until the entire government had had a chance to review the whole situation, declined, on behalf of my colleagues and

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acts, and the export of power. Here may I say at once that I believe my right hon. friend went out of his way to do something he was not in the least called upon to do. He said he proposed to join these two topics in what he had to say, and then proceeded to talk about political corruption in Canada. His statement was that he wanted to end that corruption. Well, for five years he had the elections and franchise acts under his control. Furthermore, he put through legislation with respect alike to the franchise and elections. Why did he not at that time put into the legislation those provisions so necessary to prevent corruption, if it was possible to do anything more than was done?

Mr. BENNETT: It is there.

Mr. MACKENZIE KING: My right hon. friend comes along today and speaks as though there were some sinister connection between the desire of the government to amend the franchise and elections acts and the other subject he has mentioned. He knows very well that there is no connection whatsoever between the two subjects. He knows, further, that so far as the franchise act is concerned this House of Commons was committed at the last session of parliament to bring in legislation in accordance with certain recommendations of a committee, and in the light of what it thought was needed properly to amend the act. We are now fulfilling a promise made at the previous session.

My right hon. friend would have the country believe that this has something to do with the export of power, something which was not even thought of at the time the government was dealing with the franchise measure. He makes the observation that while out in British Columbia at the time of the recent by-election he heard a clergyman say, or that someone else had heard a clergyman say that he had been paid by the Liberal party to talk over the radio. Well, now that we are talking about things we have heard, may I say to the right hon. gentleman I heard from a number of sources that the Tory party thought they had a good chance to win the seat, until the right hon. gentleman came along and made a speech in which he introduced the trade issue. He said, "This is the issue, and you must decide the by-election upon it." After he had been heard, his supporters threw up their hands and said, "The thing is lost; the other party will carry the day." And that was exactly what happened. I do not know who paid my right hon. friend to go out there to make the speech, but I do know he went all the way from Halifax to Victoria and, by himself, succeeded in losing the seat for his party. There is just as much justification to talk about political corruption in the payment of franchises by the Liberal party in the Victoria by-election as there is justification in talking corruption as respects what my right hon. friend said when he himself tried to preach to the electorate in Victoria.

I do not think that we need to take any lessons from the Tory party with respect to the management of elections and payment to party funds. It is something new to hear that doctrine expressed from the other side of the house. My right hon. friend knows that there is no one in this parliament more ready to join him or any other hon. member in seeking to bring about such reform as will make political corruption as impossible as it can be made than myself. I will welcome and the government will welcome anything that can be done to make it impossible for any man or any party to seek to gain political advantage in that way.

When my right hon. friend talks about the effect of promises and their influence on political campaigns, even in connection with by-elections, he must realize that it takes a long time to untrain the minds of the people with the respect to the value of promises. I have in my hand Hansard of 1930. I well remember that just after my right hon. friend came into power it took me a couple of hours to read the promises which he had made from coast to coast during the elections just concluded. He referred to something being said about a station in Montreal and to one or two other things. I should like to quote from an article which my right hon. friend wrote, signed and had published in MacLean's magazine in 1930 under the heading, "The Election Issues as I See Them." Speaking of stations, here is what he had to say about transportation, one of the many subjects he dealt with in that article:

> We pledge ourselves to the improvement of the whole scheme of Canadian transportation northward by the completion of the Hudson Bay route, and the construction of such branches as may be necessary to render it most readily available to every part of Canada; to the Pacific slope by a Peace river outlet, and east and west by the development of the St. Lawrence waterways, and we pledge ourselves to aid existing traffic channels and to increase port facilities on the Great Lakes, Hudson Bay and the Atlantic and Pacific oceans, and to the establishment of a national highway system.

That was only one pledge out of 300 or more of the same order. They were not made in one by-election campaign; they were made in a general election in every constituency in Canada. My right hon. friend had better go

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myself, to have anything to do with it until we had returned to Canada after the conference and it was possible to hold a meeting of the full cabinet.

An application in due form had been sent to the Minister of Trade and Commerce (Mr. Euler) by the Cedars Rapids Manufacturing Company, a subsidiary of Montreal Light, Heat and Power Consolidated, asking for the right to export 40,000 horse power. That was the application which we had not found it possible to consider prior to going abroad.

Mr. BENNETT: Was that a public body or a private enterprise?

Mr. MACKENZIE KING: For export?

Mr. BENNETT: Yes.

Mr. MACKENZIE KING: Well, the export was to the United States. I believe it was to the Aluminum Company of America at Massena, New York.

Mr. BENNETT: That is what I understand.

Mr. MACKENZIE KING: At any rate the matter was very carefully considered by my colleagues and myself. On August 14 I replied to a communication which had come formally from Mr. Norris, president of Montreal Light, Heat and Power Consolidated, asking if the application could not be granted. The letter dated Prime Minister's office, Canada, August 14, is as follows:

Dear Mr. Norris:

I wish to acknowledge your letter of August the 10th, just received, with reference to the application of the Cedars Rapids Manufacturing and Power Company, a subsidiary of the Montreal Light, Heat and Power Company, for a licence to export 40,000 horsepower to the United States for sole use by the Aluminum Company of America at Massena, New York.

The representations in your letter have received the most careful consideration of my colleagues and myself. I regret, however, that the government is not in a position to grant the licence, at the present time. In view of the broad question of policy involved and the fact that the export of power to the United States has been debated at length in parliament on several occasions, the government is of opinion that an opportunity should be afforded at the approaching session for a discussion on the subject, before any final action is taken with respect to the application of the Cedars Rapids Manufacturing and Power Company.

Yours sincerely,

W. L. Mackenzie King.

Mr. BENNETT: Perhaps the Prime Minister would file the letter.

Mr. MACKENZIE KING: Yes.

Mr. BENNETT: He can put it on Hansard.

Mr. MACKENZIE KING: I intend later to file all the correspondence we have had with reference to applications for export of power.

Mr. BENNETT: It would make the reply much more clear.

Mr. MACKENZIE KING: Early in November I was waited on in my office by Mr. Powell, president of Aluminum Limited, of Montreal, in company with Mr. Geoffrion, his counsel, asking if it would not be possible for the government to grant a licence to Aluminum Limited for the export of power. It was practically the same application as the one to which I have already referred. A few days later, a reply was sent to Mr. Powell on my behalf by Mr. Read, the acting Under-Secretary of State in language almost identical with that which I have just read. Mr. Powell and Mr. Geoffrion interviewed me on November 2. Mr. Read's reply was sent on November 12. On November 29 the Hon. Mr. Hepburn waited on myself and members of the government to ascertain whether the Dominion government would grant a licence to the Ontario Hydro Commission for the export of power. All I wish to draw attention to is this, that the government had in August, and again in November indicated in writing its position with respect to the granting of licences. On both occasions it had stated that no licence for the export of power would be given by the administration until after the matter had been fully discussed in this parliament and the question of policy further and fully considered here. When the premier of Ontario met with my colleagues and myself, and preferred his request, we read him the communication that I have just read to the house, outlined the nature of previous discussions on the subject of the export of power in this parliament, and indicated that, while we were prepared to consider the additional information that he had just then put at our disposal, we could not at that time consider granting the application in view of the government's position as previously adopted with respect to the two earlier applications, and as set forth in the communications to Mr. Norris and Mr. Powell.

Mr. BENNETT: Pardon me, what quantity was involved in the Ontario application?

Mr. MACKENZIE KING: I have forgotten at the moment, but I believe it was 90,000 horsepower.

Mr. EULER: No, 120,000.

Mr. BENNETT: It was 90,000 to 110,000.

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Mr. MACKENZIE KING: I shall speak on this question later and at that time give full particulars. What I wish to make perfectly clear to-night is this, that the government, before it had any knowledge whatever that the Ontario government was contemplating applying for a licence, or the negotiation of a settlement of its differences with some of the power companies, had determined and laid down its policy. We made and could make no alteration in that policy when the premier of Ontario called upon us. When I told the premier that it was impossible for us to meet his wishes and gave him the reasons which I have given to the house to-night, he was naturally disappointed. My words to him were simply that, as an executive, we were the servants of parliament, not its masters. That is the position which this government is going to continue to take with respect to the export of electrical power in this country. It may be that there are circumstances and conditions which will justify one view or another with respect to what is most advisable as to the export of power. That may be discussed very fully and freely in this house. The words, however, injected by my right hon. friend into this debate which would seek to link in any way the present administration and its attitude towards the export of power with any matter which pertains to the franchise, are wholly uncalled for and wholly unworthy on his part.

The hour is late, but I wish to avoid if possible speaking in this debate again to-morrow. If the house will give me a few minutes, I will briefly conclude what I have to say.

Mr. BENNETT: Go on.

Mr. MACKENZIE KING: My right hon. friend has spoken about the international situation. I agree with him whole-heartedly when he deplores much that has taken place in China, the way in which women and children have been treated in that country, and many other of the incidents which have marked the conflict there. I agree wholeheartedly with him that we cannot be too careful, at this time of all times, to refrain from doing anything or saying anything which in any way can cause our neutrality to be suspected. These are dangerous times in the affairs of the world. My own feeling is that much of the unrest in our own country, many of those things that we describe as affecting the unity of Canada, are simply a contagion of ill-will which has spread itself over the globe—inevitably, because ill-will is contagious just as good-will is contagious, and the one can only be offset by the other. It behooves us in this country of ours, blessed as we are in our geographical position, blessed as we are in our neighbours, blessed as we are in being part of the great British commonwealth of nations, to be very careful and very guarded in everything we do and say at this time.

If in some particulars it may seem to hon. members that the government is not going as far as it might go, is not doing some of the things which it might do and which many of us in our hearts would wish to do if we had the power necessary to back up our acts against all possible consequences, let them remember that there are other powers in this world as well as Canada that have great concern in the world situation, that other powers are deeply interested in all that happens in China as well as in Europe, and that if great powers like the United Kingdom, France and the United States think it wisest in the present world situation to refrain from taking some steps which might be construed in a different way than they would wish to have them construed, perhaps we ourselves are not acting unwise, either in their interests or our own, in being equally cautious. Any one who has followed the attitude of the British government and some other governments towards the situation in Spain must have been impressed with the fact, that time and time and time again these governments have refrained from asserting themselves in an extreme way, lest such action provoke a still graver situation. They have remained seemingly silent under rebuke. There are times when it takes much more courage to remain silent in the face of seeming or actual insult than it does to be outspoken and to strike out from the shoulder. These are times when all the restraint that can be exercised by a country, a government or by members of parliament should be exercised. I do hope that, in the course of political discussions in this house during the present session, hon. members will think twice with regard to whatever they may have to say on foreign affairs, and ask themselves whether, in view of the attitude which great nations such as England, France and the United States have thought it wisest to adopt, we ourselves should seek to outrun them and attempt some of the things that go much farther than they are prepared to go.

With respect to the remarks attributed to the Hon. Mr. Bruce, may I say at once that no one regets more than Mr. Bruce himself does that there should have been by him even so much as a mention of the situation in the orient. He so expressed himself to me, and in reference to the article re-

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HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

MONDAY, February 28, 1938.

The House met at three o'clock.

ST. LAWRENCE WATERWAY

TABLING OF CORRESPONDENCE—ST. LAWRENCE DEEP WATERWAY TREATY 1932, NIAGARA CONVENTION 1929, OGOKI RIVER AND KENOGAMI RIVER (LONG LAKE) PROJECTS, AND EXPORT OF ELECTRICAL POWER

Right Hon. W. L. MACKENZIE KING (Prime Minister): I desire to lay on the table a copy of a white paper containing correspondence and documents relating to the St. Lawrence deep waterway treaty, 1932; Niagara convention, 1929, Ogoki river and Kenogami river (Long lake) projects; and export of electrical power. The French translation has been completed, but there has been a slight delay in the printing. I hope to be able to lay it on the table to-morrow.

I received this morning from the Premier of Ontario a communication stating that he is forwarding to me to-day a reply to my letter to him of February 22. My letter is included in the white paper, which was printed and bound for distribution before I received this telegram. If the letter from the Premier of Ontario is received by to-morrow I shall table it in order that the correspondence may be complete. I imagine that would be the wish of the Premier of Ontario.

I desire also to table a photostatic copy of an extract from the Congressional Record of February 16, 1938, containing a letter of February 12, 1938, from the Premier of Ontario to Congressman W. G. Andrews referring to the St. Lawrence waterway, the great lakes and related problems. Seeing that this correspondence has just been brought down, I do not think it will be possible to proceed to-morrow with the second reading of the bill respecting the export of power.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

PORT COLBORNE, ONT., ELEVATOR EARNINGS

Mr. DAMUDE:

1. What were the net earnings of the Port Colborne grain elevator for the years 1933, 1934, 1935, 1936, and 1937?

2. How many are employed at this plant?

3. When was the superintendent appointed, and by what method was his appointment made?

Mr. HOWE:

The following information is furnished by the National Harbours Board:

1. Net earnings before charges for interest and depreciation have been made.

April 1, 1933—March 31, 1934.. ..	61,001 35
April 1, 1934—March 31, 1935.. ..	83,371 41
April 1, 1935—March 31, 1936.. ..	112,781 84
April 1, 1936—December 31, 1936.. (9 months)	49,829 14
January 1, 1937—December 31, 1937.	27,058 17

2. Permanent (full time) 23
Seasonal (period from April 16 to December 15).. 3
Temporary and casual (for period of navigation season and as required).. 85

3. October 1, 1930, by promotion.

CANADIAN NATIONAL RAILWAYS—NICOLET STATION REMOVAL

Mr. DUBOIS:

1. What was the cost of the removal last summer of the Canadian National Railways station at Nicolet?

2. Who secured the contract for its removal?

3. To whom was the old station of the Quebec, Montreal and Southern Railway sold?

4. At what price?

D 3494

Mr. HOWE: The management of Canadian National Railways advise that the above questions relate to matters of internal management, and it is felt that the answers thereto would not be of public interest.

CANNED BEEF IMPORTATIONS

Mr. SENN:

1. What quantities of canned beef were imported into Canada for each of the last three years?
2. From what countries?

Mr. EULER:

1 and 2.

Imports into Canada of Canned Beef (Calendar years, 1935, 1936 and 1937)

Imported from	1935(*) Pounds	1936 Pounds	1937 Pounds
All countries	10,363,006	12,056,904	11,694,759
United Kingdom	350	498,000	26
United States	.....	10,324	50,920
Argentina	7,331,904	9,704,990	8,721,485
Paraguay	.....	.....	208,265
Uruguay	3,018,914	1,834,914	2,665,139
Australia	11,838	8,640	48,924
Alaska	.....	36	.....

(*) From April 1, 1935, to December 31, 1935.

CORONATION OATH

Mr. CAHAN:

By whom, and under what statutory or other authority, was the coronation oath, which was prescribed in 1689 by The Coronation Oath Act (1 Will. and Mary c. 6), and which had been administered at every coronation thereafter, changed in its terms and a new form of oath administered to His Majesty George VI, upon his coronation on May 12, 1937?

Mr. MACKENZIE KING:

The coronation oath provided for in 1689 by The Coronation Oath Act (1 Wm. and Mary c. 6) had not been administered at every coronation thereafter in the terms prescribed in the Act. While the form of coronation oath was laid down by statute and could not be altered without statutory authority, it had always been recognized that if a statute was passed altering the constitutional position in such a way as to render words of the original oath no longer applicable, that statute might be treated as impliedly authorizing and indeed requiring a corresponding alteration in the wording of the oath. This procedure was followed in the case of the act of union with Scotland and the act of union with Ireland. The position in Ireland and the enactment of the statute of Westminster altered the constitutional position of the United Kingdom in relation to the dominions, in such a way as to render the existing words of the coronation oath inapplicable. Accordingly, it was necessary that an alteration should be made, and the present form of oath was administered upon the statutory authority of The Coronation Oath Act and the intervening statutes affecting the constitutional position up to and including the statute of Westminster.

The alteration was made by the coronation commission, after consultation with and the concurrence and approval of all the governments of the British commonwealth of nations.

*PUBLIC UTTERANCES OF GOVERNOR GENERAL

Mr. CAHAN:

Has the constitutional rule ever been abrogated, which was expressed in 1879 by the prime minister of that day, to the effect that the governor general of Canada in his public utterances shall preserve absolute silence on matters of policy or of a public nature?

Mr. MACKENZIE KING: This question I believe is out of order. It would appear to be asked not so much to obtain information, as to supply it. I am not aware that a statement was made in 1879 by the Prime Minister of that day in the terms set forth in the question and I should appreciate information as to where it is to be found.

TRANS-CANADA AIR LINES—CIVIL AVIATION

Mr. BLANCHETTE:

1. Will the Trans-Canada air lines be completed by the end of the present year?
2. What is the government doing towards the training of youths for civil aviation?

Mr. HOWE:

1. West of Montreal to the Pacific coast—yes.

2. The government has supported the flying club movement for the past ten years, so as to make available facilities for flying instruction in all parts of the dominion.

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EXPORT OF POWER

(See Memo. "Export of Power")

Certain aspects obviously must be reserved for discussion at another time:

No intention of discussing merits of question of prohibition of export at this time;

Indication in Speech from Throne of government's intention of introducing measure re -

Ample opportunity at that time to consider wisdom of export;

No intention of discussing merits of particular cases at this time -

obviously not the time, in view of proposed legislation, to consider question of grant or withholding of license in a specific case;

propose at present merely to summarize position government has taken, in recent months, re applications for licences, and reasons for taking that position;

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Summary of relevant events of past months:

3 applications for export licences -

(1) April 17 - Application from Montreal Light and Power Consolidated -

(due to pending departure of P.M. and other Ministers for London, consideration of matter had to be postponed;)

(second letter from company, Aug.10, to ask early consideration of question;)

August 14 - Prime Minister informed applicant that question must be submitted to Parliament;

(2) Nov.2 - Mr. Powell and Mr. Geoffreon interviewed Prime Minister, with a view to ascertaining government's attitude re application of Aluminum Limited for export licence;

Nov.12 - Mr. Read, Acting Under-Secretary of State for External Affairs, informed Mr. Powell of government's attitude as expressed in former case (1 above);

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(3) Nov.29 - Hon. M.F.Hepburn waited on P.M. and members of Cabinet to ascertain attitude of government re proposed application of Ontario Hydro Commission for export licence;

After careful consideration by Cabinet, P.M. personally informed Mr. Hepburn - of attitude of government re other applications, reasons for government's position in matter, that question must be submitted to Parliament for a decision;

(For fuller statement see chronological table,"Export of Power, Documents relative to")

Grounds for Government's Policy:

Position taken in Parliament in past years, by Members of both historic parties, that no new licence should be issued - at least not without consent of Parliament -

Stewart Bill introduced 1928 - (H.A.Stewart,Leeds)

supported by Mr. Bennett;

Hon. Chas. Stewart, and later Prime Minister (Mr.King) announced government favoured absolute prohibition of export of power;

Bill re-introduced in 1929, passed H. of C. without a division - allowed to die in Senate, but no hostility expressed towards measure;

(See Appendix)

Mr. Bennett (Prime Minister), 1933, expressed opposition of government to grant of any export licences;

New conditions may be such as to suggest reconsideration of whole question - Parliament may even desire, in certain circumstances, to reverse its traditional position;

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Government "the servants, not the masters, of Parliament"-

took stand that government should not seek to
reverse known position of Parliament;
this especially the case in a matter of such
vital importance to Dominion as a whole;

Result of government's action in past months has been
to leave question for Parliament's
decision -
(has not, in any way, prejudiced question of
grant of licences in case of 3 applica-
tions received;)

(See Press excerpts attached)

KING, William Lyon Mackenzie: Speeches Series

MG 26, J 5, Volume 58, pages D 34948 - D 35670

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
57		Marketing in U.K. Speeches in Parliament	1938	D 34767 - D 34780	
57		Massey, Hon. Vincent. Speeches in Parliament	Jan. 1938	D 34781 - D 34784	
57		National Employment Commission. Speeches in Parliament	1938	D 34785 - D 34786	
57		Obituaries. Speeches in Parliament	1938	D 34787 - D 34875	
57		Paris Speech: Speeches in Parliament	Apr. 1938	D 34876 - D 34883	
57		Power, Export of. Speeches in Parliament	Mar. 1938	D 34884 - D 34947	
58		Procedure: Speeches in Parliament	1938	D 34948 - D 34955	
58		Radio. Speeches in Parliament	Feb.-May 1938	D 34956 - D 34972	
58		St. Lawrence Waterway. Speeches in Parliament	Mar. 1938	D 34973 - D 34974	
58		Spanish Civil War. Speeches in Parliament	Mar. 1938	D 34975 - D 34978	
58		Sino-Japanese Conflict. Speeches in Parliament	Jan.-May 1938	D 34979 - D 34994	

"K" Speeches - Procedure
L 34948 Sweepstakes - Bill 28: Motion for 2nd reading

given elsewhere. The burden of supporting our hospitals would be shifted, to the extent of the sweepstakes contributions, to those least able to afford it. This has been repeatedly observed in Ireland, Spain and South American countries.

Let me repeat that I am convinced, after going thoroughly into this matter, as I think any hon. member would be who has followed the history of lotteries in other countries and the experience hospitals have had in regard to lotteries, that this legislation should not be enacted.

In speaking about the legislation I wish to refer to the bill that has been introduced. The bill was introduced and had its first reading on February 24, 1938. I find on my file two copies of the bill. The first bill introduced is the one that I think we are discussing,—the one which was introduced in the regular way, received its first reading and was up for second reading. But since May 9 another bill has been injected into the file, and it is altogether different. It has an explanatory clause and is underlined. That bill did not receive first reading in this house; it was not introduced in the regular way. So I wish to raise the point which the Prime Minister (Mr. Mackenzie King) referred to in dealing with another bill on May 10. The Prime Minister at that time said:

> Mr. Speaker, on a point of order, before we proceed any further, the rules of the house as adopted on June 14, 1923, among other provisions contain the following:
>
> "In the text of the bill, on the left hand page, new matter shall be indicated by such typographical means as may best suit the varying circumstances of each case, such as brackets, italics, underlining, asterisks, etc. Opposite each clause, on the right hand page, the enactment amended thereby, or so much thereof as is essential, shall be printed with the proposed changes to be made therein similarly indicated."

I would point out that the bill which was introduced in the regular way and received the first reading does not contain the explanatory clauses to which the Prime Minister referred, and I contend that this bill is not in order.

Mr. SPEAKER: Does any hon. member wish to speak on the point of order?

Mr. BERTRAND (Laurier): Mr. Speaker, on the point of order, I do not remember the number of the rule which was quoted by the Prime Minister. I wish the hon. member who has just spoken would mention it. But I read it at the time, and it applied to the presenting of the bill. The bill needed some explanatory notes on the right-hand side, and whether those notes were given at the time of the second reading, or before, does not matter. I cannot find the rule. I did not know that the point of order was going to be raised. But I read the rules at the time, and I found out what I have stated. If this bill is not in order, there are many other bills in the same position because I know that five or six government bills were reprinted after the point of order was raised by the Prime Minister.

Right Hon. W. L. MACKENZIE KING (Prime Minister): This point has been raised two or three times. It has been accepted on each occasion that if the explanatory notes were on the bill prior to its second reading, the bill was perfectly in order. My hon. friend the member for Comox-Alberni (Mr. Neill) introduced a bill which had no explanatory notes at the time of the first reading, but the notes appeared there in the course of the second reading, and the bill was allowed to be declared in order. It is quite proper that this bill should be so declared.

Mr. BARBER: I might just draw the attention of the house to the fact that the hon. member for Comox-Alberni was required, I believe, to reintroduce his bill under another number.

Mr. MACKENZIE KING: He had two bills. In the case referred to, the hon. member for Comox-Alberni (Mr. Neill) substituted a new bill.

Mr. SPEAKER: Upon the point of order raised by the hon. member for Fraser Valley (Mr. Barber) I will render my decision the next time the bill is called.

The hour for private and public bills having expired, the house will revert to the business which was going on before six o'clock.

SUPPLY

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

DEPARTMENT OF PUBLIC WORKS

Generally — National Gallery of Canada, $115,000.

Mr. LENNARD: Will the minister explain the increase?

Mr. CARDIN: The increase is to provide a larger sum for the trustees for the purchase of more works of art.

Mr. LENNARD: What is the sense of buying more works of art when there is not a building in which to display the ones they have now? They are all stored away, or at any rate a great many of the valuable paintings are, and the public never see them.

Mr. CARDIN: A number of these works of art are sent to the different provinces for exhibition purposes, and the trustees have not abandoned the idea that some day parliament will provide them with a suitable building in which to display all the works of art we possess.

Mr. BENNETT: This estimate affords me an opportunity to say something which I have wanted to say during the last four or five years but never had a chance until to-night to express. I cannot but think a number of Canadian artists are not adequately represented in the National Gallery. I feel strongly about this. The last time I visited the gallery and looked over the Canadian pictures I certainly found a dearth of pictures by one or two artists who, I believe, might fairly be classified as ranking Canadian artists. I am bound to say that there is one picture which has not impressed me as being authentic. It would seem to be regarded as Vandyck, and while I am not at all an expert I am inclined to think that it might be well if the word "After" were placed before the name Vandyck on that particular portrait. There is a substantial number of Canadian artists who are not at all adequately represented in the gallery. On the last occasion on which I visited the gallery I tried to make effective my criticism of some pictures there, but I did not succeed. Certainly they do not dignify the National Gallery, whereas some of the paintings of those who are not represented would be an ornament to almost any gallery in the world. It would be unfair, of course, to particularize; for that might be regarded as unkind; but I make that observation to the minister, and I suggest that if he has an opportunity to visit the gallery he might see to what extent Canadian artists are represented there. If he does, I shall be glad to have a discussion with him as to what his convictions are in that regard.

Mr. CARDIN: I am very much inclined to agree with the words of the right hon. gentleman as to proper encouragement being given to Canadian artists. Not being myself an art critic, I would not venture any opinion on the works of art there, though I must confess, even if I am a layman, that it is difficult to admit that certain works which are on exhibit in the gallery are masterpieces. I quite agree, however, that we should do all that we can to encourage Canadian artists as far as possible.

Mr. BENNETT: We have ample funds with which to purchase Canadian pictures. We have had the benefit of the services of excellent experts in the selection of old masters and of contemporaneous pictures as well. Some of the pictures that have been selected for us abroad are by men of great eminence and are permanent memorials to their greatness. About that there can be no doubt. We have works of most of the great artists, and I am not for a moment suggesting that we should limit our purchases. I must say, however, that I was disappointed—I put it in that way—when last I visited the gallery and looked over Canadian works. I do not think the display is a fair representation of the ability of Canadian painters; that is, those on exhibit. There may, however, be some put away that I have not been able to see.

Let me assure the minister that what I am saying does not refer particularly to his administration; in fact, it refers with equal, if not greater force, to the administration that preceded this. In my opinion, however, the principle is wrong of selecting merely a certain type of picture which apparently merits the approval of a certain type of mind but which does not commend itself to others. If we are to have representation of Canadian art, it should be not of one school only but of all schools, and as far as possible every worthy artist who has produced anything that merits a place in our National Gallery should be there. I suggest that no preconceived notions with respect to one school or one type of picture should prevail, but that all should find a place in the gallery. I admit that we have not produced many great pictures in this country, but at the same time there are one or two of our artists who have achieved very fine landscape. Some have attained great eminence in the painting of trees, which is not easy work. I have seen one or two productions of an artist who happens to be employed in the civil service here, and whose pastel work is particularly good. Some of his water colours have high artistic qualities. In discussing this subject I did not intend to particularize at all but rather wanted to suggest that there should be in the gallery scope for the exhibition of works of every school and of every artist whose work is worthy of a place among the collections of the works of Canadian painters.

Mr. CARDIN: I will undertake to place the views of my right hon. friend before the trustees. In order to show the favourable disposition of the trustees, I may say that during the fall there was in the art gallery an interesting exhibition of Canadian design.

Mr. TAYLOR (Nanaimo): It is a far cry from the leader of the opposition to where I sit, and I am sorry to say I could not hear

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taxes or as a grant in lieu of paying taxes, either for general taxes or for local improvements, or for police and fire protection, or arising from any similar reason?

2. If any such moneys are paid, to what municipalities and in what amounts?

BRITISH COLUMBIA LUMBER

Mr. CHURCH:

1. How many feet of British Columbia lumber was exported to Japan for the last year of record or in 1937?
2. What was the export price?
3. Were any protests made alleging a waste of Canada's natural resources owing to low prices?
4. At what price per thousand feet was similar British Columbia lumber, shipped via Panama canal, delivered in Toronto?
5. Have any protests against such competition been received from New Ontario mills?
6. Will any regulatory measures be adopted by the Department of National Resources to check such disposal of Canada's natural resources?

Mr. RINFRET: Tabled herewith.

CIVIL SERVANTS IN BRITISH COLUMBIA

Mr. HANSON:

1. What is the total number of permanent and temporary civil servants in the province of British Columbia, showing each department separately?
2. What is the total amount of money paid to: (a) permanent employees; (b) temporary employees, showing each department separately?

MOTION FOR PAPERS

GOVERNOR GENERAL'S FLAG

Mr. COLDWELL:

For a copy of the dispatch, by the direction of His Majesty the King, from the Lord Chamberlain to His Excellency the Governor General of Canada dated December 22, 1930, relating to the flag now flown by His Excellency the Governor General.

PRIVY COUNCIL APPEALS

PROPOSED ABOLITION OF APPEALS TO HIS MAJESTY IN COUNCIL—CONSIDERATION OF BILL ON FRIDAY, APRIL 8

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

That the order for second reading of Bill No. 19, an act respecting appeals to the Judicial Committee of the Privy Council be taken into consideration after routine proceedings on Friday next, the 8th instant, and that this order have precedence over all other business on that day.

He said: If the house will permit me I should like to amend the motion by dropping the concluding words—

. . . and that this order have precedence over all other business on that day.

[Mr. Maybank.]

At the time I handed the notice to the clerk I assumed that as we were adjourning for the Easter vacation on Friday night it would in all probability be the wish of hon. members to have this particular bill occupy most of the time for discussion on Friday, and to have this known in advance. However, at the time I thought that greater progress would have been made with certain private and other bills in the interval. I see that on Tuesday night last the bill in respect to the Niagara Falls Observation Bridge Company in particular was again talked out. As the opportunities to discuss these measures are few we ought not I think to take away an opportunity on Friday night of this week. I might say in regard to the Niagara Falls Observation Bridge Bill that the government is wholly favourable to the enactment of the measure, and I think all hon. members on this side are in sympathy with it. At any rate if the motion in its present form were to stand I am afraid the impression might be created that it has been framed with a view of precluding discussion on Friday night of the measure I have mentioned. So I should like to have the motion amended in that particular.

In regard to the motion itself may I say that the government feels that the bill in the name of the hon. member for St. Lawrence-St. George (Mr. Cahan) in respect of appeals to the privy council deals with a question of great interest, particularly at this time when constitutional questions are much to the fore. We believe it would be in every way in the public interest to have the measure fully discussed on at least one day during the session. Some little time ago the government gave the hon. member to understand that if he would not press his bill at the time, an opportunity would be given later for him to bring it before the house. I hope therefore that hon. members will see their way to adopt the motion.

Motion as amended agreed to.

NATIONAL DEFENCE

REPORTED DISMANTLING OF GUNS AND REDUCTION OF DEFENCE EQUIPMENT AT HALIFAX AND VANCOUVER

On the orders of the day:

Mr. H. C. GREEN (Vancouver South): In view of the importance to Canada, and in particular to my own province of British Columbia, of the defence measures which are being taken to protect the Canadian coast, I should like to direct the attention of the

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2. January, 1927, replaced April, 1927; November, 1934; replaced July, 1935. Replacement cost not available for reason given in answer to No. 1.

3. December, 1937.

4. None. Need for requiring replacements under consideration.

CANNED HERRING PRODUCTION AND EXPORTS

Mr. NEILL:

1. How many tons of herring were canned in Canada in each of the years from 1931 to 1937 inclusive?

2. How many tons of canned herrings were exported in each of the said years?

Mr. EULER:

1. Production of Canned Herrings and Canned Sardines

Calendar Year	Canned Herring Tons	Canned Sardines Tons
1931	69	2,532
1932	606	1,415
1933	699	2,258
1934	1,101	3,601
1935	933	4,231
1936	2,244	4,923

1937 figures not yet available

2. Calendar Years	Herrings, sea, Canned Tons	Sardines, (little fish in oil) Tons
1931	—	1,679
1932	—	1,217
1933	148	1,486
1934	698	2,428
1935	770	2,706
1936	658	2,705
1937	1,085	3,932

CANADIAN FARM LOAN BOARD

Mr. McLARTY:

1. In what year did the Canadian farm loan board begin making loans to farmers?

2. In which of the provinces has loaning been carried on since the inception of the board's operations in the year 1929?

3. In which of the provinces is the board actively engaged in loaning at present?

4. How many loans have been granted to farmers in each province to date?

5. What is the amount loaned to farmers in each province to date?

6. What is the total amount loaned to farmers in all provinces to date?

7. How much money has been advanced to farmers by way of loan for the current fiscal year 1937-38 to date?

8. What was the total amount of arrears as at the end of the last fiscal year, March 31, 1937?

9. Of the total amount of arrears as at March 31, 1937, how much was in arrears at that date for a longer period than six months?

10. How much money was collected by the board on account of instalments due and in arrears in the fiscal year 1936-37?

11. How much money has been collected by the board on account of instalments due and in arrears in the fiscal year 1937-38 to date?

Mr. DUNNING: The following information is furnished by the Canadian Farm Loan Board:

1. 1929.

2. British Columbia, Alberta, Manitoba, Quebec, New Brunswick, and Nova Scotia.

3. British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island.

4, 5 and 6. Loans granted and loans disbursed by provinces and total loans disbursed to farmers from inception of operations in 1929 to February 28, 1938:

Province	Loans granted No.	Loans granted Amount	Loans disbursed
B.C.	833	$ 1,906,500	$ 1,876,330
Alta.	4,146	6,976,400	6,857,950
Sask.	4,218	6,036,175	5,759,786
Man.	2,739	4,200,140	4,094,114
Ont.	2,229	3,196,650	2,900,448
Que.	7,177	10,262,275	9,881,964
N.B.	852	1,021,250	1,000,561
N.S.	797	1,041,950	1,013,800
P.E.I.	522	594,450	562,569
	23,513	$35,235,790	$33,947,522

The above includes 6,542 second mortgage loans granted for amounts aggregating $3,741,-100.

7. Loans disbursed April 1, 1937, to February 28, 1938, amount to $4,923,425.

8 and 9. Amount of arrears as at March 31, 1937, was: Principal, $523,373.50; interest, $545,407.78; total, $1,068,781.28, of which $595,233.80 was in arrears for over six months.

10. Amount collected on instalments for year ended March 31, 1937, was $1,202,269.

11. Amount collected on instalments April 1, 1937, to February 28, 1938, was $1,901,006.

QUESTIONS PASSED AS ORDERS FOR RETURNS

PAYMENTS TO MUNICIPALITIES IN LIEU OF TAXES

Mr. MAYBANK:

1. Does the government of Canada pay any money to any municipality in Canada (other than the city of Ottawa) in respect of properties owned by the Dominion of Canada either as

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Consideration of Bill 19, Friday, April 8th, 1938.

Motion will have effect of devoting all of Friday, if necessary, to consideration of Bill 19;

government feels question of sufficient interest to all members and to country to assign a day for discussion - problem of peculiar interest at present when all aspects of constitutional question much to the fore;

arrangement has followed upon understanding reached between member for St.Lawrence-St.George and Minister of Justice, when Bill introduced February 10th, that second reading would not be proceeded with immediately, but at a time convenient to the government (Unrevised Hansard, p.355)

similar practice frequently employed in British House, where government assigns specific days for discussion of certain subjects;

(note: Dr. Beauchesne says that while not employed in Canadian House in recent years, this procedure was adopted on occasion in Sir Wilfrid's time, and perhaps in Sir Robert's. Formal motion, such as is being made now, was not made on those occasions. Hence the Journals do not record, and a long search of Hansard is necessary to find the precedents).

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Propriety of course indicated by Bourinot

(4th edition, p. 224, see attached)

No curtailment of time allotted for Private Members' Bills -

government actually increasing time for non-government measures by giving over a government day to a public bill;

even if whole 8 to 9 hour taken up, no unfairness to private members -

Mr. Cahan had allowed Bill to stand on several occasions during private members' hour, on Tuesdays and Fridays, when otherwise its consideration would have taken time given to private and other public bills;

discussion on Friday will make unnecessary its consideration, as would otherwise be case, in private members' hours during remaining part of session;

not increase of time for private and public bills.

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RE: GIVING PRECEDENCE TO AN IMPORTANT QUESTION

(Bourinot, 4th Edition, p. 224-5)

The houses frequently agree to give precedence to an important question, and in that case a special order will be made. For instance, the debate on the speech from the throne is always made a special order and that on the tariff proposed by the government, has been made the first order until concluded. An order for the second reading of an insolvency bill on a particular day has been discharged, and made the first order on a subsequent day. Sometimes the house will give precedence to several orders at the same time, when they refer to the one question. Or it may consent to suspend a rule in order to take up a question. Motions in the hands of private members are sometimes taken out of their regular places and placed on the government orders for immediate consideration. In 1879, a notice of motion was given precedence on the orderpaper. Public bills and orders are also sometimes given precedence over notices. It may sometimes happen that a public bill will be considered of

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sufficient importance to cause it to be placed on the government orders, in the name of a minister. This has been done frequently. Motions to this effect, however, can only be made with the unanimous assent of the house. x

(x) (Dr. Beauchesne disagrees with this. Unanimous consent is only required when notice is not given. The British North America Act provides that motions of the House of Commons should be determined by a simple majority).

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sufficient importance to cause it to be placed on the government orders, in the name of a minister. This has been done frequently. Motions to this effect, however, can only be made with the unanimous assent of the house. (x)

(x) (Dr. Beauchesne disagrees with this. Unanimous consent is only required when notice is not given. The British North America Act provides that motions of the House of Commons should be determined by a simple majority).

REPEAT
REPETITION

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HOUSE OF COMMONS

D 34956

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

TUESDAY, May 24, 1938.

The house met at three o'clock.

EXCISE ACT AMENDMENT

MISCELLANEOUS ADMINISTRATIVE CHANGES INVOLVING NO ALTERATION IN RATES

Hon. J. L. ILSLEY (Minister of National Revenue) moved for leave to introduce Bill No. 123, to amend the Excise Act.

He said: The bill simply contains a number of miscellaneous amendments to the Excise Act. They are almost entirely if not entirely administrative and involve no change in the rates of duty. It is very difficult to summarize the bill in any other way.

Motion agreed to and bill read the first time.

COPYRIGHT ACT AMENDMENT

POWER OF MINISTER TO PROTECT PUBLIC AGAINST ABUSES OF EXCLUSIVE RIGHTS

Mr. PAUL MARTIN (Essex East) moved for leave to introduce Bill No. 124, to amend the Copyright Act.

He said: The purpose of the amendment is to give the minister administering the Copyright Act power to protect the public against abuses of the exclusive rights conferred upon copyright owners by the act. It is merely an extension of the powers conferred now upon the minister by the compulsory licence section of the act. The section proposed to be amended is applicable only to Canadian citizens, and consequently the amendment will not in any way affect international conventions. It is intended by the amendment to incorporate in the act remedial provisions analogous to those already in the Patent Act, 1935, to give relief against abuses by patentees.

Motion agreed to and bill read the first time.

Mr. MARTIN: With the unanimous consent of the house I should like to move that this bill be placed on the order paper for second reading at eight o'clock this evening.

Some hon. MEMBERS: No.

Mr. RINFRET: It is not customary to accede to such a request. Moreover I would point out to the hon. gentleman that there are already on the order paper several bills that are very likely to be taken up to-night and it will make no difference if this bill is placed on the order paper to-morrow.

FOREIGN POLICY

QUESTION OF DISCUSSION BY REPRESENTATIVE OF FOREIGN GOVERNMENT OF POLICY OF CANADA

On the orders of the day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): According to the press the new Japanese minister has publicly approved of the position taken by the Prime Minister (Mr. Mackenzie King) in a recent debate in this house. That may be personally gratifying to the Prime Minister, but I should like to ask whether, in view of differences of opinion in Canada and in view of the delicate international situation, it is proper that the representative of a foreign government should discuss the policies of Canada.

Right Hon. W. L. MACKENZIE KING (Prime Minister): What is the particular policy to which the hon. gentleman refers?

Mr. WOODSWORTH: The newspaper of yesterday—

An hon. MEMBER: Which one?

Mr. WOODSWORTH: I am quoting, I believe, from the Globe and Mail. This dispatch is from Niagara Falls:

Baron Tomii, who is accompanied by his wife and eight year old daughter, expressed appreciation of a recent utterance of Prime Minister Mackenzie King with regard to the Sino-Japanese conflict.

"I don't remember the exact words, but they were to the effect that Canadian people should be very careful in making remarks concerning the hostilities now going on in China," said the Baron. "I do realize how difficult it would be for people living thousands of miles away to understand fully the situation that exists in the Far East."

Discussing the mooted boycott of Japanese goods in Canada, the newly appointed minister

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said it would be ineffective as no boycott could be successful unless all countries embarked upon it simultaneously. He expressed complete confidence in an early Japanese victory and said he did not expect the "full-dress war" would be prolonged very long.

"When the military situation is cleared up, which I am confident will not be very far in the future, political stabilization and economic rehabilitation will follow," he said. "Japan will cooperate with the Chinese regimes recently established in Peking and Nanking. While we sincerely desire that these hostilities will come to an end as speedily as possible, Japan is fully prepared to meet a prolonged war."

And the interview proceeds on more general subjects. My point is that Japan is now at war with a recognized member of the League of Nations, a friendly country, but the new minister comes here—

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: My point is, Mr. Speaker, that his first utterance is to commend one particular point of view that has been set forth in this house. I think it is rather serious, since there are many in the house who do not agree with the view to which the baron made reference.

Mr. SPEAKER: Order. The hon. member must not make a speech.

Mr. WOODSWORTH: I was asked to explain my reference to an interview, which I have tried to do.

Mr. MACKENZIE KING: I asked my hon. friend to state what statement or attitude or policy of the government it was which had been alluded to by the Japanese minister, as the one to which the hon. member took exception. As I gather from what my hon. friend has read, it was the attitude taken by myself as leader of the government with respect to the Sino-Japanese war. I have taken a certain attitude in this house on the responsible discussion of foreign relations which would include the Sino-Japanese conflict, and I have not known any hon. member of the house to take exception to it, and I think possibly the Japanese minister in the circumstances was quite justified in saying that an attitude to which no exception had been taken in this house, an attitude expressed by the Prime Minister of the country, was one he was right in seeking to follow.

Mr. WOODSWORTH: If I may make just one other reference—

Mr. SPEAKER: Order. I think the hon. member has stated his point.

Mr. WOODSWORTH: I am sure the Prime Minister has not answered this point. The statement to which exception was taken is that we in this country should not discuss affairs that are going on in other nations. That view was expressed in connection with the debate on radio broadcasting.

Mr. MACKENZIE KING: May I say at once to my hon. friend that I have never made any statement of the kind. He says that statement was made in the debate on radio broadcasting. No such statement was made in that debate. In the first place, in the discussion that took place during an afternoon I was not in the house, an allegation was made in the first instance that what I had said had reference to debates that had taken place over the radio. I had no thought in my mind of any debate that had taken place over the radio. The question of the debate which had taken place over the radio a few nights before, in which some hon. members of the house had participated, was not in my thoughts, and I do not think it is possible to gather from my remarks that I was in any way referring to anything of that kind.

What I have said in regard to foreign policy is this, that I think it necessary at all times to be guarded in one's utterances. I have said that the government had to take full responsibility for what it said, and at a critical time like this hon. members must expect that the government will be very guarded in its language; also that in discussing the foreign affairs of other countries I believe that the greatest service that can be rendered to Canada and the other countries themselves would be that we should do nothing in our discussions, whether in this parliament or over the radio, which will cause embarrassment.

Mr. WOODSWORTH: Should not that apply to a foreign minister?

Mr. LAPOINTE (Quebec East): It should apply to the hon. member for Winnipeg North Centre.

Right Hon. R. B. BENNETT (Leader of the Opposition): The observations of the Prime Minister (Mr. Mackenzie King) in my judgment necessitate my making at least one statement. I am wholly opposed to any minister of a foreign power coming into this country and stating that that power proposes at an early day to defeat a country which, with this country, is a member of the League of Nations, particularly in view of the fact that a committee of that league has determined that the attack upon that other country was unprovoked and unwarranted. In view of that fact I desire to make it quite clear to the Prime Minister that I do not share his views. I think any statement made by the

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representative of a foreign power which, unprovoked and without warrant, attacks a friendly power, a member of the League of Nations, in view of its adherence to the Kellogg-Briand pact and the declaration made at Washington, is one with which I cannot associate myself and to which I must immediately say I am opposed.

Mr. MACKENZIE KING: May I say to my right hon. friend that the statement I was replying to was the one that had reference to my statement of policy in this house.

Mr. WOODSWORTH: No, no.

Mr. MACKENZIE KING: Yes, that was the question.

Mr. WOODSWORTH: As a matter of privilege, my objection was to the minister from Japan endorsing publicly a certain statement of the Prime Minister an ex parte statement—well it does not make any difference what kind of statement. The point is that I am not discussing the Prime Minister's statement; I am discussing the statement of the minister from Japan publicly endorsing one particular Canadian policy.

PENITENTIARIES COMMISSION

INQUIRY AS TO PROBABLE DATE OF PRESENTATION OF REPORT

On the orders of the day:

Mr. A. H. MITCHELL (Medicine Hat): Could the Minister of Justice (Mr. Lapointe) indicate to us when we may expect him to table the report of the penitentiaries commission?

Right Hon. ERNEST LAPOINTE (Minister of Justice): I think it may be possible to lay the report on the table this week, or the beginning of next week. It is a voluminous document, and the work of printing and translating it has taken some time.

UNEMPLOYMENT

CONCENTRATION OF SINGLE UNEMPLOYED IN VANCOUVER—MR. HUMPHREY MITCHELL

On the orders of the day:

Hon. H. H. STEVENS (Kootenay East): I should like to ask a question of the Minister of Labour (Mr. Rogers) regarding a Canadian Press dispatch indicating that Mr. Humphrey Mitchell, "director of labour transference in the federal Labour department," is in Vancouver consulting with the mayor and other authorities. My question is, what are the instructions that Mr. Mitchell has in this matter, and what is the attitude of the government to-day in regard to this very perplexing question, which according to the dispatch has not made any progress towards solution?

Hon. NORMAN McL. ROGERS (Minister of Labour): Mr. Mitchell, who is an officer of the Department of Labour, left for Vancouver on May 7. While in Vancouver he has been assisting in providing the Department of Labour here with information with respect to developments there. As I stated to the house yesterday, we have been proceeding upon the basis of consultation and cooperation with the provincial government in connection with this question of the single unemployed who are now in Vancouver. Mr. Mitchell has been a means through which that consultation is being effected.

As to the situation in Vancouver, I am informed that it has not changed since the statement I made yesterday.

Mr. STEVENS: Would the minster say what Mr. Mitchell's instructions are? He is described as "director of labour transference in the federal Labour department."

Mr. ROGERS: I have nothing to add to what I have already said on that point. Mr. Mitchell is there to keep in touch with the situation and to keep me advised of any developments.

BUSINESS OF THE HOUSE

INQUIRY AS TO FURTHER LEGISLATIVE PROGRAM FOR THE SESSION

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): The acting leader of the opposition (Mr. Stewart) last night asked if the government would make a statement as to the remainder of its legislative program. May I say to my right hon. friend the leader of the opposition and to his colleague that we shall be prepared to make that statement in the course of a day or two. I should like to have another few days.

SUPPLY

FOREIGN POLICY—STATEMENT OF MR. MACKENZIE KING ON MOTION OF MINISTER OF FINANCE

Hon. CHARLES A. DUNNING (Minister of Finance) moved that the house go into committee of supply.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, as hon. members of the house are aware, I had intended to make a statement on external affairs at about the time of the Easter recess. One

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circumstance or another has rendered it inconvenient or impossible to make that statement until to-day.

In view of the very serious condition of affairs in Europe and the grave unrest that exists in many parts of the world, I am not going to attempt this afternoon to rely upon my memory for what I wish to say. Rather I shall follow somewhat closely what I intended to say in a statement which I had prepared several weeks ago. It may be that the statement will be the more significant in the light of events as they have transpired in the course of the last few weeks. I am going to endeavour in what I say to the house this afternoon to be as concise and at the same time as comprehensive as may be possible. By that I mean I shall endeavour not to omit any of the subjects which I believe hon. members will wish to consider in discussing foreign policy or, better, external affairs. I use the words "external affairs," because our relations with different parts of the British Empire are affairs that lie beyond the dominion; they could hardly be called foreign affairs, but they are external affairs, while our relations with other countries come under the heading of foreign affairs. I shall endeavour, as I say, to anticipate what may be in the minds of hon. members in the way of questions as to the policy of the government and the attitude of the government with respect to the different situations that have arisen in which Canada may be expected to have some interest or to take some part.

It may be desirable at the outset to make some observations of a general character in view of the disturbance which events abroad have caused in all our minds. We look out upon a disturbed and seemingly chaotic world. Bitter and destructive wars are being waged in two continents. Force is openly glorified. Solemn pledges are disregarded. Armaments are mounting to fantastic heights. A war of propaganda is filling the air. We ask ourselves, how, within twenty years after a war to end war, is the war spirit so strong in many quarters? Why, after a war to make the world safe for democracy, has dictatorship attained such acceptance and momentum?

It is not possible to give a short answer to such questions. It is clear that no one factor and no single country can be held responsible. The fact is the great war never completely ended; the world is still suffering from its consequences. The effects of four years of world struggle and destruction and convulsion did not end in 1918. The results of a great war are usually entirely different from the intentions and the objectives of any of the peoples who embark upon it.

For a time after the war it appeared that a stable world might shortly be attained. A genuine passion for peace spread through all the countries engaged in the war, the losers as well as the nominal victors. In great part this new will to peace found embodiment in the League of Nations, but it found expression in many other movements as well. No one who visited Europe in the middle twenties could doubt the strength or the genuineness of that desire. But meanwhile other forces had been at work which in time overcame this will to peace in many quarters. Over a great part of Europe, except the democratic states fronting on the Atlantic, political and social revolutions were in progress. Countries which had not been fortunate enough to work out political freedom and economic progress by gradual effort found themselves compelled to face these belated tasks through revolution. The war had broken down the accepted social structure, the habitual conventions and restraints. The new controls were established by violence, by dictatorship of a class, dictatorship of an individual. New men, with new ambitions and new methods, were thrown up in the conflict; masters of violence and propaganda were given free hand. Inevitably the revolutions and class conflicts which have dominated the internal affairs of three countries out of four in central, eastern and southern Europe found reflection in their foreign relations as well. The new religions of race or class or social doctrine were as explosive, as expansive, as intolerant as Islam was a thousand years ago. The world was called upon to subscribe to their new creeds of communism or fascism or other isms.

The peace settlement had left problems and grievances which these explosive forces turned to account. It solved some territorial grievances, some nationalist aspirations, but it created new problems. Some countries or minorities when given freedom denied that freedom to others. Some countries which had lost territory or prestige were stirred up to plan for vindication and revenge. Some of the victors could not forget their fear or their pride. The fact that the earthquake of the war had disturbed the existing balance of world power, had given America and Asia new power relatively to western Europe, further complicated the organization of peace.

I do not believe these forces would have reached the explosion point if economic depression had not swept the world in 1929 and the years that followed. Depression sharpened every problem, shook the individual's security, increased the tension of international intercourse, provided the unemployed and discontented recruits for the new

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If he is going to praise the United Kingdom and suggest that everything it does is for the best, then surely some of the rest of us who have different opinions have a perfect right to voice these opinions, and that more particularly when the action of the United Kingdom, under the conditions that now exist, may drag us into another war.

Mr. MACKENZIE KING: I have never tried to put any bar upon discussion of any question in this house. I have repeatedly said I hoped that the tone of discussion would be such that it would not embarrass very critical situations in other parts of the world. That is the extent to which I have tried to direct discussion. I have no objection, if my hon. friend thinks it best to criticize British policy, present or past, for him to do so; but so far as I am personally concerned, and speaking for the government, I feel that in the light of the knowledge we all have of the situation as it is in Europe to-day, we cannot be too careful of the manner in which we express our criticisms.

Mr. WOODSWORTH: I quite agree with the Prime Minister in that statement.

Mr. MACKENZIE KING: That is all I suggest.

Mr. WOODSWORTH: Well, if that is all, then we agree; but I certainly thought the Prime Minister meant something more than that. In this connection I think he meant more than that. I am quite sure that what is in the back of his mind is more than that.

Some hon. MEMBERS: Oh, oh.

Mr. WOODSWORTH: I am not reflecting on the Prime Minister, and hon. members need not take me up in that way. My point is that the Prime Minister is constantly taking the position that we, a comparatively small nation, must take a back seat with regard to the affairs of the empire and in the league at Geneva.

Mr. MACKENZIE KING: No; my hon. friend is quite wrong; I will tell him what is in the back of my mind. What is in the back of my mind is what I read in the despatches I receive from day to day, sometimes many in a day, all of which emphasize over and over again the extraordinary and exceptionally critical nature of the European situation. That is what is in the back of my mind when I suggest to hon. members to be very guarded in what they say, lest the word spoken here may carry a very different or unfortunate interpretation in other parts of the world.

Mr. WOODSWORTH: I quite appreciate the position taken by the Prime Minister in that regard, but I should like to emphasize what is in the back of my mind.

An hon. MEMBER: There is nothing.

Mr. WOODSWORTH: Well, there may be nothing, though in that case it would be hard to express it. I do urge that if the leader of the opposition is correct—and I think he is—that if Great Britain is at war Canada is automatically at war, whether or not we participate actively, then we ought, as a more or less autonomous nation and having in our population an intelligent people—

Mr. LAPOINTE (Quebec East): Not more or less, but autonomous.

Mr. WOODSWORTH: Autonomous, if you like, and with a population of intelligent people. Under these circumstances we ought to be able to discuss these affairs that concern the welfare of the empire and have some part in them, at least so long as we remain a part of the empire. I do not think we can be both in and out of it; that is what I want to emphasize to-night. But as matters stand we do not quite know where we are.

So far, external affairs and military defence have been very closely related. The time may come when they will be entirely separate, when external affairs will not involve military defence; but to-day they are inextricably involved. I regret that we had the defence estimates introduced this year before we had the discussion on foreign affairs. It seems to me the proper order was reversed, and already we have had to some extent a discussion of external affairs. I will refer to some of the debates of the last few weeks. The hon. member for Beauharnois-Laprairie (Mr. Raymond) says that he will vote for the defence estimates on two grounds. In the first place they are $2,000,000 less than those of last year though they are still $34,000,000. I have some sympathy with him so far as that is concerned, and choosing the lesser of two evils I should have to vote with him for the smaller estimate. He refers to the Prime Minister's stand at the imperial conference and feels confidence in voting defence supply. I wish I could be so reassured. It may be true that, as the Prime Minister has said, we are under no very definite commitments; yet I can hardly help thinking that the very close relationships which exist between our departments and the British departments must almost inevitably involve us in certain responsibilities.

Take the matter of war munitions. We are now making preparations, I understand, for our

that to-day phrases are not enough; that the situation is too serious, and that we must try to outline much more definitely than we have yet done what is to be our policy in future. Personally I am inclined to think I would be much nearer the policy of the Prime Minister than to that of the leader of the opposition, —I was going to add, if I knew what the Prime Minister's policy really was!

Mr. BENNETT: Hear, hear.

Mr. WOODSWORTH: I would, however, say very frankly that I appreciate the forthright way in which the leader of the opposition has set down his policy. We know where he stands; and I think it is time that the whole country knew where the government stood as regards this and also some other matters.

There was one thing said by the Prime Minister which, I think, was advanced for the first time, and that is that foreign nations are not likely to pick out Canada for attack. I am glad he has taken that position, because in a great many quarters the main reason for an enlarged defence program has been that we might be attacked in force by Japan or by some other nation located a long distance away. If the Prime Minister is correct, we may very well ask why we should have any very considerable defence in this country, and we should require that what defence is necessary in the opinion of those who advocate defence, should be limited to one particular kind.

The Prime Minister, I thought, stated one matter very clearly when he asked, Are we likely to be drawn into war through our connection with the league? And he came to the conclusion, after considerable argument that he did not think we would be. I might point out that if we in Canada interpret in future our obligations as lightly as we have done in the past, I can easily understand that the keeping of our obligations is not going to get us into any difficulty. However, that was the conclusion arrived at by the Prime Minister.

But there was another proposal which he did not put quite so clearly, and that, is this: Are we likely to be drawn into war through our connection with the empire? For me that is a much more important question. I think the leader of the opposition is right when he said that that is the vital point. Yet that point, in my judgment was evaded, consciously or unconsciously, in the Prime Minister's speech, and that is the thing which sooner or later will have to be settled. It is all very well for the Prime Minister to say that the solution of our relationship to the empire has been worked out so far as peace time is concerned, and he has no doubt that the same solution as to our relationship to the empire in war time will also be worked out. But it is going to be a great deal more difficult than that, and now is the time to set up whatever machinery is necessary or to come to whatever understandings are necessary so that, if war should come, we should at least know where we stand.

I am not sure that the leader of the opposition is right when he says that there are simply two alternatives—either that we must be wholly in the empire or that we must withdraw. As a practical matter, I do not believe that we are faced with these alternatives, but I do urge that the present relationships between the dominions and the United Kingdom are very unsatisfactory and may lead at any time to considerable difficulty. If we do not propose to participate actively in another war, that is, if we are not, to use the Prime Minister's phrase, going crusading again to Europe as we did in 1914 to 1918, then we ought to advise Great Britain to that effect and to do so now. That should be clear-cut. If the British depend upon Halifax or Esquimalt as ports into which their ships may come and we declare our neutrality, what will be the situation? There will be a complete mix-up which neither we nor any other nation will understand. It seems to me that the first step which should be taken now if we are indeed a thoroughgoing autonomous nation is to ask Great Britain to revise the agreement with regard to Esquimalt and Halifax and make these entirely Canadian ports. Then we shall be in a better position to say whether or not we wish to maintain our neutrality.

The Prime Minister praised the policy of Great Britain since the war. I shall not attempt in the time at my disposal to enter into that matter; but from my standpoint, I suggest that Great Britain's policy since the war, like the policy of all the great nations, has been one long succession of blunders. I do not think we can very well study the history of Europe since the war without coming to some such conclusion. The Prime Minister is quite right when he says that the war did not end promptly when peace was concluded. The war has not yet ended. If we had been wiser we would have taken a different course. The last war sowed the seeds of the war that is to come.

If I understand the Prime Minister aright, he rather deprecated that in this country there should be discussion of United Kingdom affairs. I cannot quite understand that.

we are depending upon the British army, the British navy and the British fleet to protect our shores.

What right has an outside commission to go over the heads of parliament? My right hon. leader asked if the government had been consulted at all. If we have any powers, why does the governor in council not reassert itself on behalf of this parliament and prevent these broadcasts under paragraph (d) of this section? I have no desire to criticize the commission or any official in it, but this is the view that I have taken in this house for many years. Mr. John Buchan, speaking in the British House of Commons when a member of that body, said that society consisted of grand sentimentalists and that appalling creature called the publican. Those are his words in criticizing the League of Nations Society. Two hon. members of this house and an outsider were engaged in a discussion the other day over the Canadian Broadcasting Corporation's service which was linked up with the broadcasting lines of the United States. In my opinion that broadcast should not have been allowed.

In section 3 we have the powers of the governor in council set out, and I trust that the governor in council will take the responsibility for acting in such a situation, because if we pass this section, which is a new one, the governor in council is directly responsible for what these people say in their discussions over the air. The government stopped it in England where it was held to be contrary to public policy, but anyone can go on the air through the Canadian Broadcasting Corporation and enter into discussions that are not in the public interest. In the great crisis of the past six months the settled policy of the Chamberlain government has saved not only the empire but the whole world from war.

Mr. MACKENZIE KING: Mr. Chairman, I must say that I find myself very much in sympathy with the hon. member for Broadview (Mr. Church) in the remarks which he has just made. At the present time we have been very careful not o discuss in this parliament the proceedings of other parliaments, and I believe that a rule which we find it advisable to observe here should also be observed by the commission in connection with broadcasts that may be made under its authority.

These are very critical times, as all hon. members of the house know, and as the citizens of the country generally know. In ordinary times we would not think of criticizing in this parliament the policies of a government or the proceedings of a parliament of another part of the British Empire. The policies of Great Britain, of Australia and New Zealand are their own policies, their own domestic affairs, and it is not for this parliament to say whether Liberals or Conservatives or the Labour party of Great Britain are right or wrong in what they are advocating.

So far as any policy relates to our own affairs, we are at perfect liberty, of course, to discuss as fully as we please the effect of government policy. What I am referring to at the moment is not whether, with respect to some particular matter, a policy is right or wrong. Each country is free to discuss in its own parliament any policy from the point of view of that country itself. I do not think, however, that one parliament should become critical of the proceedings of another parliament in another part of the world, particularly in times like these. What applies to debates in parliament should apply equally to broadcasting under a commission which derives its authority and powers from parliament.

One of the great difficulties in Europe, a condition which make the situation there so impossible of solution, is the perpetual broadcasting by one country of its comments upon the internal affairs of some other country. I think the British government have very wisely taken the view that while they wish to accord the greatest liberty possible to broadcasting, it is not proper either in parliament or out of parliament for criticisms to be made of the internal affairs of other countries where those criticisms are likely to prove embarrassing to the government and administration of the day. I think it is only right to say what I have said; and possibly more is not necessary at this time to ensure that by the commission itself a policy will be followed similar to that which all hon. members of this house seek to follow in their discussions.

Section 3, paragraph (a) and (b) agreed to.

On section 3, paragraph (c).

Mr. BLACKMORE: It seems to me, Mr. Chairman, that a penalty of not exceeding $500 is a tremendously severe one to be left in the hands of the governor in council without reference to parliament. I may be inexperienced in these matters, but it seems a severe penalty to me.

Mr. HOWE: There is no change in that provision. It is a very serious offence to interfere with an international convention. There are on this continent only 107 channels for broadcasting purposes, which must take care of 900 existing radio stations, and it will therefore be realized that there must

formerly. It seems to me that there are some grounds for the protest made by the hon. member for South York. In view of the statement of the minister I am surprised to find these provisions in the bill. In the light of the statements that have been made I am sure that we shall give the different sections careful consideration as we go along.

Section agreed to.

Section 2 agreed to.

On section 3—Powers of governor in council.

Mr. LAWSON: Paragraph (e) of this section is new. This section generally empowers the governor in council to prescribe the tariff of fees to be paid for radio receiving licences, authorizes the payment of a portion of the licence fees in effect to the Canadian Broadcasting Corporation, authorizes the governor in council to accede to any international convention and make regulations for the censorship and controlling of radio signals. The new paragraph (e) reads:

(e) make regulations imposing a penalty not exceeding $50 and costs or three months' imprisonment for the violation of any regulation made under this section for which a penalty is not already herein prescribed, and to provide that any such penalty may be imposed upon summary conviction.

I object to this form of legislation, irrespective of whether it is in this bill or in any other bill. When you impose penalties upon the subjects, who are all the people, I think those penalties should be prescribed in the law of the land. If it is the desire of the government to have a provision imposing a penalty I suggest to the minister that he have in this bill a separate section prescribing that for any offence under it, where no other specific penalty is imposed, the penalty shall be not exceeding $50 and costs or three months' imprisonment. I suggest that the principle of fixing, by governor in council, penalties for offences is wrong under any system of responsible government. I am not criticizing this bill in particular, but I suggest that this section be taken out. If you want to have such an omnibus penalty provision, let parliament say what it is going to be and have it included as a separate section.

Mr. CHURCH: Mr. Chairman, I referred to this matter the other day. I do not wish to criticize the minister, but I think it was a great mistake to have a debate go on such as we had the other day, and then to have to listen to the remarks of this man Ferguson from Winnipeg. This gentleman and his kind are opposing the broad principles of the Chamberlain government, in relation not only to the League of Nations but to international affairs. The Prime Minister of Great Britain has ordered the British Broadcasting Corporation to stop many of these broadcasts. Just the other day I was reading criticisms of this policy in two or three eminent British papers. I have placed on Hansard just what Mr. John Buchan said with regard to this when he was a member of the British house.

These are troublesome times, but even we cannot discuss matters of this kind. It may be because the Prime Minister has been busy with other matters, but the fact is that a large number of the public hear these debates over the radio. Wrong facts or half truths are broadcast, and we hear statements absolutely opposed to the policy of the British government in connection with international agreements. I think the time has come when broadcasts of this kind should be stopped. This should be done not only in the public interest but in the interest of the British Empire.

We are prohibited from discussing questions such as Japanese immigration and the rule of Japan in the Pacific. When we as members of a free parliament start to discuss these matters points of order are raised, but the radio commission permit debates to be broadcast which are certainly objectionable to a large portion of the population of Ontario and some of the other provinces. I have read a criticism that was made in the British House of Commons of such discussions. We all listened with a great deal of interest to the hon. member for Rosetown-Biggar (Mr. Coldwell) and the hon. member for Essex East (Mr. Martin). I was quite interested to read their remarks, but we must realize that we have no navy, no army or no fleet. We cannot do anything but talk.

These gentlemen carry on their debate over the radio with an international hook-up with the United States. They discussed what Mr. Cordell Hull said after the Brussels conference. As you know, Mr. Chairman, the Brussels conference was a failure. The British ambassador, Sir Ronald Lindsay, left his office on one side of Washington and walked a block or two to the office of the secretary of state. He asked him if the United States would join with Great Britain in making a protest to Japan, and he was told that the United States were going to act alone. All these matters come under what I describe as pan-Americanism. This broadcast was absolutely opposed to the interests of the British Empire. We are not depending upon the Monroe doctrine; we are not depending upon pan-Americanism;

"K" Speeches

D 34964

as class D; what was the value of imports in class C as compared with the value of imports in class D in each of the three calendar years 1935, 1936 and 1937?

DUTIABLE IMPORTS

Mr. McDONALD (Souris):

1. What is the total amount of goods which entered Canada during the fiscal year 1936-37, upon which duty was paid?

2. What amount of duty was collected?

3. What is the total amount of goods upon which the sales tax was levied in the fiscal year of 1936-37?

4. What amount was paid?

5. What is the basis of valuation of goods which are imported for manufacturing purposes?

PRAIRIE FARM REHABILITATION ACT—EXPENDITURES

Mr. BLACKMORE:

1. What is the total amount of money spent under the Prairie Farm Rehabilitation Act, in each of the provinces of Manitoba, Saskatchewan and Alberta?

2. How much of this money was spent, in each of the above mentioned provinces, in actual assistance to farmers for dams and irrigation projects?

3. How much was spent in administration in each of the above mentioned provinces?

CIVIL SERVICE SUPERANNUATION

Mr. WARD:

1. What number of civil servants now in the service are over 65 years of age, and how many are over 70 years of age?

2. How many civil servants now in the service have completed their payments to the superannuation fund, by virtue of the thirty-five year contributing clause in the act?

3. How many civil servants have received promotion, the promotion giving increased salary, since they ceased making contributions to the superannuation fund?

RADIO BROADCASTING

PROVISION FOR COMMITTEE TO CONSIDER ANNUAL REPORT AND REVIEW POLICIES OF CANADIAN BROADCASTING CORPORATION

Hon. C. D. HOWE (Minister of Transport) moved:

That a select committee be appointed on radio broadcasting to consider the annual report of the Canadian Broadcasting Corporation and to review the policies of the corporation with special reference to revenues, expenditures and development, with all the powers vested in the standing committees under standing orders and the resolution passed by this house on the 7th February, 1938.

Right Hon. R. B. BENNETT (Leader of the Opposition): Might it not be desirable to indicate in the motion the number of members that will comprise the committee? Otherwise it seems to me that a further motion of a different kind will have to be made.

Mr. HOWE: I understood that a second motion naming the members of the committee would be required.

Mr. BENNETT: So it is.

Mr. HOWE: I thought the number could be specified then.

Mr. BENNETT: The usual custom is to designate the number at this stage.

Mr. MACKENZIE KING: Not necessarily.

Mr. BENNETT: I think it is necessary, otherwise how are you going to deal with it? How will you know how many to appoint? It is quite all right for the Clerk to make the statement I heard him make just now, but that is not an accurate statement. The rule of this house has been to name a committee consisting of seven, nine, eleven or so many members, so that we shall know how many to appoint when the committee is set up.

Mr. MACKENZIE KING: The rule is that if there are to be more than fifteen the number must be mentioned.

Mr. BENNETT: The number has to be settled by some action of this house.

Mr. MACKENZIE KING: There will be another motion naming the members of the committee.

Mr. BENNETT: That will have to appear on the order paper. Otherwise it would not be necessary to have it on the order paper at all. That is the point.

Motion agreed to.

RAILWAYS AND SHIPPING

APPOINTMENT OF STANDING COMMITTEE TO CONSIDER ACCOUNTS AND ESTIMATES

Hon. C. D. HOWE (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 and the Canadian Government Merchant Marine 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

Maple syrup—Con.	Years ended December 31					
Empire countries—Con.	1932	1933	1934	1935	1936	1937
Jamaica.. .. ..Gal.	....	....	11	26	20	43
$	....	....	27	54	49	101
Trinidad and Tobago..Gal.	....	2	10	....	13	5
$	....	3	17	....	27	11
Other Br. West Indies..Gal.	....	....	4	....	....	7
$	....	....	8	....	....	15
Newfoundland.. .. ..Gal.	27	93	47	121	156	89
$	70	203	101	200	278	176
Australia.. .. ..Gal.	....	....	....	15	30	....
$	....	....	....	25	38	....
Fiji.. .. ..Gal.	....	....	....	6	....	....
$	....	....	....	12	....	....
New Zealand.. .. .. ..Gal.	....	....	52	156	84	433
$	....	....	76	378	172	1,061
Total Empire countries.Gal.	4,228	2,647	1,961	3,168	3,538	3,655
$	11,632	5,530	4,280	7,302	8,299	8,570
Maple syrup—						
Foreign countries						
To United States .. .. ..Gal.	4,896	30,277	105,137	204,918	10,703	4,035
$	6,014	26,396	112,933	210,083	20,461	12,239
Other foreign countries.Gal.	79	70	36	83	64	126
$	154	147	52	151	153	304
Total foreign countries.Gal.	4,975	30,347	105,173	205,001	10,767	4,161
$	6,168	26,543	112,985	210,234	20,614	12,543
Grand total exports (maple syrup).. .. ..Gal.	9,203	32,994	107,134	208,169	14,305	7,816
$	17,800	32,073	117,265	217,536	28,913	21,113

PREFERENCE ON IMPORTATIONS THROUGH CANADIAN PORTS

Mr. ISNOR:

Has the present government taken any action which would result in our ports losing the ten per cent preference on goods entering Canada by being conveyed directly into a Canadian seaport, as stated by the right hon. leader of the opposition in this house on the 31st day of January of this year?

Mr. ILSLEY: No. The customs tariff (sections 3 and 5) still provides that all goods, to be entitled to the benefits of the British preferential tariff, must be conveyed without trans-shipment from a British country into a sea, lake or river port of Canada, and that on such goods, with certain specified exceptions, the duties computed at British preferential tariff rates shall be subject to a discount of ten per cent.

QUESTIONS PASSED AS ORDERS FOR RETURNS

EXPENSES OF CANADIAN ATHLETES AND OF REPRESENTATIVES OF CANADIAN CHAMBER OF AGRICULTURE TO AUSTRALIA

Mr. COLDWELL:

1. Was the government approached to assist in financing the trip of Canadian athletes to Australia?

2. If so, what contribution, if any, was made?

3. Was the dominion government approached to finance representatives of the Canadian chamber of agriculture to the producers empire conference in Australia?

4. If so, what contribution, if any, was or will be made?

Mr. RINFRET: In order to reply properly to this question it is desirable that a copy of some of the correspondence be tabled. I suggest that it be made an order for return.

Mr. SPEAKER: Order for return.

CANADA-UNITED STATES TRADE AGREEMENT

Mr. CAHAN:

In the matter of the trade agreement between Canada and the United States of America, which came into force on January 1, 1936:

1. If the exports from Canada during the calendar year 1936 on which reductions of United States customs duty were made by the said agreement be described as class A, and those exports from Canada on which no reduction of United States customs duty was made be described as class B; what was the value of exports in class A as compared with the value of exports in class B in each of the three calendar years 1935, 1936 and 1937?

2. If the imports from the United States into Canada during the calendar year 1936, on which reductions of Canadian customs duty were made by the said agreement, be described as class C, and those imports from the United States into Canada on which no reductions of Canadian customs duty was made be described

Notes for Mr. King's use on motion for appointment of Committee

D 34966

Re Select Committee on Radio

A Select Committee -

Motion is to appoint a Select Committee, but not a Select Special Committee;

phrasing of Motion has effect of constituting during present Session, a new Standing Committee, but Standing Order 63 is not amended to add a Standing Committee on radio permanently to the regular Standing Committees of the House;

Present Committee unlike Select Special Committees of 1932 and 1936 -

These were set up to deal with specific problems; to conduct inquiries into certain situations and make recommendations with respect thereto;

Purpose of Committee -

To provide, in accordance with traditional and normal procedure of House, an opportunity for review and discussion;

desirable there should be a properly constituted medium for consideration of broad aspects of national policy in radio matters;

obvious difficulty and limitations of attempting

D 34907

to deal with such matters by questions on Order Paper;

direct immediate interest of people in radio, reflected by interest of Members of House;

an attempt to provide for adequate Parliamentary control and responsibility without interference with administration of C.B.C. or interruption of policy laid down by Parliament itself;

Committee will afford Members opportunity of presenting views and obtaining information;

likewise will afford Corporation opportunity of making known its problems and difficulties;

should be mutually advantageous to Parliament and to C.B.C.;

no decision as to whether or not Committee will be annual affair -

present largely an experiment;

trust it may prove a useful and helpful procedure;

No suggestion of change in Policy -

Present structure of radio in Canada, result of years of study - particularly -

(1) Aird Commission, 1929;

(2) Special Committee, 1932;

(3) " " 1936;

policy is -

a publicly owned and controlled system of national broadcasting;

endorsed by present and preceding Parliament, and administration;

endorsed by all parties in House;

no intention to change or depart from;

special problems and difficulties naturally arise in early stages of development; exact form of broadcasting facilities and methods must be worked out gradually - believe Committee of this kind can facilitate progress being made towards established goal of national broadcasting;

No criticism of C.B.C. implied -

under the Canadian Broadcasting Act, Board of Governors charged with responsibility for formulation of policy and for administration;

Governors are in a sense trustees of the public interest, and constitute a guarantee that affairs of Corporation are conducted on a business-like and non-partisan basis;

D 84963

government believes Board has fulfilled its responsibilities in admirable manner; few public bodies in this or any other country so disinterested or able; board and management to be congratulated on achievements since C.B.C. came into operation less than 16 months ago;

Radio a national possession -

conception underlying broadcasting in Canada is that radio is a national possession to be developed and used in the interests of the people as a whole;

Parliament has a special responsibility to keep the discussion of radio matters on the high plane of the national interest; to avoid partisan, sectional or any other discrimination or bias;

within the existing framework laid down by Parliament, believe C.B.C. will play increasingly important part in national life, alike from point of view of education and enlightenment, as of recreation and enjoyment, and as a powerful force in furthering understanding between people in different parts of the Dominion.

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RADIO BROADCASTING

Aird Report recommended a publicly-owned system and national control of broadcasting in Canada;

also recommended a $3 licence fee;

Principle of publicly-owned system and national control accepted by all parties;

Aird Report looked to a gradual elimination of commercial features;

also to creation of public system which would cover entire Dominion;

Both former Commission and present Corporation have sought to develop more adequate coverage;

have endeavoured to build up system and improve programmes without recommending licence fee as high as $3;

Certain apprehension has been expressed recently in section of press that C.B.C. would be obliged to seek increased revenues from commercial sources -

fear this would entail either increased commercial features originating in Canada, or, alternatively, increase in American

D 34971

commercial programmes;

Apprehension wholly groundless -

Present naturally a difficult period for C.B.C. - endeavouring to develop stations to give adequate coverage to whole Dominion and to raise standard of programmes;

No question but C.B.C. have made great strides towards both objectives;

To meet financial needs of this programme of development, increased revenues were essential;

Government has accepted recommendation of Board of Governors for increase of yearly fee to $2.50 per set;

Revenues provided by increase will enable C.B.C. to go forward with programme of development eventually decreasing rather than increasing commercial features;

No danger of "Americanization" of Radio in Canada -

C.B.C. proposes to carry only a limited number of programmes originating in U.S.A. which are most popular in Canada and

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would be heard by listeners throughout Dominion even if not carried by C.B.C;

Canada has enjoyed the lowest licence fee of any country operating national system of broadcasting -

Notwithstanding vastness of country, $2.50 fee still as low as in any such country;

Feel sure slight increase will be accepted as necessary measure to ensure development of facilities and higher standard of programmes;

On new basis C.B.C. enabled to play an increasingly important part in national life of Dominion, alike from point of view of education and enlightenment, as of recreation and enjoyment; and as a powerful force in furthering understanding between people in different parts of the Dominion.

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57		Paris Speech: Speeches in Parliament	Apr. 1938	D 34876 - D 34883	
57		Power, Export of. Speeches in Parliament	Mar. 1938	D 34884 - D 34947	
58		Procedure: Speeches in Parliament	1938	D 34948 - D 34955	
58		Radio. Speeches in Parliament	Feb.-May 1938	D 34956 - D 34972	
58		St. Lawrence Waterway. Speeches in Parliament	Mar. 1938	D 34973 - D 34974	
58		Spanish Civil War. Speeches in Parliament	Mar. 1938	D 34975 - D 34978	
58		Sino-Japanese Conflict. Speeches in Parliament	Jan.-May 1938	D 34979 - D 34994	

"K" Speeches D 31973

HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

TUESDAY, March 1, 1938.

The house met at three o'clock.

STANDING COMMITTEES

BANKING AND COMMERCE—CONCURRENCE IN SECOND REPORT

Mr. W. H. MOORE (Ontario) presented the second report of the standing committee on banking and commerce, and moved that the report be concurred in.

Motion agreed to.

MARINE AND FISHERIES, RAILWAYS, CANALS AND TELEGRAPH LINES, MISCELLANEOUS PRIVATE BILLS—CHANGES IN PERSONNEL

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

That the name of Mr. White be substituted for that of Mr. MacNicol on the standing committee on marine and fisheries.

That the name of Mr. MacNicol be substituted for that of Mr. White on the standing committee on railways, canals and telegraph lines.

That the name of Mr. Kuhl be substituted for that of Mr. Johnston (Bow River) on the standing committee on miscellaneous private bills.

Motions agreed to.

REPORTS AND PAPERS

Order in Council P.C. 129, authorizing new rates of purchase of Canadian government annuities as, from and after February 1, 1938, with attached table of rates, together with copy of the report of Professor N. A. MacKenzie, Toronto university, on which said rates are based.—Mr. Rogers.

ST. LAWRENCE WATERWAY

TABLING OF CORRESPONDENCE—ST. LAWRENCE DEEP WATERWAY TREATY 1932, NIAGARA CONVENTION 1929, OGOKI RIVER AND KENOGAMI RIVER (LONG LAKE) PROJECTS, AND EXPORT OF ELECTRICAL POWER

Right Hon. W. L. MACKENZIE KING (Prime Minister): I desire to lay on the table copies in French of correspondence and documents relating to the St. Lawrence deep waterway treaty, 1932; Niagara convention, 1929; Ogoki river and Kenogami river (Long lake) projects, and export of electrical power; also a copy of a communication dated February 25, 1938, from the Premier of Ontario to the Prime Minister of Canada, with reference to the Kenogami river project.

A reply to the communication I have just tabled was sent to the Premier of Ontario to-day, but I do not think it should be tabled until after it has been received by him.

SOLDIER SETTLEMENT

INTEREST RATE ON REPAYMENTS OF TAXES AND INSURANCE PREMIUMS—ARREARS OR INSTALMENTS SUBJECT TO BONUS PRIVILEGES

Hon. T. A. CRERAR (Minister of Mines and Resources) moved that the house go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to amend the Soldier Settlement Act for the purpose of reducing from seven per centum to five per centum the interest rate charged on certain repayments to the board of taxes and insurance premiums paid by the board in respect to soldier settlement lands in case of default on the part of the settler, and to provide further that the period during which payments of arrears or instalments at present subject to bonus privileges may be made, be further extended to the 31st day of March, 1941.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Motion agreed to.

WAR VETERANS' ALLOWANCES

EXTENSION OF ALLOWANCES TO INCLUDE CERTAIN OTHER CLASSES—ENLARGEMENT OF MEMBERSHIP OF BOARD

Hon. C. G. POWER (Minister of Pensions and National Health) moved that the house go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to introduce a measure to amend the War Veterans' Allowance Act so as to extend the allowance payable thereunder to a class of veterans of the great

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war not presently the recipients of such allowances who, because of tangible or intangible disabilities and handicaps, are incapable of maintaining themselves; to include certain veterans of the South African war; to include among the classes of moneys non-deductible from allowance, pensions or grants accompanying certain military decorations; to provide for the avoidance of overlapping of benefits payable under the War Veterans' Allowance Act and those payable under the Old Age Pension Act, and to enlarge the membership of the war veterans' allowances board.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Motion agreed to.

FOREIGN POLICY

ATTITUDE OF CANADIAN GOVERNMENT AS TO BRITISH POLICY AFFECTING LEAGUE OF NATIONS AND RELATIONS WITH ITALY

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): In view of recent statements by the Prime Minister of Great Britain regarding the League of Nations, collective security and Italy, has the government of Canada been kept fully informed of the British foreign policy indicated by such statements, and if so, what opinion, if any, has the government expressed on behalf of the Canadian people in relation to any or all of these matters?

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend had advised me of his intention to ask this question.

The Canadian government has been furnished with full summaries of recent statements made in the British House of Commons by the Prime Minister of the United Kingdom and the former Secretary of State for Foreign Affairs. In addition, it has received a brief report of a conversation with a representative of a foreign government. These communications, as is usually the case, are in the nature of information rather than consultation. The Canadian government has not offered any opinion on the statements in question.

NATIONAL EMPLOYMENT COMMISSION

INQUIRY AS TO TABLING OF FINAL REPORT

On the orders of the day:

Hon. H. A. STEWART (Leeds): I wish to ask the government and particularly the Minister of Labour (Mr. Rogers) whether the final report of the national employment commission has been laid on the table. If not, when may we expect it to be brought down?

Hon. NORMAN McL. ROGERS (Minister of Labour): I believe it has already been stated that it is the intention of the government to lay this report on the table as soon as it is printed and available in both languages. I expect that will be in the course of a very short time.

OPIUM AND NARCOTIC DRUG ACT

The house resumed from Thursday, February 24, consideration in committee of Bill No. 24, to amend the Opium and Narcotic Drug Act, 1929—Mr. Power.—Mr. Johnston (Lake Centre) in the chair.

Hon. C. B. POWER (Minister of Pensions and National Health): When the bill was last before the committee all clauses were passed, but the leader of the opposition made a suggestion which I have submitted to the officers of the department, and to which I think it is most reasonable that we should agree, namely, that the act should come into force on proclamation. I therefore move, seconded by Mr. Howe:

That this act shall come into force upon a date to be fixed by proclamation of the governor in council.

That will be section 11.

Mr. McKENZIE (Lambton-Kent): I was not in the house when the minister introduced this bill. I have no desire to reopen the discussion, because the less publicity given this question, the better. I may be entirely out of order, but since it has been brought in I have received communications from certain persons in Lambton county who for over twenty-four years have been growing what is called Indian hemp for commercial purposes. They entered into this project encouraged by the Department of Agriculture and sponsored by them, and have made quite a profitable enterprise out of it during the past several years.

As I read the amendment it is possible to obtain a licence to grow this hemp under certain conditions. That may be all right, but if the restrictions are so great as to make it impracticable to grow this hemp, then I suggest that no licences should be granted at all. If you will look at the Canadian Almanac at page 102, in connection with the tariff, you will notice that hemp seed is listed for free importation. That would lead me to believe that it is possible to import seed and to grow it commercially. I fully realize that if this bill is passed it will be more difficult to

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Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I have not seen the press report to which my hon. friend has referred. I would wish to see the statement itself and also to ascertain how accurate it is before attempting to comment upon it.

With regard to the question which my hon. friend has just put concerning the legislative program of the government, I would say to him that the program will not be completed until the session of parliament itself is completed. As to whether any legislation of the character mentioned will be brought down, I can only say that the government will make its policy known on that as well as on other matters as the occasion arises.

SPANISH CIVIL WAR

EMBARGO ON EXPORTS—EUROPEAN SITUATION—ARMS AND MUNITIONS

On the orders of the day:

Mr. ANGUS MacINNIS (Vancouver East): Mr. Speaker, before we proceed with the orders of the day I should like to address a question to the Prime Minister (Mr. Mackenzie King). As it is now definitely established that the German and Italian governments have sent large numbers of troops, equipped with all the essentials of modern warfare, to fight against the legitimate government of Spain, will the Canadian government immediately remove the embargo imposed last year on exports to Spain? Failing that, will the government extend the embargo to include exports to Germany and Italy?

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend was good enough to give me notice of this question. I would say to him in the first instance that his question appears to be a little out of order, in that it seeks to convey information—whether accurate or inaccurate I cannot say—rather than to seek it. However, my reply to the question is this: no embargo has been placed on exports to Spain. The embargo imposed last year applies only to exports of arms and munitions. This action followed similar action by the members of the non-intervention committee, representing twenty-seven European countries. Though Canada was not in a position to supply any appreciable quantity of arms or munitions, this course was followed in order to prevent exports from Canada contributing in any way to render ineffective the efforts of the signatories to confine the struggle to Spanish territory. The European countries primarily concerned have taken no action such as is proposed by the hon. member for Vancouver East (Mr. MacInnis). The Canadian government does not propose to take such action. No exports of munitions have been made from Canada to Germany or to Italy.

May I add to what I have said in the way of a formal reply to my hon. friend that at this time we are witnessing momentous events on the continent of Europe. We are witnessing also momentous events on the continent of Asia. Canada is a part of the continent of North America. Unless it is the desire to have it appear that our country is anxious to participate in these events, to become a party to or a part of what is happening on the continents of Europe and Asia, it is desirable, I believe, that all persons in positions of authority and responsibility in this country and who have anything to do with the shaping and moulding of public opinion, whether in parliament or in the press, should refrain from taking any steps or making any representations which would appear to have a contrary aim and purpose. Moreover I think we should be particularly guarded in what we say and what we do for the further reason that we should wish at all cost to avoid making the present appalling situation on the two continents I have mentioned more embarrassing for the countries faced with it, in their efforts to work out a solution.

Mr. WOODSWORTH: In view of the Prime Minister's statement, will the government then put an embargo on war materials going into Japan?

Right Hon. R. B. BENNETT (Leader of the Opposition): I had hoped that possibly without inquiry the Prime Minister would be disposed to make some statement to this house regarding the government's appreciation of the European situation. While Canada is a part of the North American continent, we are profoundly concerned about what is now happening in Europe; and with the wider knowledge and fuller information that the government possesses, it did occur to me that the Prime Minister might think the time had come to make some statement, as I have said, on the government's appreciation of that situation so far as it affects this country. I concur in what the Prime Minister said a moment ago, but surely if in the parliament of Great Britain a discussion can be carried on of the kind that the newspapers report, no harm can result from having the head of the government in this country indicate what the government's appreciation of the situation may be. There is a vast difference between an acrimonious debate and a statement or appreciation of a position.

D 34976

Centre (Mr. Woodsworth), on February 25, these communications are in the nature of information rather than consultation upon policies. As such, they are helpful to the Canadian government in assisting it to understand the actual facts of the current situation.

Mr. CHURCH:

1. Is the government yet in a position to review the reply given here last week and the week before in the light of Germany's action as it relates to Canadian foreign policy?

2. Will any papers or correspondence be tabled?

Mr. MACKENZIE KING:

1. The questions to which reference is apparently made dealt with the policy of the government of the United Kingdom in respect to the League of Nations and to Italy. The action to which the present question refers does not appear to call for any revision of the answers then made.

2. Answered by No. 1.

QUESTIONS PASSED AS ORDERS FOR RETURNS

PEOPLE OF FRENCH EXTRACTION IN NEW BRUNSWICK

Mr. LACROIX (Quebec-Montmorency):

1. What is the total population of the province of New Brunswick?

2. How many persons of French extraction are there in such province?

3. How many federal employees are there at the experimental farm, at Fredericton, New Brunswick?

4. How many of these are of French extraction?

5. How many of them can speak French, if any?

6. How many graduates in agricultural sciences does the federal Department of Agriculture employ in the province of New Brunswick?

7. How many of these are of French extraction?

8. How many of them can speak the French language?

DOMINION FRUIT AND VEGETABLE INSPECTORS

Mr. LAPOINTE (Matapedia-Matane):

1. How many fruit and vegetable inspectors does the government maintain in each province of the dominion?

2. Are they appointed by the civil service commission? If so, since when?

3. Was knowledge of the French language always required by said commission from such inspectors in the province of Quebec?

PETITIONS OF RIGHT

On the orders of the day:

Hon. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, I should like to ask a question of the Minister of Justice (Mr. Lapointe) of which I gave him informal notice some days ago.

During the session of 1936 the Minister of Justice gave an assurance that a bill would be prepared by the Department of Justice to amend the existing law with respect to petitions of right against the crown. On March 24, 1937, the Minister of Justice informed the house that a draft bill had been prepared and submitted to the various departments of the government, preparatory to being submitted for approval of the governor general in council, but that more time was required for the final preparation of the bill. The Minister of Justice, however, then renewed his assurance for the present session of parliament. Is it the intention of the government to introduce such a bill during the present session of parliament?

Right Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, the matter is one which presents certain difficulties, and as I said last year, the various departments of the government have been communicated with in regard to this matter. As a result of that consultation a draft bill has been prepared which would meet at least to a large extent the views of the hon. gentleman. This draft bill, I must say, has not yet been considered by the governor in council, and I am awaiting the first opportunity to lay it before my colleagues. I hope it will be possible to introduce it afterwards.

CURRENCY AND CREDIT

REPORTED STATEMENT OF MINISTER OF AGRICULTURE AS TO CONTROL—INQUIRY AS TO LEGISLATIVE PROGRAM

On the orders of the day:

Mr. E. G. HANSELL (Macleod): Mr. Speaker, I should like to direct a question to the Prime Minister (Mr. Mackenzie King). Pursuant to press reports that the Minister of Agriculture (Mr. Gardiner) has stated in Edmonton that the government expects to have complete control of currency and credit by 1945, I would ask: is the legislative program of the government complete for this session, and if not, may we expect any legislation to be brought down that will change the present structure of the banking system?

We may easily fall into a wrong attitude of mind with respect to this matter. It is idle to say that we have not the right to discuss any matter that affects the welfare of the Canadian people. If England can discuss it in the manner in which it was discussed, surely Canadians are not doing them a disservice if we ascertain the views of the government with respect to these matters in the light of their fuller information than is accorded to the average man.

Mr. MACKENZIE KING: I was going to precede what I had to say, although on second thoughts it did not seem necessary to do so, with the observation that I hoped no one in this house would seek to draw wrong inferences from my statement. Practically all statements are capable of different interpretations. There is no statement that can be made at the present time with respect to world affairs which, if persons wish to be partisan in their attitude, cannot be interpreted one way or the other. What I said will be understood, I believe, by the Canadian people as being a frank expression of the view which the government takes regarding the events which I have spoken of as happening on the continent of Europe and the continent of Asia. I have said nothing whatever to indicate any desire on the part of the government to limit in any way freedom of debate in this house with respect to any question. That freedom exists at all times; it is the right of every hon. member to exercise it in his own discretion. My right hon. friend, the leader of the opposition (Mr. Bennett), has just said that the government gets wider information and gains a fuller knowledge of conditions, through dispatches which it is receiving from Europe, than possibly all hon. members may obtain through the agency of the press. In regard to that may I say that such knowledge and information as the government have received through the dispatches which have come to us from Europe and from Asia only serve to confirm the wisdom of the statement which I made a moment ago in reply to the hon. member for Vancouver East (Mr. MacInnis). I wish to repeat that if any useful purpose is going to be served, in respect to the situation either in Europe or Asia, by having these matters debated at great length, then, if hon. members so decide, the government will place no restriction upon their utterances; but the government must, with respect to its own utterances, make them in the light of the responsibility which attaches to everything the government says at this time.

TEXTILE COMMISSION

INQUIRY AS TO TABLING AND PRINTING OF REPORT

On the orders of the day:

Mr. D. G. ROSS (St. Paul's): Will the Prime Minister (Mr. Mackenzie King) inform the house when we may expect the report of the Turgeon commission to be tabled, and if it is the intention of the government to have it printed?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I understand that the Turgeon report is being both translated and printed at the present time, and I hope that it will be brought down before long.

Mr. BENNETT: Which one? The report on textiles or that on grain?

Mr. MACKENZIE KING: The textile report.

OFFICIAL REPORT

On the orders of the day:

Mr. JOSEPH NEEDHAM (The Battlefords): I wish to correct a statement which appears in the last paragraph of the first column on page 1461 of Hansard. In the sentence beginning, "It is stated that from 1930 to 1936," the year "1930" should be "1913."

Mr. ROBERT FAIR (Battle River): In the report of my remarks on Tuesday last, at page 1474 of Hansard, the profits of the International Harvester Company for the year 1935 are given as $36,779,998. This should have read, $19,618,000. I wish the correction to be made.

THE BUDGET

On the orders of the day:

Right Hon. R. B. BENNETT (Leader of the Opposition): I wish to ask the Minister of Finance (Mr. Dunning) whether or not, following the practice which I think prevails in Great Britain, he could give us an indication sometime ahead as to when the budget is likely to be brought down. Sir John Simon has indicated that he would deliver his about the sixteenth of April.

Hon. CHARLES A. DUNNING (Minister of Finance): I usually try to give advance information as to the date of the budget, and I shall endeavour to do so this session. At present the best I can say is that it will not be before the Easter adjournment.

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ELECTRIC POWER

TRANSFER TO PARLIAMENT OF CONTROL OF EXPORT EXCEPT IN INTERNATIONAL EMERGENCY

The house resumed from Thursday, March 10, consideration of the motion of Mr. Mackenzie King for the second reading of Bill No. 21, to amend the Electricity and Fluid Exportation Act.

Mr. J. R. MacNICOL (Davenport): As I see it, after listening to the very able speech delivered by the Prime Minister (Mr. Mackenzie King), the object of this bill is to relieve the government of any responsibility for initiating legislation in connection with the export of power. Just why the government is afraid to take responsibility I do not know.

What is the proposal that is before the house at the present time? The government proposes to turn over to a private member, in relation to a matter so important as this, the right to initiate legislation. Both the Prime Minister and the Minister of Justice (Mr. Lapointe) have characterized it as legislation of very great importance, and in my opinion it is altogether too important to be turned over to any private member or to any private bill. Behind a private bill there is always the motive of profit, whereas international amity should be the purpose of the government in a situation of this kind.

I agree with what the leader of the opposition (Mr. Bennett) said. If the government really desires to give parliament the power to pass upon the exportation of electricity, all it has to do is to accept his suggestion and amend the statute so as to provide that before any measure to export power becomes effective it shall have the approval of this house.

It is not my intention to deal with the bill at any great length, but I wish to deal particularly with one aspect of it, namely, the question of the revocability of licences. In the course of the debate so far, three cities have been mentioned, Massena, Niagara Falls, and Chicago, and I will try to show, from our experience in connection with the development of electricity through water diverted at each of these centres, that it is next to impossible to revoke a licence for the exportation of power.

Let us take, first, Massena. During the last year of the great war, in 1918, the aluminium interests as Massena, New York, a branch or subsidiary of the Mellon interests in the United States, were the greatest exporters of that metal to the allies. In 1918, wishing to divert more water from the St. Lawrence, they applied, through the International Joint Commission, I believe, for the right to erect a weir in the south channel of the St. Lawrence river, above the head of the Long Sault. Of course, the government of the day objected. It was a violation of one of our international treaties, the Ashburton treaty, which stipulated that no obstruction should be placed in any international navigable channel between Canada and the United States. But when it was represented to the government of the day that the aluminium company were supplying a very large proportion of that metal used by Great Britain as well as by Great Britain's allies in the prosecution of the war, the government consented to the erection of a weir in the St. Lawrence river on the condition that it should be removed "five years hence," that is to say, in 1923.

What happened? The weir was erected and the aluminium company diverted from the St. Lawrence 25,000 cubic feet of water per second through a power canal over to Massena, situated on the Grass river in New York state, and there from a head of approximately 25 feet they were able to develop from 80,000 to 90,000 horsepower. What was done in 1923? Indeed the company did not wait until 1923, because, before that date, they asked for an extension of the lease, notwithstanding that the war had then been over for practically five years. In 1928 they went after something very much more important, namely, permission to raise the weir another six feet. That is far different from carrying out the agreement to remove the weir at the end of the five years. To-day that company is diverting 25,000 cubic feet per second. It is developing from 80,000 to 90,000 horsepower from 25,000 cubic feet of water, 12,500 of which belongs to Canada.

I should like the Prime Minister when he speaks again to tell us whether that agreement can be revoked. I do not believe it can, because the interests are too strong, not only in connection with the electricity but in the realm of oil. The same interests are behind both, and they have shown great strength. Hon. members may be familiar with what took place in Colombia, South America, when the Anglo-Persian Oil Company, and the Gulf Oil Company—the latter belonging, I am told, to the Mellon interests—were trying to obtain oil leases in that country. The effort resulted finally in the overthrow of the government. The incoming president, Doctor Herrera, tried to obtain a loan, just as the outgoing president had done; and what did he do? He went to Washington and was there given a banquet; and the gentleman who sat beside him was

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57		Massey, Hon. Vincent. Speeches in Parliament	Jan. 1938	D 34781 - D 34784	
57		National Employment Commission. Speeches in Parliament	1938	D 34785 - D 34786	
57		Obituaries. Speeches in Parliament	1938	D 34787 - D 34875	
57		Paris Speech: Speeches in Parliament	Apr. 1938	D 34876 - D 34883	
57		Power, Export of. Speeches in Parliament	Mar. 1938	D 34884 - D 34947	
58		Procedure: Speeches in Parliament	1938	D 34948 - D 34955	
58		Radio. Speeches in Parliament	Feb.-May 1938	D 34956 - D 34972	
58		St. Lawrence Waterway. Speeches in Parliament	Mar. 1938	D 34973 - D 34974	
58		Spanish Civil War. Speeches in Parliament	Mar. 1938	D 34975 - D 34978	
58		Sino-Japanese Conflict. Speeches in Parliament	Jan.-May 1938	D 34979 - D 34994	

Mr. MACKENZIE KING: I shall speak on this question later and at that time give full particulars. What I wish to make perfectly clear to-night is this, that the government, before it had any knowledge whatever that the Ontario government was contemplating applying for a licence, or the negotiation of a settlement of its differences with some of the power companies, had determined and laid down its policy. We made and could make no alteration in that policy when the premier of Ontario called upon us. When I told the premier that it was impossible for us to meet his wishes and gave him the reasons which I have given to the house to-night, he was naturally disappointed. My words to him were simply that, as an executive, we were the servants of parliament, not its masters. That is the position which this government is going to continue to take with respect to the export of electrical power in this country. It may be that there are circumstances and conditions which will justify one view or another with respect to what is most advisable as to the export of power. That may be discussed very fully and freely in this house. The words, however, injected by my right hon. friend into this debate which would seek to link in any way the present administration and its attitude towards the export of power with any matter which pertains to the franchise, are wholly uncalled for and wholly unworthy on his part.

The hour is late, but I wish to avoid if possible speaking in this debate again tomorrow. If the house will give me a few minutes, I will briefly conclude what I have to say.

Mr. BENNETT: Go on.

Mr. MACKENZIE KING: My right hon. friend has spoken about the international situation. I agree with him whole-heartedly when he deplores much that has taken place in China, the way in which women and children have been treated in that country, and many other of the incidents which have marked the conflict there. I agree wholeheartedly with him that we cannot be too careful, at this time of all times, to refrain from doing anything or saying anything which in any way can cause our neutrality to be suspected. These are dangerous times in the affairs of the world. My own feeling is that much of the unrest in our own country, many of those things that we describe as affecting the unity of Canada, are simply a contagion of ill-will which has spread itself over the globe—inevitably, because ill-will is contagious just as good-will is contagious, and the one can only be offset by the other. It behooves us in this country of ours, blessed as we are in our geographical position, blessed as we are in our neighbours, blessed as we are in being part of the great British commonwealth of nations, to be very careful and very guarded in everything we do and say at this time.

If in some particulars it may seem to hon. members that the government is not going as far as it might go, is not doing some of the things which it might do and which many of us in our hearts would wish to do if we had the power necessary to back up our acts against all possible consequences, let them remember that there are other powers in this world as well as Canada that have great concern in the world situation, that other powers are deeply interested in all that happens in China as well as in Europe, and that if great powers like the United Kingdom, France and the United States think it wisest in the present world situation to refrain from taking some steps which might be construed in a different way than they would wish to have them construed, perhaps we ourselves are not acting unwise, either in their interests or our own, in being equally cautious. Any one who has followed the attitude of the British government and some other governments towards the situation in Spain must have been impressed with the fact, that time and time and time again these governments have refrained from asserting themselves in an extreme way, lest such action provoke a still graver situation. They have remained seemingly silent under rebuke. There are times when it takes much more courage to remain silent in the face of seeming or actual insult than it does to be outspoken and to strike out from the shoulder. These are times when all the restraint that can be exercised by a country, a government or by members of parliament should be exercised. I do hope that, in the course of political discussions in this house during the present session, hon. members will think twice with regard to whatever they may have to say on foreign affairs, and ask themselves whether, in view of the attitude which great nations such as England, France and the United States have thought it wisest to adopt, we ourselves should seek to outrun them and attempt some of the things that go much farther than they are prepared to go.

With respect to the remarks attributed to the Hon. Mr. Bruce, may I say at once that no one regets more than Mr. Bruce himself does that there should have been by him even so much as a mention of the situation in the orient. He so expressed himself to me, and in reference to the article re-

myself, to have anything to do with it until we had returned to Canada after the conference and it was possible to hold a meeting of the full cabinet.

An application in due form had been sent to the Minister of Trade and Commerce (Mr. Euler) by the Cedars Rapids Manufacturing Company, a subsidiary of Montreal Light, Heat and Power Consolidated, asking for the right to export 40,000 horse power. That was the application which we had not found it possible to consider prior to going abroad.

Mr. BENNETT: Was that a public body or a private enterprise?

Mr. MACKENZIE KING: For export?

Mr. BENNETT: Yes.

Mr. MACKENZIE KING: Well, the export was to the United States. I believe it was to the Aluminum Company of America at Massena, New York.

Mr. BENNETT: That is what I understand.

Mr. MACKENZIE KING: At any rate the matter was very carefully considered by my colleagues and myself. On August 14 I replied to a communication which had come formally from Mr. Norris, president of Montreal Light, Heat and Power Consolidated, asking if the application could not be granted. The letter dated Prime Minister's office, Canada, August 14, is as follows:

Dear Mr. Norris:

I wish to acknowledge your letter of August the 10th, just received, with reference to the application of the Cedars Rapids Manufacturing and Power Company, a subsidiary of the Montreal Light, Heat and Power Company, for a licence to export 40,000 horsepower to the United States for sole use by the Aluminum Company of America at Massena, New York.

The representations in your letter have received the most careful consideration of my colleagues and myself. I regret, however, that the government is not in a position to grant the licence, at the present time. In view of the broad question of policy involved and the fact that the export of power to the United States has been debated at length in parliament on several occasions, the government is of opinion that an opportunity should be afforded at the approaching session for a discussion on the subject, before any final action is taken with respect to the application of the Cedars Rapids Manufacturing and Power Company.

Yours sincerely,

W. L. Mackenzie King.

Mr. BENNETT: Perhaps the Prime Minister would file the letter.

Mr. MACKENZIE KING: Yes.

Mr. BENNETT: He can put it on Hansard.

Mr. MACKENZIE KING: I intend later to file all the correspondence we have had with reference to applications for export of power.

Mr. BENNETT: It would make the reply much more clear.

Mr. MACKENZIE KING: Early in November I was waited on in my office by Mr. Powell, president of Aluminum Limited, of Montreal, in company with Mr. Geoffrion, his counsel, asking if it would not be possible for the government to grant a licence to Aluminum Limited for the export of power. It was practically the same application as the one to which I have already referred. A few days later, a reply was sent to Mr. Powell on my behalf by Mr. Read, the acting Under-Secretary of State in language almost identical with that which I have just read. Mr. Powell and Mr. Geoffrion interviewed me on November 2. Mr. Read's reply was sent on November 12. On November 29 the Hon. Mr. Hepburn waited on myself and members of the government to ascertain whether the Dominion government would grant a licence to the Ontario Hydro Commission for the export of power. All I wish to draw attention to is this, that the government had in August, and again in November indicated in writing its position with respect to the granting of licences. On both occasions it had stated that no licence for the export of power would be given by the administration until after the matter had been fully discussed in this parliament and the question of policy further and fully considered here. When the premier of Ontario met with my colleagues and myself, and preferred his request, we read him the communication that I have just read to the house, outlined the nature of previous discussions on the subject of the export of power in this parliament, and indicated that, while we were prepared to consider the additional information that he had just then put at our disposal, we could not at that time consider granting the application in view of the government's position as previously adopted with respect to the two earlier applications, and as set forth in the communications to Mr. Norris and Mr. Powell.

Mr. BENNETT: Pardon me, what quantity was involved in the Ontario application?

Mr. MACKENZIE KING: I have forgotten at the moment, but I believe it was 90,000 horsepower.

Mr. EULER: No, 120,000.

Mr. BENNETT: It was 90,000 to 110,000.

"K" Speeches
Sino-Japanese Conflict
Baron Tomii

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HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

TUESDAY, May 24, 1938.

The house met at three o'clock.

EXCISE ACT AMENDMENT

MISCELLANEOUS ADMINISTRATIVE CHANGES INVOLVING NO ALTERATION IN RATES

Hon. J. L. ILSLEY (Minister of National Revenue) moved for leave to introduce Bill No. 123, to amend the Excise Act.

He said: The bill simply contains a number of miscellaneous amendments to the Excise Act. They are almost entirely if not entirely administrative and involve no change in the rates of duty. It is very difficult to summarize the bill in any other way.

Motion agreed to and bill read the first time.

COPYRIGHT ACT AMENDMENT

POWER OF MINISTER TO PROTECT PUBLIC AGAINST ABUSES OF EXCLUSIVE RIGHTS

Mr. PAUL MARTIN (Essex East) moved for leave to introduce Bill No. 124, to amend the Copyright Act.

He said: The purpose of the amendment is to give the minister administering the Copyright Act power to protect the public against abuses of the exclusive rights conferred upon copyright owners by the act. It is merely an extension of the powers conferred now upon the minister by the compulsory licence section of the act. The section proposed to be amended is applicable only to Canadian citizens, and consequently the amendment will not in any way affect international conventions. It is intended by the amendment to incorporate in the act remedial provisions analogous to those already in the Patent Act, 1935, to give relief against abuses by patentees.

Motion agreed to and bill read the first time.

Mr. MARTIN: With the unanimous consent of the house I should like to move that this bill be placed on the order paper for second reading at eight o'clock this evening.

Some hon. MEMBERS: No.

Mr. RINFRET: It is not customary to accede to such a request. Moreover I would point out to the hon. gentleman that there are already on the order paper several bills that are very likely to be taken up to-night and it will make no difference if this bill is placed on the order paper to-morrow.

FOREIGN POLICY

QUESTION OF DISCUSSION BY REPRESENTATIVE OF FOREIGN GOVERNMENT OF POLICY OF CANADA

On the orders of the day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): According to the press the new Japanese minister has publicly approved of the position taken by the Prime Minister (Mr. Mackenzie King) in a recent debate in this house. That may be personally gratifying to the Prime Minister, but I should like to ask whether, in view of differences of opinion in Canada and in view of the delicate international situation, it is proper that the representative of a foreign government should discuss the policies of Canada.

Right Hon. W. L. MACKENZIE KING (Prime Minister): What is the particular policy to which the hon. gentleman refers?

Mr. WOODSWORTH: The newspaper of yesterday—

An hon. MEMBER: Which one?

Mr. WOODSWORTH: I am quoting, I believe, from the Globe and Mail. This dispatch is from Niagara Falls:

Baron Tomii, who is accompanied by his wife and eight year old daughter, expressed appreciation of a recent utterance of Prime Minister Mackenzie King with regard to the Sino-Japanese conflict.

"I don't remember the exact words, but they were to the effect that Canadian people should be very careful in making remarks concerning the hostilities now going on in China," said the Baron. "I do realize how difficult it would be for people living thousands of miles away to understand fully the situation that exists in the Far East."

Discussing the mooted boycott of Japanese goods in Canada, the newly appointed minister

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said it would be ineffective as no boycott could be successful unless all countries embarked upon it simultaneously. He expressed complete confidence in an early Japanese victory and said he did not expect the "full-dress war" would be prolonged very long.

"When the military situation is cleared up, which I am confident will not be very far in the future, political stabilization and economic rehabilitation will follow," he said. "Japan will cooperate with the Chinese regimes recently established in Peking and Nanking. While we sincerely desire that these hostilities will come to an end as speedily as possible, Japan is fully prepared to meet a prolonged war."

And the interview proceeds on more general subjects. My point is that Japan is now at war with a recognized member of the League of Nations, a friendly country, but the new minister comes here—

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: My point is, Mr. Speaker, that his first utterance is to commend one particular point of view that has been set forth in this house. I think it is rather serious, since there are many in the house who do not agree with the view to which the baron made reference.

Mr. SPEAKER: Order. The hon. member must not make a speech.

Mr. WOODSWORTH: I was asked to explain my reference to an interview, which I have tried to do.

Mr. MACKENZIE KING: I asked my hon. friend to state what statement or attitude or policy of the government it was which had been alluded to by the Japanese minister, as the one to which the hon. member took exception. As I gather from what my hon. friend has read, it was the attitude taken by myself as leader of the government with respect to the Sino-Japanese war. I have taken a certain attitude in this house on the responsible discussion of foreign relations which would include the Sino-Japanese conflict, and I have not known any hon. member of the house to take exception to it, and I think possibly the Japanese minister in the circumstances was quite justified in saying that an attitude to which no exception had been taken in this house, an attitude expressed by the Prime Minister of the country, was one he was right in seeking to follow.

Mr. WOODSWORTH: If I may make just one other reference—

Mr. SPEAKER: Order. I think the hon. member has stated his point.

Mr. WOODSWORTH: I am sure the Prime Minister has not answered this point. The statement to which exception was taken is

[Mr. Woodsworth.]

that we in this country should not discuss affairs that are going on in other nations. That view was expressed in connection with the debate on radio broadcasting.

Mr. MACKENZIE KING: May I say at once to my hon. friend that I have never made any statement of the kind. He says that statement was made in the debate on radio broadcasting. No such statement was made in that debate. In the first place, in the discussion that took place during an afternoon I was not in the house, an allegation was made in the first instance that what I had said had reference to debates that had taken place over the radio. I had no thought in my mind of any debate that had taken place over the radio. The question of the debate which had taken place over the radio a few nights before, in which some hon. members of the house had participated, was not in my thoughts, and I do not think it is possible to gather from my remarks that I was in any way referring to anything of that kind.

What I have said in regard to foreign policy is this, that I think it necessary at all times to be guarded in one's utterances. I have said that the government had to take full responsibility for what it said, and at a critical time like this hon. members must expect that the government will be very guarded in its language; also that in discussing the foreign affairs of other countries I believe that the greatest service that can be rendered to Canada and the other countries themselves would be that we should do nothing in our discussions, whether in this parliament or over the radio, which will cause embarrassment.

Mr. WOODSWORTH: Should not that apply to a foreign minister?

Mr. LAPOINTE (Quebec East): It should apply to the hon. member for Winnipeg North Centre.

Right Hon. R. B. BENNETT (Leader of the Opposition): The observations of the Prime Minister (Mr. Mackenzie King) in my judgment necessitate my making at least one statement. I am wholly opposed to any minister of a foreign power coming into this country and stating that that power proposes at an early day to defeat a country which, with this country, is a member of the League of Nations, particularly in view of the fact that a committee of that league has determined that the attack upon that other country was unprovoked and unwarranted. In view of that fact I desire to make it quite clear to the Prime Minister that I do not share his views. I think any statement made by the

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have amended it. It would have been easy to put in words similar to those used in Australia if he so desired. He says that he will not be satisfied, that British Columbia will not be satisfied, until this matter is settled on a right basis. I agree with him. Then, why not let us do something about it? Why should we simply talk about it? The other day we had an illustration in British Columbia of what happens when there is too much talk; there was too much talk about the labour situation and it resulted in an unfortunate occurrence.

I am not at all pessimistic, but the feeling in British Columbia in this matter is becoming intense. There are two things more than anything else for which a man will fight; that is, the protection of his wife and family and his home; and if he thinks that his wife and family and his home are in peril, and he believes that a government three thousand miles away is indifferent or is not showing that concern for his welfare that it should, while a menace is threatening him across the ocean, he is more than likely to take steps to protect himself. That would be very lamentable in this case, something that might lead to riots and to far more international trouble than anyone might anticipate from Bill No. 11. Of course, it is too late to go back and revise our opinion about that, but even now the government could bring in a measure sufficiently different from my bill to conform to the rules of the house.

I do plead with the government to do something. I am not going to quarrel with them about the nature of it, the means they take, so long as they do something to meet the situation. Simply sending a delegation of three people to British Columbia to investigate the activities of officials will not placate the people of that province. As the minister knows, they are not in their childhood; they are not lacking in intelligence, and they will resent any suggestion that they can be placated as children can be by being given a toy as a means of getting them to think of something else.

British Columbia wants legislation to exclude Japanese. Vancouver is the third biggest city in Canada; probably one-quarter of the population of British Columbia is centred there. Well, did we not find the city council, composed of all varieties of political opinion, passing unanimously a strong and vigorous resolution, containing half a dozen whereases and concluding with the declaration, "We want the total exclusion of orientals from British Columbia?" That is what the city of Vancouver wants, and no eloquence from the Minister of National Defence, who is far more able than I am to smooth over these difficulties and troubles, will alter that bedrock fact.

Mr. SPEAKER: It is nine o'clock. The hour for private and public bills having expired, the house will revert to the order of business before six o'clock.

SUPPLY

FOREIGN POLICY—STATEMENT OF MR. MACKENZIE KING ON MOTION OF MINISTER OF FINANCE

Right Hon. R. B. BENNETT (Leader of the Opposition): At six o'clock I was referring to the Lytton report as indicating the reason why I found it so difficult to follow certain aspects of the attitude of the government with respect to the present situation in China and Japan. It will be recalled that that report was made to the League of Nations and that after very careful investigation by a well qualified committee it was found that the action taken in Manchukuo by Japan was wholly unwarranted and was unprovoked. The effect was that in the end Japan left the League of Nations. Therefore we still continue to be a member of the League of Nations. Our signature still remains upon the Kellogg-Briand pact. Our signature still remains upon the Washington nine-power treaty, and we adopted the Lytton report, whereupon, as I say, Japan withdraws. And that country, which has dishonoured its obligation and its signature in the manner I have indicated, is bold enough to send to this country an emissary who a few days after he arrives makes a statement which is a far more offensive observation than that made by Sackville-West which resulted in his recall from Washington. I mention that because frankly I cannot understand it.

Mr. MACKENZIE KING: Perhaps my right hon. friend will allow me to say a word?

Mr. BENNETT: Certainly.

Mr. MACKENZIE KING: When my right hon. friend was speaking earlier in the evening, and took exception to the government's attitude, I was not aware whether he was referring to what I said in speaking on external affairs, or whether it was to what I had said in reply to the hon. member for Winnipeg North Centre (Mr. Woodsworth) this afternoon. I gather it is what I said in reply to the hon. member for Winnipeg North Centre.

Mr. BENNETT: It was not so much a question of reply, as the language itself.

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ethnologically they are white people, yet we exclude them. How do we do it? We exclude them by an obvious trick—that is just the word to use—which the Minister of Justice says cannot be done because it is doing indirectly what we cannot do directly.

We cannot pass a law preventing our own fellow subjects from coming into Canada, so how do we keep them out? I do not want this to be used against us in the years to come because we had a satisfactory arrangement; that is, it has given satisfaction. We made objections to their coming, and we passed a law that they would have to come in a ship directly from the country of origin. We had not the courage or we had not the legislative authority and jurisdiction to say flatly, "We will not let natives of India, a part of the British empire, come into another part of the empire," so we introduced this ridiculous theory that they had to come in a boat directly from the country of origin. Can you, Mr. Speaker, conceive of any condition which would make a man a more desirable immigrant to Canada if he came in a boat which started at Bombay and docked at Vancouver than if he went from Bombay to Hongkong and then took the regular line of steamers from there to this country?

But we went further than that. Shortly before the great war broke out, a boat full of natives of India, appeared in Vancouver harbour. I forget their particular nationality, whether they were Hindus or Sikhs; I think they were Sikhs. There was a large number of them; they had come direct from the country of origin in a boat; and it was more than hinted, it was currently believed, that they had been financed by the German empire with a view to promoting discontent in India and in Canada, because it was not desired to admit a couple of thousand of these immigrants, and if they were sent back they would be a fruitful source of discontent and dissatisfaction in India. I forget the exact method we adopted in order to stop them, but I remember that fire hose figured considerably. After a good deal of discussion the boat did go back to India, and no doubt the purpose intended by the people who instigated the affair was served, that is to say, of causing a great deal of discontent in the Indian population.

That evil was foreseen as was also a recurrence of it, and we wondered what we could do about it. We again used that subtle, indirect method which the Minister of Justice says we must not use—we made an addition. We said that not only must the native of India come in a boat directly from the country of origin but he must also obtain a ticket direct from the country of origin to Vancouver. I do not know how we managed it, but I assume it was by arrangement with the consular agents. At any rate, we saw to it he could not get a ticket right through. If that is not an indirect way of doing something which we cannot do directly, I do not know what is. And that is with our own nationals in our own country. But there are a great number of other instances that could be given.

I go back to the suggestion emphasized by the Minister of National Defence, that they would be entering in hordes. May I point out that you cannot teach a horde of orientals English in a short time. It is true that in Australia it was provided that they might use some language—

Mr. MACKENZIE (Vancouver): Specified.

Mr. NEILL: —some language specified by the government. The government took care to specify some language which the man seeking entry into Australia could not read or write, and if they found that he could write one language they tried him with another. As I told the house on a previous occasion, some inspired Scot tried an unhappy Chinaman with Gaelic. The Chinaman took the matter to the courts, and it was decided in the higher courts of Australia that the Gaelic language was not a language of Europe. And then the trouble broke out. The wigs were on the green; kilts were donned; the pipes were played; the claymores were in evidence, and there was very nearly a revolution. The government hastily got the cabinet together, capitulated, and agreed that at the next session of the legislature they would bring in legislation to do away with the provision for specifying a language of Europe and would simply provide that any language might be specified. The result is that now Gaelic may be specified as a test. In New Zealand there was not a similar incident, so that the provision there still is that a language of Europe may be specified. An attempt was made by a Japanese in Australia to establish the claim that he could specify the language and that also was taken to the higher courts, but it was decided that the government alone had the power of specifying. I do not know whether that was not taken to the privy council. Then a rule was passed that until there was legislation which defined the language, the immigration officer in question had the right to do the specifying.

If there is anything at all about this bill which the Minister of National Defence does not like, all he had to do was simply express his desire in the committee and we would

Mr. MACKENZIE KING: Well, what I want to make clear at the moment, and to have the house understand, is that my right hon. friend is not taking exception to what, in speaking on external affairs, I said in relation to the Sino-Japanese war, but rather to the remark I made or something I failed to say in reply to the hon. member for Winnipeg North Centre on the orders of the day. May I say at once that when the hon. member asked the question he did of me I had not seen, nor had my attention been drawn to the statement made by the Japanese minister. That was why I asked my hon. friend what statement it was he alluded to. He said he was referring to the Japanese minister having said he agreed with the statement I had made in this house, a statement of policy. I am prepared to stand by any statement of policy I have made in this house as to the attitude we should assume towards other countries.

Mr. WOODSWORTH: My criticism was not with regard to the Prime Minister's statement of policy, but rather that the Japanese minister had commented on what had been said in a debate in this house.

Mr. MACKENZIE KING: I was trying to find the particular point to which reference was made. However, I have since obtained the reported statement of the minister from Japan. It appears in the press as follows:

Baron Tomii, who is accompanied by his wife and eight year old daughter, expressed appreciation of a recent utterance of Prime Minister Mackenzie King with regard to the Sino-Japanese conflict.

"I don't remember the exact words, but they were to the effect that Canadian people should be very careful in making remarks concerning the hostilities now going on in China," said the Baron. "I do realize how difficult it would be for people living thousands of miles away to understand fully the situation that exists in the far east."

In the first place I think hon. members will agree that while I have made a statement as to the attitude which should be assumed generally towards critical situations in other countries, I have, as far as I can recollect, made no statement referring particularly to the hostilities now going on in China, as suggested in the words attributed to the Japanese minister. My statements from time to time have been that in dealing with critical situations that exist in other parts of the world we in Canada, which is a neutral country, should be particularly careful in our discussions in this house, or over the radio or in the press or elsewhere, to be guarded in our utterances and not say things which may unnecessarily embarrass those who have to deal with these situations. That is the kind of statement I have made, and I think it is what the minister from Japan must have had in mind, because I see in another paper, the Ottawa Citizen of yesterday, the minister is quoted as follows:

When asked about the situation in China, the minister quoted Prime Minister Mackenzie King's remark made recently in the House of Commons that it was misleading and caused "a suspicion of our neutrality" for Canadians to comment on the foreign policies of other nations.

Evidently the same thought was in the mind of the minister when speaking in the one case at Niagara Falls and in the other at Ottawa. What doubtless the minister had in mind has been some statement that in relation to these two countries which are at war we are neutral; Canada is not at war with Japan; Canada is not at war with China; and our position of neutrality should be respected.

I want to say at once that I think the Japanese minister, if, as reported, he went beyond that statement and began to speak of the hostilities as between China and Japan, and indicated what he thought would be the outcome of the war, and referred to China in the course of his remarks, was forgetting the very attitude and policy which I had suggested here should be followed.

Mr. BENNETT: And which he himself had taken.

Mr. MACKENZIE KING: Yes, quite so, which he himself had taken. In that I think he was entirely wrong; I do not for a moment hesitate to say that. Perhaps I might add that an almost humourous aspect is given to what is perhaps a very serious matter, by the fact that when the new Chinese consul arrived in the city some little time ago he made some remarks at a luncheon reflecting pretty strongly on his country's enemy, and it was thought at the time that those remarks should not have been made.

Mr. BENNETT: He was only a consul.

Mr. MACKENZIE KING: Yes. I think, however, that they have now had a sufficient round of controversy in our country, and I hope no further reference will be made by any foreign representative in this country reflecting upon other lands with respect to which we are trying to preserve as impartial an attitude as possible.

Mr. BENNETT: I am sure every hon. member will be pleased to think that the interruption of my remarks has afforded an opportunity for the Prime Minister (Mr. Mackenzie King) to make the observations

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he has made. I found it a little difficult to accommodate my mind to the thought that we in this country were to listen to a statement of the war aims of a country which had signed with us a document at Washington agreeing that it would protect the integrity of the country with which it is now waging war. That is my trouble; and I deny the right of any man, whose nation has signed a document guaranteeing with the Dominion of Canada the integrity of China, to come here and talk about the defeat of China in a war which was not declared and for which there is no justification. That is the reason I made the statement I did. The Prime Minister is right when he assumes that I was not criticizing him for not having complained of the action of the minister from Japan in pointing out that he agreed with the Prime Minister, although frankly I would not feel at all complimented by having one who represents a country which has violated every international obligation it has entered into saying how much he appreciated my attitude of mind towards anything. I desire to make that observation as strong as it is possible for me to make it. I am not one of those who believe that you serve any useful purpose by forgetting your own dignity and the honour of your own country in order to placate any power, however powerful it may be. As I was sitting here I could not but recall the words of a great Englishman who was attacked in Germany by von Bulow. He said, "I am answerable to my sovereign, and not to the citizens of a foreign country." I feel perfectly certain that in our desire to maintain neutrality the Canadian people have no desire, in the interest of trade expansion or otherwise, to sacrifice their sense of national honour and of the decencies of international relations.

There is only one more thing I desire to point out, and it is that when dealing with a certain phase of the situation, in my judgment—and I express it only as my judgment—the Prime Minister entirely overlooked the fact that we have bound ourselves, in a manner that was acceptable to all governments, to successive parliaments and to the Canadian people, to a free association with the other elements of the British Commonwealth of Nations. I cannot but think that this was not answered by the language of the Prime Minister when he said, "Canada is Canada; South Africa is South Africa; Australia is Australia, and we have no interest in United Kingdom policies."

[Mr. Bennett.]

Mr. MACKENZIE KING: I never said we had no interest in United Kingdom policies. We have interest in the policies of all countries.

Mr. BENNETT: Then I shall put it in this way, that while the Prime Minister says we have an interest in the policies of all countries, he made it clear that we had no special interest in the policies of the United Kingdom—

Mr. MACKENZIE KING: Not at all.

Mr. BENNETT: —or of the other component parts of the commonwealth of nations, and he developed the idea—

Mr. MACKENZIE KING: May I rise to a point of order?

Mr. BENNETT: Surely.

Mr. MACKENZIE KING: The right hon. leader of the opposition cannot misinterpret what I said and expect me to remain silent.

Mr. BENNETT: I would not expect it and would not want it.

Mr. MACKENZIE KING: I have made no statement of a character that would permit such an inference to be drawn. I have given the house every reason to understand that we have very special cause and every desire to cooperate with all parts of the British Empire and to be interested particularly in matters that pertain to any part of the empire.

Mr. BENNETT: Well, I was dealing only with the speech I listened to, not with the observations just made.

Mr. MACKENZIE KING: Hansard will show it.

Mr. BENNETT: Hansard will abundantly clarify any difficulty there may be on that point, for the speech was prepared and typewritten; therefore it cannot be subject to any difficulties of expression. What was said, as I took it down, was: Canada is Canada; South Africa is South Africa; Australia is Australia; the United Kingdom is the United Kingdom, and that with respect to the policies of the United Kingdom it was not for us to make representations or in any sense to interfere in their expressions of policy.

Mr. MACKENZIE KING: May I say to my right hon. friend that he entirely missed the point that was being made. I was at the time taking exception to the dominions being lumped together as one and to their policies being regarded as essentially one, to be described in that way. I did not even refer to the United Kingdom. I was pointing out that each dominion of the empire has matters of immediate concern to itself.

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books. The Minister of Transport seemed to me to convey the impression that this empowering legislation was sought merely because of the situation in Spain. If we are to contemplate this being used on the Pacific, then it seems to me we should have some sort of statement from the government as to the reason for this legislation. The governor in council has been given authority under the Customs Act to prohibit anything being shipped to Spain.

Mr. ILSLEY: To any country.

Mr. WOODSWORTH: No; Spain has been designated.

Mr. ILSLEY: By order in council.

Mr. WOODSWORTH: That is what I thought I said.

Mr. ILSLEY: Not by the legislation.

Mr. WOODSWORTH: No; by order in council Spain has been designated. Why should we not have China or Japan designated as another county?

Mr. ILSLEY: It is a matter of policy.

Mr. WOODSWORTH: Quite so; but I think at this stage, when we are asked to give supplementary powers, we should know what is the policy of the government with respect to this matter. Apparently it is only the ships on the Pacific that will be affected by this legislation; two Canadian Pacific ships are the only ships that will be affected.

Mr. ILSLEY: At the moment, but this may last a long time.

Mr. WOODSWORTH: I know it is general legislation which empowers the governor in council to take action, but we should not be asked to load the statute books with useless legislation. Does the government propose to designate Japan as one of the countries to which arms may not be sent? I think we should know that. Only if the government propose to do that has this legislation any value at this time.

Mr. ILSLEY: May I ask a question? Does the hon. gentleman advocate the naming of both Japan and China as countries to which exportations should be prohibited?

Mr. WOODSWORTH: I do not know that there is any particular reason why I should be called upon to declare what government policy should be.

Mr. ILSLEY: I thought the hon. member would not answer that.

Mr. WOODSWORTH: The minister thought I would not answer that? I will answer it. The minister does not answer. I thought the minister would not answer; and the government does not appear to be answering. As far as I am concerned Japan is an aggressor nation, and I think morally we are bound to refuse to ship materials of war to an aggressor nation. China is in an altogether different position. Apparently the minister and the government do not want to answer that question. I do not think we should be called upon to put this legislation on the statute books unless we know whether it is going to be used.

Mr. MACKENZIE KING: May I say to my hon. friend that, as he is aware, as far as the conflict in Spain is concerned several nations have been represented on a non-intervention committee which has been endeavouring to prevent the spread of conflict in that country. They have all agreed upon non-intervention as far as Spain is concerned. While not represented on the committee of non-intervention Canada has deemed it desirable to ally herself with these other countries in the general attitude which has been taken towards the conflict in Spain. There is not among the nations a similar non-intervention policy thus far with regard to the Sino-Japanese conflict. There has even been no declaration of a state of war. Other nations have not joined together in any declaration of concerted non-intervention in that field. When other nations have united on a policy of non-intervention, that, it would seem, would be the time for this country to consider whether or not it should adopt a similar policy.

Mr. WOODSWORTH: May I ask the Prime Minister if we have not signed solemn treaties under which we obligate ourselves to go to the help of a country that is being attacked? And may I ask a second question: Must Canada always wait until other nations take action, especially when Canadian affairs are concerned?

Mr. MACKENZIE KING: I do not think we need to wait, but I think we are wise to take cognizance of our obligations in the light of the world situation as it is to-day.

Mr. WOODSWORTH: Then the obligations do not mean much, do they?

Mr. LAPOINTE (Quebec East): Does my hon. friend advocate Canada taking part in that war?

Mr. WOODSWORTH: I did not advocate that. I advocated refusing to give assistance to an aggressor nation that is mercilessly attacking another nation.

Mr. COLDWELL: If my recollection serves me right—I have not the documents before me—I think on October 5 or 6 last the League of Nations, of which we are a member, called upon its constituent members to give moral support to China in its struggle, and more recently we have had another pronouncement of the same kind. Again, speaking from memory, I believe at the Brussels conference Canada was pointed out as the nation which was supplying a large percentage of the raw material for Japan. If we are a signatory of the League of Nations and we have moral obligations, it seems to me—

Mr. MACKENZIE KING: Where does the hon. member get the information he has just given, with respect to Canada supplying Japan? I believe he mentioned the Brussels conference.

Mr. COLDWELL: I believe the statement was made by the Chinese delegate at the nine-power conference held at Brussels about six or seven weeks ago.

Mr. MACKENZIE KING: I should like to see the statement before attempting to answer it.

Mr. COLDWELL: I should be glad to look it up, and send it to the Prime Minister.

Mr. WOODSWORTH: Would the Prime Minister also be prepared to tell us what happened at Brussels?

Mr. LAPOINTE (Quebec East): Not during the debate on this bill.

Mr. MACKENZIE KING: My hon. friend has the report of the Brussels conference which was laid on the table of the house. That report contains the information given to the world as to what happened there. I shall be glad to answer any questions I am in a position to answer with respect to the conference, but I cannot tell the hon. member about everything that happened there.

Mr. WOODSWORTH: I was referring to the attitude taken by Canada at that conference.

Mr. MACKENZIE KING: At the proper time I shall answer any questions as to Canada's attitude. I doubt if this is the appropriate time.

[Mr. E. Lapointe.]

Mr. COLDWELL: May I follow up what I was saying by asking the minister if this legislation, which applies to only one set of circumstances, and is discriminatory against Canadian shipping, ought not to be paralleled by a declaration of the kind proposed by the hon. member for Winnipeg North Centre, so that the provision could be applied equally to all shipping engaged in the transportation of goods which may be used for war purposes.

Mr. HOWE: This is complementary legislation. As I said in my speech on second reading, Great Britain has legislation, in exactly similar terms, applying to the Spanish conflict. The United States has a measure exactly the same as this, in general terms. While the present measure applies to only a very few ships at this time, it would at least have the effect of preventing ships from being placed under Canadian register to engage in the type of trade we are trying to prevent.

Mr. GREEN: Is the power under the section wide enough to prevent a shipment of munitions to Japan? I notice that subsection 2 (a) reads:

(a) Designate any territory or territories in which there is a state of war or armed conflict—

And so on. That would not apply to shipments to Japan, because there is not a state of war in that country.

Mr. LAPOINTE (Quebec East): But there is armed conflict.

Mr. GREEN: The belief of the government is that this section is wide enough to enable them to prevent shipments to Japan, under present circumstances?

Mr. HOWE: I can say generally, that if the government passes an order in council stating that there is armed conflict in a certain area, this measure would apply immediately.

Mr. GREEN: And the minister would consider that there is sufficient power under the section to permit designating Japan as a territory to which shipments should not be made?

Mr. HOWE: Yes, undoubtedly.

Mr. MacNICOL: Does the word "munitions" include machinery for the manufacture of munitions?

Mr. HOWE: Yes. Subsection 3 contains these words:

. . . or any articles deemed capable of being converted thereinto or made useful in the production thereof—

This undoubtedly covers machinery.

in itself good enough, which gives them power to deal with important questions of foreign policy.

Mr. MACKENZIE KING: Mr. Chairman, may I say to my hon. friend that the government is just as concerned as he is about the well-being and welfare of the women and children in the orient, in Spain or in any other part of the world. But what this government is particularly concerned about is the well-being and welfare of the Canadian people. If my hon. friend wishes to know in a word what the policy of this country is with respect to matters affecting war, let me tell him that it is to seek in every possible way to avoid taking any step which may be responsible for this country either directly or indirectly being drawn into war or bringing itself or other countries into a world conflict. What it does or refrains from doing to-day with respect to world affairs is with a view to discharging its obligations in the light of the existing world situation and in the light of what other nations are doing or refraining from doing. To the best of its judgment the government is following a course which will serve to keep Canada strictly neutral and enable her, when opportunity presents itself, to cooperate with other nations in helping to bring to a conclusion, more speedily than might otherwise be possible, any existing international conflict.

Mr. WOODSWORTH: Even if the Prime Minister takes the view that we should exercise no discrimination; that we should regard China and Japan as being on an equality, will he tell me why the government should not take the same action in the case of the Sino-Japanese affair as they took in the case of Spain?

Mr. MACKENZIE KING: I can answer my hon. friend by saying that much the same reasons that have actuated the United States, that have actuated Great Britain, that have actuated France and that have actuated other countries of the world in their attitude to the Sino-Japanese conflict have actuated Canada in its attitude. We are aware of the tremendous possibilities of danger involved in taking certain courses of action, and we are taking every possible care to avoid them.

Mr. FINN: The hon. leader of the Co-operative Commonwealth Federation party spoke of ships, but there are ships other than those owned by the Canadian Government going to the West Indies. There belong to the Canadian Pacific Railway two ships of Canadian registry and under private ownership. I well remember my hon. friend stating in the house that he saw no sound reason why Japanese, Chinese and Canadians should not go to school together and get married, or why they should not be allowed to grow up together in this country. I ask him now, if his policy had been carried out, what would be the influence of the Japanese upon a Canadian girl who married a Japanese living on the Pacific coast?

Mr. WOODSWORTH: I do not know what that has to do with the matter. I have never advocated mixed marriages.

Mr. FINN: The hon. member's statement can be found in Hansard, that he saw no sound reason why Japanese, Chinese and Canadians should not all go to the same schools in the province of British Columbia.

Mr. WOODSWORTH: They do now.

Mr. FINN: Then I say that is absolutely the trouble. Why does not my hon. friend urge that the Japanese should be put out of the schools, just as the United States has said that Japanese fishing boats travelling along the Pacific coast of the United States shall no longer be permitted to receive information and to map out the country, with the idea of using force later. To permit it would be against the finer civilization that this continent desires to have.

The right hon. leader of the opposition was on very sound ground this afternoon. Any hon. gentleman who is a member of the legal profession knows that a ship on the high seas is governed by the law of the flag she flies at her stern, and that when she gets into a foreign port she is subject to the statutory laws of that country and can be held and sold, and may never return to the country from which she came.

I am sure there is no one in the house more desirous of protecting the finer humanity, not only of Canada but of the civilized world, than the Prime Minister of Canada to-day, and I believe also the right hon. leader of the opposition; but I would point out, and in no critical spirit, that this amendment to the Shipping Act passed in 1934 deals only with war materials transshipped on the high seas, and if we want to do a real job we should provide that war materials shall not leave any of our ports. Then they could not arrive at any foreign destination, or be used to kill people, nor could they be transshipped on the high seas. The amendment which it is proposed to insert in the Canada Shipping Act reads:

No article to which this section applies shall be discharged at any port or place in any territory designated by the governor in council for the purposes of this section or within the

territorial waters adjacent to such territory from a ship registered in Canada, and no such article shall be transshipped on the high seas from any such ship into any vessel bound for any such port or place, and no such article consigned to or destined for any such port or place shall be taken on board or carried in any such ship.

I may be wrong, but if we are going to get to the bottom of the world situation to-day, and if Canada is to carry on peacefully as outlined by the Prime Minister a few moments ago—and I believe every hon. gentleman, with that finer sense of humanity which should be in the human heart, will support him in that—we should go to the bottom of the situation by providing a law so ironclad that it will be impossible to ship from Canada war materials, and we would not then be worried about transshipments on the high seas or the ports the vessels were going to, or whether the ship would come back to Canada to be penalized.

Mr. HOWE: I move, Mr. Chairman, that the committee rise, report progress and ask leave to sit again.

Mr. FINN: I desire to say to the hon. Minister of Transport that I was hardly off my feet when he made his motion.

Some hon. MEMBERS: It is six o'clock.

Mr. FINN: Then I apologize most humbly to the hon. minister.

Section stands.

Progress reported.

ADJOURNMENT—BUSINESS OF THE HOUSE

Mr. MACKENZIE KING: Mr. Speaker, for obvious reasons it has not been possible for the government to indicate the business to be taken up to-day, and the rules of the house do not permit of our going into supply to-night. I question very much whether the business of the house will not be furthered in the end if we do not sit this evening but adjourn and come back better prepared for the business next week. I therefore move that the house do now adjourn. Monday is private members' day.

Motion agreed to and the house adjourned at 6 p.m.

Mr. MACKENZIE KING: I shall speak on this question later and at that time give full particulars. What I wish to make perfectly clear to-night is this, that the government, before it had any knowledge whatever that the Ontario government was contemplating applying for a licence, or the negotiation of a settlement of its differences with some of the power companies, had determined and laid down its policy. We made and could make no alteration in that policy when the premier of Ontario called upon us. When I told the premier that it was impossible for us to meet his wishes and gave him the reasons which I have given to the house to-night, he was naturally disappointed. My words to him were simply that, as an executive, we were the servants of parliament, not its masters. That is the position which this government is going to continue to take with respect to the export of electrical power in this country. It may be that there are circumstances and conditions which will justify one view or another with respect to what is most advisable as to the export of power. That may be discussed very fully and freely in this house. The words, however, injected by my right hon. friend into this debate which would seek to link in any way the present administration and its attitude towards the export of power with any matter which pertains to the franchise, are wholly uncalled for and wholly unworthy on his part.

The hour is late, but I wish to avoid if possible speaking in this debate again to-morrow. If the house will give me a few minutes, I will briefly conclude what I have to say.

Mr. BENNETT: Go on.

Mr. MACKENZIE KING: My right hon. friend has spoken about the international situation. I agree with him whole-heartedly when he deplores much that has taken place in China, the way in which women and children have been treated in that country, and many other of the incidents which have marked the conflict there. I agree wholeheartedly with him that we cannot be too careful, at this time of all times, to refrain from doing anything or saying anything which in any way can cause our neutrality to be suspected. These are dangerous times in the affairs of the world. My own feeling is that much of the unrest in our own country, many of those things that we describe as affecting the unity of Canada, are simply a contagion of ill-will which has spread itself over the globe—inevitably, because ill-will is contagious just as good-will is contagious, and the one can only be offset by the other. It behooves us in this country of ours, blessed as we are in our geographical position, blessed as we are in our neighbours, blessed as we are in being part of the great British commonwealth of nations, to be very careful and very guarded in everything we do and say at this time.

If in some particulars it may seem to hon. members that the government is not going as far as it might go, is not doing some of the things which it might do and which many of us in our hearts would wish to do if we had the power necessary to back up our acts against all possible consequences, let them remember that there are other powers in this world as well as Canada that have great concern in the world situation, that other powers are deeply interested in all that happens in China as well as in Europe, and that if great powers like the United Kingdom, France and the United States think it wisest in the present world situation to refrain from taking some steps which might be construed in a different way than they would wish to have them construed, perhaps we ourselves are not acting unwise, either in their interests or our own, in being equally cautious. Any one who has followed the attitude of the British government and some other governments towards the situation in Spain must have been impressed with the fact, that time and time and time again these governments have refrained from asserting themselves in an extreme way, lest such action provoke a still graver situation. They have remained seemingly silent under rebuke. There are times when it takes much more courage to remain silent in the face of seeming or actual insult than it does to be outspoken and to strike out from the shoulder. These are times when all the restraint that can be exercised by a country, a government or by members of parliament should be exercised. I do hope that, in the course of political discussions in this house during the present session, hon. members will think twice with regard to whatever they may have to say on foreign affairs, and ask themselves whether, in view of the attitude which great nations such as England, France and the United States have thought it wisest to adopt, we ourselves should seek to outrun them and attempt some of the things that go much farther than they are prepared to go.

With respect to the remarks attributed to the Hon. Mr. Bruce, may I say at once that no one regets more than Mr. Bruce himself does that there should have been by him even so much as a mention of the situation in the orient. He so expressed himself to me, and in reference to the article re-

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myself, to have anything to do with it until we had returned to Canada after the conference and it was possible to hold a meeting of the full cabinet.

An application in due form had been sent to the Minister of Trade and Commerce (Mr. Euler) by the Cedars Rapids Manufacturing Company, a subsidiary of Montreal Light, Heat and Power Consolidated, asking for the right to export 40,000 horse power. That was the application which we had not found it possible to consider prior to going abroad.

Mr. BENNETT: Was that a public body or a private enterprise?

Mr. MACKENZIE KING: For export?

Mr. BENNETT: Yes.

Mr. MACKENZIE KING: Well, the export was to the United States. I believe it was to the Aluminum Company of America at Massena, New York.

Mr. BENNETT: That is what I understand.

Mr. MACKENZIE KING: At any rate the matter was very carefully considered by my colleagues and myself. On August 14 I replied to a communication which had come formally from Mr. Norris, president of Montreal Light, Heat and Power Consolidated, asking if the application could not be granted. The letter dated Prime Minister's office, Canada, August 14, is as follows:

Dear Mr. Norris:

I wish to acknowledge your letter of August the 10th, just received, with reference to the application of the Cedars Rapids Manufacturing and Power Company, a subsidiary of the Montreal Light, Heat and Power Company, for a licence to export 40,000 horsepower to the United States for sole use by the Aluminum Company of America at Massena, New York.

The representations in your letter have received the most careful consideration of my colleagues and myself. I regret, however, that the government is not in a position to grant the licence, at the present time. In view of the broad question of policy involved and the fact that the export of power to the United States has been debated at length in parliament on several occasions, the government is of opinion that an opportunity should be afforded at the approaching session for a discussion on the subject, before any final action is taken with respect to the application of the Cedars Rapids Manufacturing and Power Company.

Yours sincerely,
W. L. Mackenzie King.

Mr. BENNETT: Perhaps the Prime Minister would file the letter.

Mr. MACKENZIE KING: Yes.

Mr. BENNETT: He can put it on Hansard.

Mr. MACKENZIE KING: I intend later to file all the correspondence we have had with reference to applications for export of power.

Mr. BENNETT: It would make the reply much more clear.

Mr. MACKENZIE KING: Early in November I was waited on in my office by Mr. Powell, president of Aluminum Limited, of Montreal, in company with Mr. Geoffrion, his counsel, asking if it would not be possible for the government to grant a licence to Aluminum Limited for the export of power. It was practically the same application as the one to which I have already referred. A few days later, a reply was sent to Mr. Powell on my behalf by Mr. Read, the acting Under-Secretary of State in language almost identical with that which I have just read. Mr. Powell and Mr. Geoffrion interviewed me on November 2. Mr. Read's reply was sent on November 12. On November 29 the Hon. Mr. Hepburn waited on myself and members of the government to ascertain whether the Dominion government would grant a licence to the Ontario Hydro Commission for the export of power. All I wish to draw attention to is this, that the government had in August, and again in November indicated in writing its position with respect to the granting of licences. On both occasions it had stated that no licence for the export of power would be given by the administration until after the matter had been fully discussed in this parliament and the question of policy further and fully considered here. When the premier of Ontario met with my colleagues and myself, and preferred his request, we read him the communication that I have just read to the house, outlined the nature of previous discussions on the subject of the export of power in this parliament, and indicated that, while we were prepared to consider the additional information that he had just then put at our disposal, we could not at that time consider granting the application in view of the government's position as previously adopted with respect to the two earlier applications, and as set forth in the communications to Mr. Norris and Mr. Powell.

Mr. BENNETT: Pardon me, what quantity was involved in the Ontario application?

Mr. MACKENZIE KING: I have forgotten at the moment, but I believe it was 90,000 horsepower.

Mr. EULER: No, 120,000.

Mr. BENNETT: It was 90,000 to 110,000.

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ferred to by my right hon. friend gave a statement to the press which I think ought to be put on record:

I would not be so indiscreet as to make a statement of that kind. The statement is entirely misleading. It is a misinterpretation of my remarks, although I do not consider that it was done with any deliberate intent.

I talked over the situation with Mr. Bruce, and I believe that, in so far as he may have spoken at all in private conversation with people in different parts of the country or with others, what at most he did was to indicate in some cases what he believed was in the mind of Japan; not that he was giving his view of the situation but that he was seeking to interpret, to those who could not comprehend the situation, what from the Japanese point of view the situation was considered to be. That, I would say myself, might just as well have been left unsaid. I agree with the criticism which the leader of the opposition has made to-night as regards a member of the diplomatic service having said anything at this time with respect to a situation so critical as that between China and Japan. But I do not think that we need enlarge upon it to any extent. I do not believe that the Chinese government or the Japanese government could for a moment think that this country was seeking to take sides in the unfortunate differences which have arisen and the conflict which is in progress. I believe they understand that our decision is to be strictly neutral, to hold ourselves in a position where, if opportunity does offer, and some word of ours can help to shorten the conflict, to minimize the struggle, that word will be given in season and may prove of value.

Mr. Bruce has intimated to me that after the coming summer he would like to be relieved of his position as minister to Japan. When he took the position he did so with the understanding that it would be only for a year or two. He took the post to oblige the government. Mr. Marler was being appointed to Washington and it was difficult to find anyone wholly qualified to take his place in Tokyo. Mr. Bruce has an understanding of conditions on the Pacific coast which very few men possess. He has a wide knowledge of affairs. Above all he has a disposition and a nature which can be relied upon not to antagonize those with whom he is brought into contact but to further cooperative effort.

Mr. Bruce has done exceedingly well in Tokyo. Reports from those who have met him, reports from our own people who have been in Japan while he has been there, make clear to me that his service to Canadians in or passing through Japan has been a very real one, and certainly the reports we receive from him have been extremely helpful to the government. It is true that his sight is greatly impaired; but there have been men whose sight has been impaired, but whose judgment has been all the keener, though not perhaps as a consequence. Mr. Bruce is of that type. He is accustomed to bring about him into conference each day those who are close to him in the legation, and through other eyes and the confidences imparted to him, he obtains, I believe, pretty much all that can be comprehended at the present time by any minister in regard to the situation in the orient.

May I conclude with this one word to my right hon. friend with regard to the advantages of international trade and what he said in his remarks as to the danger of international trade leading to war. As I have already said—

Mr. BENNETT: I did not say that.

Mr. MACKENZIE KING: What was it he said?

Mr. BENNETT: The right hon. gentleman will read it.

Mr. MACKENZIE KING: Let me, then, put in it this way. His advocacy to-night has been of what we may term economic nationalism.

Mr. STEWART: Not at all.

Mr. MACKENZIE KING: I think so.

Mr. BENNETT: Quite the opposite.

Mr. MACKENZIE KING: Did he not say that greater freedom of trade leads to war?

Mr. BENNETT: No, he did not.

Mr. MACKENZIE KING: I think he did, and I believe a good many others in the house thought he did. At any rate, a difficulty I find in my right hon. friend's argument is this. When he was speaking of the agreement made with the United States he seemed to want to take credit for the whole agreement.

Mr. BENNETT: No.

Mr. MACKENZIE KING: Oh, yes; and in that connection he was assuming that an agreement was a good thing. He sought to point out how it had come about as the result of the work he had done before.

Mr. BENNETT: The work the government had done.

Mr. MACKENZIE KING: Well, if this greater freedom of trade is a bad thing, why did his government try to do anything? I think my right hon. friend has let the cat out of the bag to-night. I do not believe he ever meant to put through an agreement with the United States, simply because he believes in economic nationalism and economic imperialism. Had he remained in office, that agreement would not exist to-day.

Does my right hon. friend recall what he said just before he came into office in 1930? Does he recall what he said as to how he would get into other markets? He was not going to take the slow way of seeking entry by agreement into foreign markets. He was going to blast his way into the markets of the world. And now he comes and tells us that this business of blasting one's way into world markets is all wrong. What we need, he now says, is not to get into the markets of the world; we need as a country, to be in a watertight compartment where we can work out our experiments; experiments to be worked out between the Conservative party and its new allies the Social Credit party in the west.

On motion of Mr. Blackmore the debate was adjourned.

It being twenty minutes after eleven o'clock the house adjourned, without question put, pursuant to standing order.

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
58		Trade: United Kingdom - United States Trade Agreement. Speeches in Parliament	Jan. 1938	D 34995 - D 35002	
58		Trade: International. Speeches in Parliament	Jan.-Feb. 1938	D 35003 - D 35020	
58		Unemployment Insurance. Speeches in Parliament	Jan.-June 1938	D 35021 - D 35031	
58		Water - Division of. Speeches in Parliament	Feb.-Mar. 1938	D 35032 - D 35041	
58		Unemployment & Drought. Speeches in Parliament	June 1938	D 35042 - D 35051	
58		Canada-United States Trade Treaty, Washington. Speeches outside Parliament	17 Nov. 1938	D 35052 - D 35086	
58		Australia: "Canada Salutes Australia" Broadcast: Speeches outside Parliament	27 Jan. 1938	D 35087 - D 35122	
58		National Liberal Federation of Canada: Speeches outside Parliament	18 May 1938	D 35123 - D 35133	

to obey it, I felt great pride as a Canadian to hear for the first time in history my own country in its relation to the crown mentioned in terms exactly the same as those applied to Great Britain itself. The oath administered at the time of the coronation ceremony was as follows:

> Will you solemnly promise and swear to govern the peoples of Great Britain, Ireland, Canada, Australia, New Zealand and the Union of South Africa, of your possessions and the other territories to any of them belonging or pertaining, and of your empire of India, according to their respective laws and customs?

The reply was:

> I solemnly promise so to do.

That oath marks the end of any suggestion, remote or otherwise, of anything in the nature of subordinate or colonial status. It is the enunciation by the crown itself of the complete nationhood of Canada on equality, so far as status is concerned, with all other nations of the British Commonwealth.

I found it somewhat difficult to follow the observations of my right hon. friend with regard to the imperial conference. So far as I am able to recollect, his observations were to the effect that speeches were reported to have been made by me, or that something had appeared somewhere referring to me, purporting that, at the imperial conference, I had acted as the chief interpreter of the views of the chief executive of another country with respect to that country's relationship with Great Britain.

Why did my right hon. friend not come right out and state that many Tory papers, here and there, have been saying that Mr. Mackenzie King was seeking to be of some service to the President of the United States in connection with his desire to conclude a trade agreement with Great Britain. That is what he meant, but he did not say it. He left it as a sort of vague impression, one which has been fostered right and left in the press supporting my right hon. friend. In fact, in an editorial in one of the papers of this city there appeared the statement that, when last year I visited Washington as the guest of the President, the purpose of my visit was to discuss the proposed trade agreement with Great Britain, that I had gone very fully into the whole matter with the President and with the Secretary of State, and that I had then gone to the imperial conference and at the conference had been the advocate for the United States with respect to an agreement with Great Britain.

May I say to you, Mr. Speaker, and to hon. members, that at the time I visited Mr. Roosevelt at the White House in the early part of last year, and had the privilege of discussing a great many questions with him in an intimate way, the subject of a trade agreement between the United States and Great Britain was never so much as mentioned. The same is literally and absolutely true with respect to any conversation I had with the Secretary of State for the United States at that time, or with any member of the United States government.

It was from the British Ambassador in Washington, and from our own minister in Washington who, in turn, had received his information from the British Ambassador, that I learned for the first time that for some little time there had been explorations, negotiations, conversations, whatever the proper description may be, with respect to the possibility of a trade agreement between the United States and Great Britain. It was information given, not with any request attached to it, but a simple statement of the fact that these two countries were contemplating negotiations and had begun discussions.

When, with some of my colleagues, I was present at one of the sessions of the Imperial conference in London, the matter was brought up, not at my instance, as was stated from some inspired source, but by a minister of the crown in Great Britain. The question was discussed openly before the representatives of the empire countries there represented, in which number Canada was included. We were told of the nature of the negotiations under way and were asked to express our views with regard to them. I need not say to this House of Commons that any expression of views from any of my colleagues or myself was wholly to the effect that, while Canada was anxious in every way to be of service in the matter of furthering friendly relationships among different countries, we would necessarily wish to see that every privilege we enjoyed in the British market was fully protected, and that any change which might be made in that position could be made only as the result of what in our opinion were adequate compensations therefor.

I do not propose to-night to go into the matter of trade negotiations between Great Britain and the United States, or for that matter into trade negotiations between Canada and the United States. I shall have something to say on these matters at a later date. Part of the business of a leader of the opposition is, so far as possible, to draw out the government in advance of the time at which discussions on certain subjects may

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have no doubt that, after his little escapade last summer and autumn in provincial politics, he has come back a much wiser though perhaps a somewhat sadder man.

Now may I say to my right hon. friend (Mr. Bennett) that we all enjoyed very much some of the humour of his speech. We have been entertained by his digressions in many directions, although it has been a little difficult to follow him in some of his denunciations, exclamations, innuendoes and insinuations. I am not going to try to follow him along that devious course. I was however somewhat surprised that he was not a little more courteous to one of the hon. members who has just come into this house, whom he had heard speaking for only a very few minutes and whom he would not permit even to ask a question when, in the mind of the hon. member for Renfrew North, the right hon. gentleman himself was misconstruing what that hon. member had just been saying.

My right hon. friend said that the hon. member for Renfrew North had been drawing on his imagination for the facts. Well, there are some things with respect to which we need not draw on our imagination to be perfectly sure of the facts. One is that the present administration received from the people of this country the largest majority that any administration has had in the history of Canada. Nor do we need to draw on our imagination to recall that while for a time my right hon. friend was the leader of a very large party, he got at the end of one term of office one of the worst lickings any prime minister ever received. Nor do we need to draw on our imagination for a further fact, which I think is also important, in view of what my right hon. friend has had to say by way of criticism of the government, particularly with reference to what we have failed to do, as he says, in the matter of improving conditions. Let me ask: How has the country itself viewed the actions of the government since it took office? We have had seventeen by-elections since the general elections of 1935. Of that number my right hon. friend has carried three and the present administration fourteen. Of the three which my right hon. friend and his party have carried, one was in the city of Victoria. Since that by-election, there has been another and the seat has been lost by my right hon. friend's party. One of the other two was the by-election which returned my hon. friend from Dufferin-Simcoe, to whom I spoke a moment ago. Evidently he was quite overcome by the few kindly remarks which were made about him, for he has left the chamber. The hon. member was allowed to leave this house by one door and to come back unopposed by the same door.

There is another fact to be kept in mind, it is not something imagined. While this government was returned to power after the general elections of 1935 with the largest majority any administration has ever had in the history of Canada, today, at the beginning of the third session of the present parliament, we enjoy an even larger majority than we had at the time we came into office.

It is the country's opinion, I value. So, Mr. Speaker, I do not intend to devote too much time to what my right hon. friend has said about our failure to help meet the situation as it exists in this country. He has said a great deal about unemployment, which he states is continuing. May I remind the house of what my right hon. friend told the electorate when he was appealing to them and when they returned him to office in 1930? He promised that he would end unemployment or perish in the attempt. Far from perishing, he is here in livelier form than ever. My right hon. friend talks about the number of unemployed, but the number of unemployed to-day is very different from what they were during his period of office, fortunately for the people and for the incomes of the people, to which his amendment to-night relates.

I was pleased, as we all were, to hear the reference the right hon. gentleman made to Their Majesties the king and queen. Those of us who were privileged to attend the coronation ceremonies were deeply impressed by what we witnessed in Westminster Abbey. Even more impressive, however, than the consecration by Their Majesties of their lives at that service, is the devotion which they have shown to the public service in their high post of duty since His Majesty's accession. I doubt if at any time in the history of any country there have been upon the throne a king and queen more devoted to each other and to their subjects, and whose lives have been more completely consecrated to the well-being of their fellow men, than King George VI and Queen Elizabeth. The affection in which they are held in the old land itself is already all but equalled by the affection entertained for them in all parts of this great empire.

The speech from the throne affords, I think, an appropriate opportunity for a reference to the recognition given in the coronation ceremoney to the complete nationhood of the Dominion of Canada. I confess that as I listened to the oath which was administered to His Majesty, and heard His Majesty promise

properly take place. The time to discuss these trade matters is when we have something concrete before us for deliberation.

I should, however, make it abundantly clear that any trade negotiations between Great Britain and the United States were begun and entered into by those countries themselves. Of necessity we have to take notice of them. We have an agreement with Great Britain and one with the United States, each of which will expire shortly. In fact, the one with the United States runs to the end of the present year, and is subject thereafter upon notice to complete cancellation at the end of six months. The agreement with Great Britain expires in 1940.

It is necessary for a government at all times to have regard, not only for today but for tomorrow, to situations which may arise not only in the immediate present but also in the future. Under these circumstances I would ask any hon. member this question: When other countries belonging to the British Commonwealth of Nations have declared their willingness to cooperate helpfully, if it is possible so to do, in the furtherance of trade relations between the two greatest trading countries of the world, in a manner which it is hoped will help to serve the interests not only of these two countries but of all parts of the British Commonwealth and other nations as well, should Canada be the one to sit back, like a dog in the manger and say, "We will have nothing to do with either of you in transactions of the kind"? I wonder where we would be in the course of another year if that were the attitude we chose to take.

If that is the attitude he would take, it is a fortunate thing for Canada that my right hon. friend is not in office to-day. I tell him that, strong as he may feel about the importance of having a wall around his own country, those walls which have been built up around different countries more than anything else, are responsible for the unrest throughout the world at the present time. The world will get through its present difficulties, not by nations adopting an attitude of non-cooperation, but by all countries being as helpful as they can and in as many directions as possible. Particularly is this true with respect to matters tending to improve conditions in international trade.

The next topic to which reference is made in the speech from the throne is the improvement in Canada's economic condition. The facts of recovery are so evident, I had thought I would not say very much on this subject, but the amendment of my right hon. friend forces me to make some observations. He has moved the following in amendment:

> We desire respectfully to express regret that the speech from the throne does not indicate that the government have taken or contemplate taking efficient measures to deal with unfavourable economic conditions in Canada, and that no legislative action is proposed to deal effectively with the prevailing uncertainty and insecurity resulting from the inadequate incomes of large numbers of our people.

The amendment regrets that the speech from the throne does not indicate that the government have taken or contemplate taking efficient measures to improve economic conditions. Why should the speech from the throne state that the government contemplates taking efficient measures to improve economic conditions? Look at the facts and figures with regard to the present conditions in Canada in comparison with what they were when we came into office and see what they disclose. They speak more eloquently than could any words in the speech from the throne. If we had put into the speech from the throne the exact words of my right hon. friend's amendment he would have criticized us at once. He would have told us that instead of putting any such words into the speech from the throne it would have been much better to have enumerated the statistics which would verify the fact that an improvement had taken place.

He said that within the last little while there had been a falling off of trade with the United States, that there had been a setback to some extent, and that the balance of trade was not what it had been. My right hon. friend knows very well that the falling off this year in exports to the United States and other countries is due, more than anything else to the unfortunate drought which has been experienced in western Canada. In the past year, the United States had a surplus of grains, feed and fodder, whereas Canada unfortunately, as a result of intense drought had no exportable surplus. A year ago that situation was entirely the reverse. At that time we had a surplus of these commodities and drought in the United States necessitated large imports of them from Canada. Because of drought, Canada did not have a normal quantity of wheat for export in the closing months of 1937. The exports of wheat in December, 1936, were valued at $25,256,000, whereas in December, 1937, they were valued at only $10,121,000. In the one item of wheat there was a decrease of $15,000,000 or 60 per cent in one month. This decrease was due in

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part, to the fact that the dominion had not been able to produce the wheat required for export. We hope that this condition will not recur in the present year, and there is strong reason to believe that it will not. If conditions should again become what we hope they will, then unquestionably sales to the United States and other countries will be appreciably increased as a consequence.

Mr. BENNETT: The exports that have just been mentioned were not to the United States only.

Mr. MACKENZIE KING: They were Canadian wheat exports, but a very large part would have gone to the United States if we had been in a position to sell.

Notwithstanding what my right hon. friend asserts in his amendment, there is abundant evidence of substantial progress. The speech from the throne refers to the new levels that have been reached in revenues. Revenues are a fairly good index as to whether or not conditions have improved. For the first nine months of the fiscal year 1935-36, the total ordinary revenues of Canada amounted to $288,000,000. In the same period in 1936-37, they had increased to $339,000,000. In 1937-38, they totalled $401,000,000. The figures for 1937-38 showed an increase of 18 per cent over the 1936-37 period and 39 per cent over the 1935-36 period. In 1937-38, the revenues of this country were the highest that they have ever been for a similar period in any year.

These figures supply the answer to my right hon. friend's amendment. They indicate the degree of relative prosperity in this country when compared with what it has been in the past.

Let us take the figures with respect to trade. The total trade of Canada for the calendar year of 1937 was the highest since 1929, which was one of the best years. In 1935, the last year my right hon. friend was in office, the total trade of Canada amounted to $1,389,000,000. In 1936 it amounted to $1,663,000,000, and in 1937, $1,934,000,000. The 1937 figure shows an increase of $271,000,000 or 16 per cent over the 1936 figure and $545,000,000 or 39 per cent over the 1935 figure. For those who insist that the important factor is the balance of trade, let me state that Canada had a favourable visible balance of trade of $316,000,000 for the calendar year 1937. For the first time since 1921, Canada regained her position as the fourth greatest exporting nation in the world.

[Mr. Mackenzie King.]

Yet to-night this new doctrine of no advantage in export trade, is put forth quite evidently to help combine the Tory party with those of the Social Credit and other groups who sit to its left.

Mr. BENNETT: I did not say that.

Mr. MACKENZIE KING: I know my right hon. friend did not say it, but I am saying it. I know what he has in his mind.

Mr. BENNETT: I did not say there was no advantage in export trade.

Mr. MACKENZIE KING: My right hon. friend has so many doctrines that it is hard to keep track of them, but, according to the latest one put forth to-night, it is a mistake to think of international trade as being a good thing.

Mr. BENNETT: I did not say any such thing.

Mr. MACKENZIE KING: My right hon. friend said that it led to war.

Mr. BENNETT: That is not what I said either.

Mr. MACKENZIE KING: My right hon. friend may have his eyes on the Edmonton East by-election.

Mr. BENNETT: No, I am not thinking about it.

Mr. MACKENZIE KING: He may be hoping that between now and the next general election he can succeed by some doctrine of economic nationalism in finding an alleged solution of all problems. He evidently hopes to bring these two parties into a working combination. The Conservative party will be brought into this combination on the basis of high protection, and the Social Credit party will be brought in on the basis that their experiment can succeed only where there is no contact with the outside world.

My right hon. friend came into power in 1930 on the cry that he would end unemployment in a short time. He went out of office five years later because he had not succeeded but had made the situation worse. He left us with a pretty heavy legacy. We have, however, tried to do our best, and have succeeded to a considerable degree. What is the position with regard to the increase in employment and the decrease in unemployment? More persons were employed in Canada on January 1, 1938, than at the corresponding period of any previous year in the history of Canada. That fact is disclosed by the figures of the Dominion Bureau of Statistics with regard to employment by firms employing fifteen or

ferred to by my right hon. friend gave a statement to the press which I think ought to be put on record:

I would not be so indiscreet as to make a statement of that kind. The statement is entirely misleading. It is a misinterpretation of my remarks, although I do not consider that it was done with any deliberate intent.

I talked over the situation with Mr. Bruce, and I believe that, in so far as he may have spoken at all in private conversation with people in different parts of the country or with others, what at most he did was to indicate in some cases what he believed was in the mind of Japan; not that he was giving his view of the situation but that he was seeking to interpret, to those who could not comprehend the situation, what from the Japanese point of view the situation was considered to be. That, I would say myself, might just as well have been left unsaid. I agree with the criticism which the leader of the opposition has made to-night as regards a member of the diplomatic service having said anything at this time with respect to a situation so critical as that between China and Japan. But I do not think that we need enlarge upon it to any extent. I do not believe that the Chinese government or the Japanese government could for a moment think that this country was seeking to take sides in the unfortunate differences which have arisen and the conflict which is in progress. I believe they understand that our decision is to be strictly neutral, to hold ourselves in a position where, if opportunity does offer, and some word of ours can help to shorten the conflict, to minimize the struggle, that word will be given in season and may prove of value.

Mr. Bruce has intimated to me that after the coming summer he would like to be relieved of his position as minister to Japan. When he took the position he did so with the understanding that it would be only for a year or two. He took the post to oblige the government. Mr. Marler was being appointed to Washington and it was difficult to find anyone wholly qualified to take his place in Tokyo. Mr. Bruce has an understanding of conditions on the Pacific coast which very few men possess. He has a wide knowledge of affairs. Above all he has a disposition and a nature which can be relied upon not to antagonize those with whom he is brought into contact but to further cooperative effort.

Mr. Bruce has done exceedingly well in Tokyo. Reports from those who have met him, reports from our own people who have been in Japan while he has been there, make clear to me that his service to Canadians in or passing through Japan has been a very real one, and certainly the reports we receive from him have been extremely helpful to the government. It is true that his sight is greatly impaired; but there have been men whose sight has been impaired, but whose judgment has been all the keener, though not perhaps as a consequence. Mr. Bruce is of that type. He is accustomed to bring about him into conference each day those who are close to him in the legation, and through other eyes and the confidences imparted to him, he obtains, I believe, pretty much all that can be comprehended at the present time by any minister in regard to the situation in the orient.

May I conclude with this one word to my right hon. friend with regard to the advantages of international trade and what he said in his remarks as to the danger of international trade leading to war. As I have already said—

Mr. BENNETT: I did not say that.

Mr. MACKENZIE KING: What was it he said?

Mr. BENNETT: The right hon. gentleman will read it.

Mr. MACKENZIE KING: Let me, then, put in it this way. His advocacy to-night has been of what we may term economic nationalism.

Mr. STEWART: Not at all.

Mr. MACKENZIE KING: I think so.

Mr. BENNETT: Quite the opposite.

Mr. MACKENZIE KING: Did he not say that greater freedom of trade leads to war?

Mr. BENNETT: No, he did not.

Mr. MACKENZIE KING: I think he did, and I believe a good many others in the house thought he did. At any rate, a difficulty I find in my right hon. friend's argument is this. When he was speaking of the agreement made with the United States he seemed to want to take credit for the whole agreement.

Mr. BENNETT: No.

Mr. MACKENZIE KING: Oh, yes; and in that connection he was assuming that an agreement was a good thing. He sought to point out how it had come about as the result of the work he had done before.

Mr. BENNETT: The work the government had done.

D 35000

Mr. MACKENZIE KING: Well, if this greater freedom of trade is a bad thing, why did his government try to do anything? I think my right hon. friend has let the cat out of the bag to-night. I do not believe he ever meant to put through an agreement with the United States, simply because he believes in economic nationalism and economic imperialism. Had he remained in office, that agreement would not exist to-day.

Does my right hon. friend recall what he said just before he came into office in 1930? Does he recall what he said as to how he would get into other markets? He was not going to take the slow way of seeking entry by agreement into foreign markets. He was going to blast his way into the markets of the world. And now he comes and tells us that this business of blasting one's way into world markets is all wrong. What we need, he now says, is not to get into the markets of the world; we need as a country, to be in a watertight compartment where we can work out our experiments; experiments to be worked out between the Conservative party and its new allies the Social Credit party in the west.

On motion of Mr. Blackmore the debate was adjourned.

It being twenty minutes after eleven o'clock the house adjourned, without question put, pursuant to standing order.

any government that has reduced the tariff. I have always supported the Liberal party in its reduction of tariffs just as I have always opposed the Conservative party in its tariff increases, but I have always taken the stand that moving the tariff up a little or down a little will not provide a solution for our national problems. To-day the bankers of the world are shouting from the roof-tops that the trade of the world should be liberated, that tariffs should be reduced, and I have been wondering since when have the bankers of the world or of this nation become the champions of the ordinary farmer and working man. We should indeed be in strange company if we were found in the ranks of the bankers agreeing with them that a policy of lower tariffs would solve our economic problems. If I thought that that was the solution, Mr. Speaker, I would hold up both my hands immediately for such a reduction and so end all our troubles; but even in low tariff countries to-day, just as in high tariff countries, they have exactly the same problems to face as those by which we are confronted in the Dominion of Canada.

Mr. MACKENZIE KING: I do not wish to interrupt my hon. friend, but he is repeating what many on the other side have already said, which is not correct. He is saying that the government takes the position that by furthering international trade it is doing the only thing that it considers necessary to solve existing problems. The speech from the throne is quite specific as to the government's view on international trade. It states that:

> The government is convinced that, in seeking to cooperate with the United Kingdom and other countries in efforts to promote international trade, it is pursuing one of the most effective means of ensuring economic security and progress in Canada, and the betterment of conditions in other parts of the world.

One of the most effective means—that is the position of the government. It is not that the government holds that international trade is the solution of all ills, but that it is one of the most effective means of ensuring security and prosperity.

Mr. HEAPS: I am very glad to have that statement from the Prime Minister, but I have spoken for only two or three minutes, and probably if I had gone on a little longer I should have dealt with some of the other statements made in the speech from the throne, as I intend doing before my time expires. I am glad the Prime Minister takes the position that in international trade is not to be found a complete solution of our national problems. We must bear in mind, Mr. Speaker, that every nation to-day is anxious to find export markets. In that we are not alone. In fact, since production became simplified and the nations learned to produce with an ease that we did not know fifty or a hundred years ago, practically all nations have had exportable surpluses, and it is because of these exportable surpluses that competition among the nations for foreign markets is becoming keener and keener, while at the same time there is a lessened demand from the nations of the world for the importation of commodities as compared with the demand that existed twenty-five or fifty or seventy-five years ago.

I maintain that it is not necessary for us to look first of all to foreign markets. The first thing for any government to do is to satisfy the home demand. Can anyone give me a logical reason why we in Canada cannot consume the goods we produce here in such abundance, or why we must not consume them until Japan, China, Germany, Italy and other countries have first been supplied from our production? The people who have first claim on the productive capacity of the dominion are the Canadian people themselves. When we find ourselves with a surplus of commodities, then let us by all means find export markets to take our surplus. But no government has ever yet attempted adequately or even reasonably to satisfy the demands of the Canadian people. Have the demands of the Canadian people been legitimately met? Certainly not. In this country hundreds of thousands of people, some of them out of work, some of them working part time or full time, are living on the borderline of poverty, and until we have satisfied their legitimate demands their needs should receive first consideration, and foreign countries second. I remember in my school days reading in a history of India the story of the people of India famishing while India was exporting her wheat. We here are doing very much the same thing; we are exporting so-called surplus commodities while hundreds of thousands of Canadian people are in dire want.

The government might claim that as a result of the trade agreements they have made with the nations of the world our trade has increased, but I will not subscribe to that assumption because in all parts of the world trade has increased, and although the tariffs of this country have decreased by only a comparatively small amount during the past two or three years, our imports have jumped up. If tariffs are a hindrance to international trade I would like to ask this question of economists, who may be able to answer it in

D 35002

a simple way: Why is it that in spite of high tariffs, quotas and other trade restrictions in all parts of the world, there has been this great jump in international trade in the past two or three years? It is quite obvious that this has happened not because of important tariff reductions, but because there has been an effective demand in certain countries for a certain class of commodities, and the nations of the world have been trying to satisfy that demand.

Mr. MACKENZIE KING: There would have been a bigger jump had it not been for these restrictions.

Mr. HEAPS: That is merely an assumption. We can take one view or the other; we cannot be sure. If we were, of course we could deal with this question in a more definite way than we are doing. All I say is that in spite of high tariffs the world over, there has been a considerable increase in international trade during the past three or four years. From the standpoint indicated by the interruption of the Prime Minister (Mr. Mackenzie King), if an economist to-day attempts to deal with the cycles of trade during the past few years, say from 1929 to 1938, how will he chart them? He will begin the cycle in 1929, when we had the peak of trade, and continue down to 1932, and then he will take the upward period from 1932 to 1937. So far as Canada is concerned we find that those years cut right across the political complexions of the governments in office during that time, indicating quite obviously, I think, to almost everyone that the tariff structure of the country had very little significance with respect to the flow of trade so far as Canada is concerned. Our curve upwards commenced in 1932 and continued until the end of 1937; that is, the upward trend prevailed in 1933, 1934, 1935, 1936 and 1937. During that period we were under a Conservative government about the same length of time as we were under a Liberal government. Consequently I say that our tariff structure is not the fundamental factor in trade that we thought it was many years before.

It seems to me that there are features of our trade relations which are akin to the situation of the two families who used to take in each other's washing in order to try to keep themselves busy. If we thought a little less of trade treaties, many of which are entirely ineffective, and attempted to create a higher standard of living based upon the production of which we are capable in this dominion, our energies would be turned to much better advantage than they have been in the past. Although I favour treaties and would be glad to support those which have for their purpose the lowering of tariffs, I will not regard them as a panacea for the ills and ailments of the present time.

When my right hon. friend opposite and other Liberals tell me that they are the party that is in favour of freer trade, of unrestrained trade, I am afraid I cannot accept that statement as entirely in accordance with the facts. For the last two years or so that they have been in office our tariff structure has been changed very little from what it was prior to that time. The Prime Minister, when he was sitting here as leader of the opposition at the time the empire trade agreements of 1932 were under discussion, stated that when his party came into power one of the things he would do would be to cut these tariffs in half. I think my memory is correct on that point. Well, at the rate we have been going these past two years I wonder how old the Prime Minister will be before the tariffs are cut to half what they were when the agreement was adopted in 1932. We have practically as many restrictions now as we had five years ago. The tariff has been reduced very little. We still have—

Mr. MACKENZIE KING: May I interrupt my hon. friend a moment? He quoted me as saying that I would cut the tariffs in half.

Mr. BENNETT: No, a fifty per cent cut in the British preference.

Mr. BRADETTE: He said "in half."

Mr. HEAPS: I said, the tariffs as enumerated in the empire agreements of 1932.

Mr. MACKENZIE KING: The expression my hon. friend used was that I said that I would cut the tariffs in half.

Mr. BRADETTE: That is what he said.

Mr. MACKENZIE KING: That is not my way of speaking.

Mr. BENNETT: Not the general tariff.

Mr. HEAPS: I am speaking specifically of the empire trade agreements of 1932. If I am wrong I will certainly withdraw the statement.

Mr. MACKENZIE KING: I am sure that never in my life have I used in tariff matters the expression of cutting anything in half.

Mr. HEAPS: Would the Prime Minister say that he promised to reduce the tariff by fifty per cent?

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58		Trade: United Kingdom - United States Trade Agreement. Speeches in Parliament	Jan. 1938	D 34995 - D 35002	
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58		Unemployment Insurance. Speeches in Parliament	Jan.-June 1938	D 35021 - D 35031	
58		Water - Division of. Speeches in Parliament	Feb.-Mar. 1938	D 35032 - D 35041	
58		Unemployment & Drought. Speeches in Parliament	June 1938	D 35042 - D 35051	
58		Canada-United States Trade Treaty, Washington. Speeches outside Parliament	17 Nov. 1938	D 35052 - D 35086	
58		Australia: "Canada Salutes Australia" Broadcast: Speeches outside Parliament	27 Jan. 1938	D 35087 - D 35122	
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D35003

Notes for Debate on Address

TRADE

(See Memorandum "Trade Negotiations")

1. Canada and proposed U.K.-U.S. Agreement:

Mr. Bennett (Halifax, Nov.19/37) - "They cannot take a cent off the apple preference unless Canada agrees, but it is not Britain's fault that they are negotiating, because they see Mr. King was given a mandate, nevertheless he has got to give his consent before they can do it. All the casuistry in the world cannot get over that."

(Halifax Herald, Nov.20/37)

Substance of this and similar criticisms of Mr. Bennett:

Canada enjoys certain guaranteed margins of preference in British market,

Certain of these margins, at least, will probably have to be renounced, or modified, if a far-reaching agreement is to be concluded between U.K. and U.S.,

Britain cannot modify margins granted to Canada with consent of Canadian Government,

Canada should refuse to agree to any modification of these margins;

Mr. Bennett's arguments overlook certain important factors:

D 35004

(a) Canada-U.K. Agreements of 1932 and 1937 both envisaged and provided for modification -

Article 16 of 1937 Agreement:

"In the event of circumstances arising which, in the judgment of the government of the United Kingdom or of the government of Canada, as the case may be, necessitate variation in the terms of this Agreement, the proposal to vary those terms will be the subject of consultation between the two governments."

Identical, in substance, with Article 23 of 1932 Agreement;

While both Agreements concluded for fixed period of years, each provided for modifying Agreement by consultation between signatory governments;

(b) Bennett Government itself modified Ottawa Agreements:

i. Re Canada-France Agreement, 1933 - involved modifications of guaranteed margins by Canada in favour of U. K.

ii. Re Additional Protocol to Canada-France Agreement, signed in February, 1935 - involved modifications of guaranteed margins by Canada in favour of

D 35005

U.K., Australia and South Africa;

In both cases, Bennett government "had to ask for and secure the consent of other countries concerned to the surrender or reduction of their margins of preference in Canada, in order to facilitate the conclusion" of Agreement between Canada and France - an "adequate formal precedent" for present discussions;

Canada was first of countries participating in Ottawa Conference to seek release from certain of its undertakings;

With such a precedent, Canada could not now refuse to consider any modifications to facilitate conclusion of U.K.-U.S. Agreement;

(c) Probable consequences of Canada refusing to consider modifications:

Only alternative was a blunt refusal even to consider any modification in Agreement;

D 35006

Canada could thus hold U.K to letter of Agreement until its expiry, Aug. 20, 1940;

Thereafter, it might be denounced at 6 months' notice;

If Canada took position "what we have we'll hold" until 1940 -

Could not then expect to receive friendly and favourable tariff treatment from U.K -

Future of Canada's good relations with countries constituting her two greatest markets would be jeopardized;

(d) <u>Canada's interest in expansion of international trade</u>:

Present government fully aware of value to Canada of vast U.K. markets -

Have indicated our concern to continue to enjoy freest possible access to it;

Canada, as fourth greatest exporting country of world also stands to benefit from expansion of world trade;

<u>"New direction" of U.S. policy away from high tariffs</u>:

A readiness to negotiate tariff reductions on basis of reciprocity;

D 35007

Most hopeful challenge to tendency of recent years toward economic self-sufficiency -

Beneficial to Canada which has, at times in past, suffered from high U.S. tariff policies,

Beneficial to world trade, in view of position of U.S. - second nation in terms of total trade;

<u>Conclusion of U.K.-U.S. Agreement would strengthen policy of lower trade barriers:</u>

Conclusion by two greatest trading nations of world of comprehensive agreement would have powerful influence as example to entire world -

Would consolidate recent gains toward relaxtion of trade barriers -

Would undoubtedly have greater effect than action any single nation could take;

<u>Canada should, in self interest, support freer trade tendency</u> -

If contrary tendency (towards higher barriers) goes on unchecked -

D 35003

Canada will be compelled "to recast its whole national economy and forego the full use of those natural advantages which have been the basis of Canada's prosperity and relatively high standard of living." (Memo. "Trade Negotiations");

Government must take a long view of our real National interests:

must seek, by compromise and adjustment between conflicting regional and special interests, to work out policy most beneficial to entire Dominion;

(e) Government fully alive to the implications of present negotiations -

for country as a whole and for its several parts -

Keeping careful watch of interests for which it is a trustee -

mindful of necessity of reconciling those special or local interests with the general interest of Canada;

D35009

Imperial Preference not to be abandoned in principle or practice:

Negotiations now taking place do not necessitate or imply end of Imperial preference -

Imperial preference instituted by Sir. W. Laurier four decades ago -

Liberal government of 1921-30 extended policy - (1) 10% discount on British goods direct to Canadian ports, (1923),
(2) re British West Indies, Trade Agreement, 1925,

(3) Dunning Budget, 1930;

Present government's policy of preference through reduction of barriers -

1937 Canada - U.K. Agreement;

Prime Minister of U.K. and Secretary of State for Dominions have indicated attitude of U.K. government -

Mr. Chamberlain spoke of Imperial Preference as "now a fixed and unalterable part of our ..... policy" -

(See Exhibit)

Mr. Macdonald: "there is no question of the abandonment, in principle or practice, of Imperial preference" -

(See Exhibit)

Mr. Chamberlain has referred to friendly spirit in which recent trade discussions have taken place -

"never . . . was a sense of kinship deeper";

(f) Government has made no commitments -

Mr. Bennett (speaking at Victoria, B.C.)-

"I would ask you people of this city to have the Government of Canada say ..... whether or not the preferences on lumber are to go ..... I know your government has agreed ..."

(Victoria Colonist, Nov.26/37)

(See Exhibit Attached)

Mr. Bennett's claim entirely without foundation;

"Government has made no commitment either to U.K. or U.S. and does not intend to make any commitment to any special interest in Canada;"

(g) Issue widely discussed in Victoria By-election:

Mr. Bennett: "Victoria had been made the testing ground for a great national issue; retention for Canada of British Preferences in the markets of the United Kingdom as against a purpose of the Liberal government at Ottawa to sacrifice Canadian industry to an economic appeasement to the United States to advance a mythical union of England and the United States for world peace was the fervent declaration here last night of Rt. Hon. R. B. Bennett ...."

(Victoria Colonist, Nov.28/37)

Mr. Bennett himself introduced present trade negotiations and made it outstanding issue of Victoria contest;

D35011

Reply of electors of Victoria known to all -
seat won by Liberals after being held for
3 decades by Conservatives;

2. Canada-United States Trade:

Aim of Present Liberal Government -
Since taking office, has sought "lowering of tariff
barriers and the freeing of trade
from fettering restrictions -
alike in intra-imperial as in international trade;

1935 agreement with U.S. - a first step;
Time has now come for "a second step in the same
direction";

Effects of 1935 Agreement:
Mr. Bennett, speaking of Agreement said: "It had
been much talked about but had given
very little benefit...."
(Halifax Chronicle, Nov.20/37);
Figures of Canada's trade with U.S. reveal very
opposite to be the case;

D 35012

Items subject to reduction -

Calendar Year 1935 - $ 36,000,000

" " 1937 - $ 65,000,000

1937 increase over 1935 - 81%

Items affected by Agreement -

Calendar Year 1935 - $169,000,000

" " 1937 - $257,000,000

1937 increase over 1935 - 52%

Items not affected by Agreement -

Calendar Year 1935 - $190,000,000

" " 1937 - $203,000,000

1937 increase over 1935 - 7%.

(Present fluctuations in Canada-U.S. trade:

Might add cautionary word about tendency to discern long-run trends in short-term movements;

In last 2 or 3 months Canadian exports to U.S. - as to U.K. - were appreciably lower than in corresponding period of 1936;

D 35013

Reasons for this temporary decline obvious -

(a) Due to drought, Canada has not had normal quantity of wheat for export -

Canadian wheat exports, month of

December 1936 - $25,855,730

" 1937 - $10,121,421

(b) Business recession of U.S. -

While "business conditions in Canada have continued to improve throughout 1937, and consumer demand has been sustained for both domestic and imported goods", business recession in U.S., which, we hope and believe is already lifting, has tended in recent months to cut down U.S. purchase of both domestic and imported produce;

(c) Reversal of conditions due to drought in Canada and U.S. -

In 1936, Canada had surplus of wheat, feed and fodder, etc., when drought

D 35014

in U.S. necessitated large imports of supplies from Canada,

In 1937, U.S. had surplus of these supplies and Canada, as result of drought, had no exportable surplus;)

Mr. Bennett's prophecies re trade:

Mr. Bennett is now prophesying that -

Canada will lose its place in U.K. markets if U.K.-U.S. Agreement is concluded;

that Canadian interests will be ruined;

Mr. Bennett has made prophecies of same sort in past -

e.g. **Re customs exemption on $100 tourist purchases:**

Mr. Bennett in H. of C., 1936 session:

"If we adopt ..... a provision to enable Canadians to bring back $100 worth of goods from the United States, even twice a year, that item will disappear entirely so far as these favourable factors are concerned. It is estimated that not less than fifty or seventy-five million dollars worth of free goods will enter Canada and to all purposes will constitute a Canadian payment to the American union."

(Unrevised Hansard, Feb.10/36,p.69)

D 35015

The item was passed by Parliament;

Imports into Canada under this item:

Calendar Year 1937 -	from U.S.	$6,195,000
" "	" from all countries	$7,025,000

D35016

Mr. Bennett re Government's Trade Policies

Victoria By-election

Excerpt from Victoria Colonist, November 26, 1937

"For the sake of economic appeasement to a stranger within our gates, are we going to hand over those agreements for which we fought so hard?'.... 'I would ask you people of this city to have the government of Canada say before Saturday night whether or not the preferences on lumber are to go. That is the issue in this by-election. I know your government has agreed,' and there Mr. Bennett halted, leaving the inference the Government has already committed itself to certain things concerning the lumber exports of Canada. 'It is an hypocrisy to say that this thing is being done in the sacred name of peace.... What are we going to get from the people to the South for what we are going to give by the sacrifice of our Imperial preferences?'.... 'A vote for the Liberal candidate is a vote to permit Mackenzie King to interfere with those agreements; to take away the work from your own people; to ruin the fruit industry of the Okanagan and the Annapolis Valley, and lessen the economic strength of the country.'"

D 35017

Text of Statement issued to the press November 18th, 1937, for publication in the morning papers November 19th, by the Right Honourable W. L. Mackenzie King, M.P., Prime Minister of Canada, regarding U.K.-U.S. trade negotiations.

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Mr. Chamberlain has announced today that negotiations for a trade agreement between the United Kingdom and the United States are contemplated. The negotiations themselves have still to take place and will probably extend over a period of months. At some stage, they will undoubtedly require the consideration by Canada of possible changes in existing agreements. The government has been kept fully informed of the progress of the discussions between the United Kingdom and the United States, and is fully alive to the many and varied political and economic implications of these negotiations, and of Canada's interest in their outcome.

D35013

Mr. Malcolm MacDonald - re Imperial Preference

(Ottawa Citizen, December 7, 1937)

"Dominions Secretary Malcolm MacDonald, refuting reports the projected Anglo-American trade pact would negate the Ottawa agreements, declared Imperial preference was not to be discarded, either in principle or practice.

'I can assure you,' he told the annual meeting of the British Empire League, 'that at every stage of the discussions for a new agreement between Great Britain and the United States, we shall keep in close touch with the dominions and other parts of the Empire concerned, and that there is no question of the abandonment, in principle or practice, of Imperial preference.'"

D 35013

Mr. Mackenzie King, House of Commons Debates February 28th, 1936, page 502:

"We believe that what has been done is a step in the right direction, a step which during the next three years will prove its wisdom so conclusively that, when that period has expired, the agreement will not only be continued indefinitely, but will be materially expanded to the increased mutual advantage of the two countries."

D35020

Mr. Chamberlain re Imperial Preference

Excerpt from London Times dated December 10, 1937

".....As for the suggestion that the adoption of this system of Imperial Preference would lead to quarrels within the Empire, that dismal prophecy has been clearly falsified by the event. It was my privilege to preside over the latter part of the proceedings of the last Imperial Conference, held directly after the Coronation, and, so far from finding the harmony of the proceedings interrupted or disturbed by the conversations simultaneously going on on trade matters, I can confidently say that never in all the history of Imperial Conferences was a sense of kinship deeper and the fundamental unity between us on all essential issues more clearly demonstrated than it was on that occasion.

STILL FURTHER EFFORTS

I have tried to show you - I hope to your satisfaction - that with the establishment of Imperial Preference between the Ottawa group of countries, now a fixed and unalterable part of our Imperial policy (cheers), we have already woven a network of common interests which have been of great benefit both to this country and to the other countries with whom we have been trading, and which at the same time have benefited the world as a whole because they have made a valuable contribution to the restoration of a sense of stability, confidence and security. Are we to rest there, or are there still some efforts which we can make to bring us nearer to the goal at which we are aiming? I should have no hesitation in answering that last question in the affirmative....."

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"K" Speeches D35021

been made. However, a supplementary plan of forest development and improvement works for transients has provided for a contribution from the federal government which will amount to an expenditure of approximately $500,000.

All these plans are covered by agreement between the federal government and the province, including the grant in respect to material aid; but it will be understood that the material aid agreement, while providing for a monthly payment to the province, does not and cannot provide as to the amount which the province shall transfer or allot to any particular municipality or district. This is, and must be, a matter to be decided by the provincial authorities, and it is for this reason that the mayor of Vancouver has been advised that the dominion government makes the grant directly to the province, but does not control financial arrangements between the provincial governments and the municipalities.

UNEMPLOYMENT INSURANCE

INQUIRY AS TO INTENTION TO PROCEED WITH LEGISLATION AT THE PRESENT SESSION

On the orders of the day:

Mr. A. A. HEAPS (Winnipeg North): May I ask the Prime Minister whether it is the intention of the government to proceed at this session with legislation dealing with the question of unemployment insurance?

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend gave me an intimation of his intention to ask the question he has just asked. I believe I can best answer it by outlining what thus far has been done in the present situation.

The proposal to the provinces that they agree to an amendment to the British North America Act to enable parliament to enact unemployment insurance legislation, was made on November 5 last. As the house is already aware, six of the provinces, British Columbia, Saskatchewan, Manitoba, Ontario, Prince Edward Island and Nova Scotia, accepted the proposal at that time. The premiers of Alberta and New Brunswick, after some exchange of correspondence, indicated their intention to submit the proposed amendment to the provincial legislatures for their consideration. The premier of Quebec agreed as to the desirability of unemployment insurance, but suggested that it might be instituted by concurrent legislation.

On January 20, the draft of the proposed amendment was submitted to the provinces. Five of them, British Columbia, Saskatchewan, Manitoba, Prince Edward Island and Nova Scotia, expressed approval of its terms. This communication has not been acknowledged by the premier of Ontario. Approval by the government of Ontario of the proposal to amend the British North America Act was, however, set forth in Mr. Hepburn's letter of November 25, in the following terms:

> Following a cabinet council meeting of yesterday's date, I am pleased to inform you that the government of the province of Ontario is prepared to waive any constitutional objections and to give the fullest measure of co-operation and support to the proposed amendments to the British North America Act, empowering the federal government to enact unemployment insurance legislation.

The premier of Quebec has not, thus far, acknowledged the draft amendment. The premier of Alberta, in a letter dated March 15, stated that it was his intention to have the matter taken up before the Alberta legislature in the immediate future. The premier of New Brunswick has not yet acknowledged the communication of January 20, but the proposal was referred to in the speech from the throne delivered at the opening of the New Brunswick legislature on February 24, in the following terms:

> Consistent with their conception of the constitution and the principles of responsible government, my ministers, without discussing the merits of the proposal, took the position that the question should be determined by the legislature and the federal government was so advised.

The speech from the throne at the opening of the present session of parliament contained the following statement:

> The cooperation of the provinces has been sought with a view to an amendment of the British North America Act, which would empower the parliament of Canada to enact forthwith a national scheme of unemployment insurance. My ministers hope the proposal may meet with early approval, in order that unemployment insurance legislation may be enacted during the present session of parliament.

In the circumstances, to which I have referred, the government do not feel it would be desirable to make a further statement before the remaining provinces have had an opportunity of indicating their views.

Right Hon. R. B. BENNETT (Leader of the Opposition): Perhaps the Prime Minister would not object to a supplementary question: Does he conceive it necessary or desirable that all the provinces should agree before action is taken?

Mr. MACKENZIE KING: I do not think this is the moment to answer that question. We had better wait and see what replies we get in the first instance.

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VANCOUVER RELIEF

REQUEST OF CITY FOR DIRECT ASSISTANCE FROM DOMINION GOVERNMENT

On the orders of the day:

Mr. ANGUS MacINNIS (Vancouver East): Before the orders of the day are proceeded with I wish to put a question to the Minister of Labour (Mr. Rogers) with reference to the relief situation in the city of Vancouver. Over the week-end I received a number of official letters from Vancouver drawing attention to this very serious situation, which has of course existed for a number of years and is aggravated now, I am told, by the new provincial-federal agreement which goes into effect on the first of May. I should like to have the permission of the house to read one or two short telegrams.

Some hon. MEMBERS: Question.

Mr. MacINNIS: From the acting mayor I received the following wire—

Some hon. MEMBERS: Order.

Mr. SPEAKER: I would ask the hon. member to limit himself to putting his question.

Mr. MacINNIS: Your honour, it has been, I believe, a practice in this house to read telegrams even when they were not necessary to a question. I do not see why I should be denied a privilege that has been given to others. The relief problem—

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend has referred to the practice as he describes it, but the rules are pretty definite on the subject of reading telegrams instead of asking direct questions. If we are getting away from the rules and adopting a practice that is unnecessarily taking up time, I believe that such a practice should be discontinued and the rules adhered to. Mr. Speaker has expressed the view that the question should be asked direct. I hope the hon. member will follow the Speaker's ruling.

Mr. MacINNIS: The Prime Minister, I understand, is the custodian of the rules of this house.

Some hon. MEMBERS: No.

Mr. MacINNIS: He should enforce them when members of the government and hon. members on his own side of the house and prominent members of the Conservative group are concerned as well as when we in this corner are concerned.

Some hon. MEMBERS: Order.

Mr. MacINNIS: Will the Minister of Labour inform us what action, if any, the government is going to take in this matter?

An hon. MEMBER: What matter?

Hon. NORMAN McL. ROGERS (Minister of Labour): The hon. member for Vancouver East (Mr. MacInnis) was good enough to give me notice of his intention to ask this question this afternoon. I did receive a telegram from the acting mayor of Vancouver directing attention to the relief situation in that city and suggesting it was desirable that the government should come to its financial assistance. In reply to that telegram I advised the acting mayor of Vancouver that the dominion government pays a grant in aid direct to the province of British Columbia; it does not control and has never controlled the financial arrangements between the provincial government and its municipalities. I also advised the acting mayor that at the moment the dominion is carrying out to the letter its commitments, as contained in several formal agreements under the present relief legislation, entered into with the province after very careful study of the various problems confronting the province of British Columbia.

My hon. friend has asked me what we are prepared to do to meet the situation in that province. May I inform him of what we are doing at the present time in that connection. During the present fiscal year, which will end on March 31, the dominion government will have contributed to the province of British Columbia as a grant in respect to material aid, that is, for the provision of the necessities of life, food, fuel, clothing and shelter to those in need, the sum of $1,500,000. In addition to this the dominion government has, under the agreement of June 11, 1937, agreed to contribute fifty per cent of the cost of a program of provincial and municipal works to relieve unemployment, the dominion contribution amounting to approximately $522,000.

In addition, under the youth training agreement, the dominion government has agreed to contribute $100,000 to match a like sum to be expended by the province in carrying out training projects for unemployed young people, and under this plan, at the end of February, 8,580 youths were receiving assistance.

The farm improvement and employment plan in effect in the western provinces is not so well suited to the conditions in British Columbia as it is to other western provinces, and under this plan only 270 placements have

"K" Speeches

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5. Will the free storage concession granted at Quebec be extended to grain exported from Montreal elevators?

6. If so, will this concession apply also to part cargo lots exported by liners?

Mr. HOWE:

1. No.
2 and 3. Answered by No. 1.
4. No.
5. Published tariffs apply.
6. Answered by No. 5.

MOTION FOR PAPERS

MANITOBA HIGHWAYS

Mr. BEAUBIEN:

For a copy of all letters, telegrams, orders in council, agreements and other documents having to do with the construction of the Piney highway, Morden Sprague highway, Brandon Clear Lake highway, in Manitoba, carried on between the province of Manitoba and the dominion government, as well as all other correspondence in relation thereto between the Minister of Labour, the Prime Minister and any other parties, between the dates of August 20, 1935, and October 15, 1935.

DOMINION HOUSING ACT

REPEAL OF LEGISLATION OF 1935 AND REENACTMENT OF CERTAIN PROVISIONS WITH AMENDMENTS AND ADDITIONS

Hon. CHARLES A. DUNNING (Minister of Finance) moved that the house go into committee at the next sitting to consider the following proposed resolution:

Resolved,—That it is expedient to bring in a measure which in part I thereof repeals The Dominion Housing Act, 1935, and reenacts certain provisions thereof with amendments and additions so as to provide inter alia that the amount of loans to be made and expenses to be incurred shall not exceed $20,000,000 less loans made under the said act, and to enable the Minister of Finance to guarantee approved lending institutions or local authorities against loss up to certain maximum amounts in respect of small loans in order to encourage the making of such loans in small and remote communities and in certain districts of other communities and to make payments to lending institutions to cover the special costs of making such loans; which in part II thereof authorizes the making of loans at low interest rates to local housing authorities to assist in the construction of houses to be leased to families of low income at rentals less than the economic rentals therefor, such loans not to exceed $30,000,000 in the aggregate; which in part III thereof authorizes the payment to municipalities of a proportion of the municipal taxes levied during a three-year period upon new low-cost houses constructed prior to December 31, 1940, for owners for their own occupation, but excluding houses constructed under part II of the act; and which authorizes the employment and remuneration of technical and clerical staffs and the payment of other expenses in connection with the administration of the act.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Motion agreed to.

UNEMPLOYMENT INSURANCE

INQUIRY WITH RESPECT TO LEGISLATION DURING PRESENT SESSION

On the orders of the day:

Mr. H. J. BARBER (Fraser Valley): Mr. Speaker, based on considerable correspondence, and also on copies of petitions I have received, I should like to direct a question to the Prime Minister (Mr. Mackenzie King). I have been urged, and I have no doubt other hon. members have been, to support a measure, promised in the speech from the throne, which would set up in Canada a system of unemployment insurance. Will the Prime Minister inform the house whether he is likely to bring down such a measure during the present session? Perhaps he has a general statement to make in the matter; if so, I believe the country would be pleased to hear it at this time.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, at the moment I am unable to recall the exact words which appear in the speech from the throne. So far as I recollect however they were to the effect that the government hoped to be in a position, through the cooperation of the several provinces, to bring in a national unemployment insurance measure. It has been understood from the outset that in the opinion of the administration a scheme of national unemployment insurance is the one which would be most in the interests alike of the provinces and the dominion. For that reason it has been hoped that the dominion would have the hearty cooperation of the provinces in permitting an amendment to the British North America Act which would give this parliament full jurisdiction with respect to the enactment of unemployment insurance. The hon. member who has just spoken, and no doubt all other hon. members of the house, know that the government has not received from some of the provinces endorsation of the view that this parliament should be given power to enact an unemployment insurance measure. We are still hoping that in this matter the reasons which may be

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actuating the provinces referred to will be further considered and that ultimately all will see the wisdom of cooperating in a national unemployment insurance measure. However, it is not the intention of this government to seek to coerce the provinces with respect to any legislative measure which is in the nature of a social service measure. Our aim rather is to be helpful and to further if we can mutual interests. We do not want to appear, let alone in reality, to seek in any way to coerce any province of the dominion. It would look at the moment as though it will not be possible to get that cooperation with respect to unemployment insurance before the present session comes to its close, but if it should be obtained the measure will be introduced.

The reference to this matter in the speech from the throne was as follows:

> The cooperation of the provinces has been sought with a view to an amendment of the British North America Act, which would empower the parliament of Canada to enact forthwith a national scheme of unemployment insurance. My ministers hope the proposal may meet with early approval, in order that unemployment insurance legislation may be enacted during the present session of parliament.

I may say we have the measure drafted and as soon as the proposal meets with approval, it will be introduced.

UNEMPLOYMENT

CONCENTRATION OF SINGLE UNEMPLOYED IN VANCOUVER—OCCUPATION OF PUBLIC BUILDINGS

On the orders of the day:

Mr. C. G. MacNEIL (Vancouver North): I should like to inquire of the Minister of Labour (Mr. Rogers) if a satisfactory settlement has yet been reached with respect to the grievances of the single unemployed now occupying the Vancouver post office and the art gallery

Hon. NORMAN McL. ROGERS (Minister of Labour): My latest information is that the situation has not altered since the matter was last raised in this house.

LOANS TO MUNICIPALITIES

MEASURE TO AUTHORIZE PROVISION OF A SUM NOT EXCEEDING $30,000,000 FOR SELF-LIQUIDATING MUNICIPAL PROJECTS

The house resumed from Thursday, June 2, consideration in committee of Bill No. 143, to assist municipalities in making self-liquidating improvements—Mr. Dunning—Mr. Sanderson in the chair.

[Mr. Mackenzie King.]

On section 2—Definitions.

Hon. CHARLES A. DUNNING (Minister of Finance): When this bill was last in committee, sections 2, 9 and 10 were allowed to stand in order to give me an opportunity to consider representations which had been made regarding the desirability of certain amendments. I think all the suggestions made were constructive in character. I have an amendment to suggest to section 2, which I shall ask my colleague to move, as follows:

> That paragraph (b) of section 2 of the bill be amended by adding thereto at the end thereof the following words: "and also includes any board, commission or agency duly authorized to act on behalf of one or more municipalities in the construction and operation of a self-liquidating project."

Mr. CRERAR: I move accordingly.

Mr. DUNNING: A number of members thought that it would be desirable to have some wording which would deal with cases where a joint board was acting for one or more municipalities or where a municipality acted through a joint board with respect to a particular utility.

Mr. STEWART: This amendment would seem to meet every possible condition referred to by the leader of the opposition (Mr. Bennett). In Ontario we have public utility commissions and I assume that in other provinces there are similar organizations. It is possible that in the operation of certain utilities two or three municipalities may be united. I think it is fortunate that the bill has been broadened to enable these commissions or agents of municipalities to take advantage of its provisions.

Mr. STIRLING: What would be the procedure in connection with an unorganized district? With whom would the minister, with the approval of the governor in council, enter into an agreement?

Mr. DUNNING: Of necessity with the provincial government. There is no other entity in such a case. "Municipality" includes "a province where such province is administering directly territory not organized into county or municipal units." I suppose some provinces may think that we are degrading them by including them in this definition, but there appears to be no other way of dealing with an unorganized territory except through the only authority which has jurisdiction therein. It would mean a great deal to British Columbia particularly, and also to some of the other provinces, if there were not some method of dealing with the unorganized territories.

Amendment agreed to.

Section as amended agreed to.

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that no commission can alter the distribution of legislative powers. He knows that this parliament is the only body which can do that with respect to the constitution of Canada. His time would be much better spent, and his great knowledge of these questions better utilized, if he sought to show wherein it might be possible, step by step, precept by precept, here a little and there a little, to bring about changes that are going to be in the interests of Canada as a whole, rather than trying to add to difficulties by suggesting, because different views are finding expression, that the commision is rendering a disservice to Canada. I never listened to anything so—I was going to say "puerile"; I hope my right hon. friend will not mind the word—

Mr. BENNETT: Not at all, considering its source.

Mr. MACKENZIE KING: —as his statement with respect to a document which had been prepared by the present Minister of Labour (Mr. Rogers) for the government of Nova Scotia, which evidently has been much appreciated by the citizens of other parts of Canada as well as of the maritime provinces. My right hon. friend says that this document is going to upset the constitution, and put the east against the west. My right hon. friend went a long piece out of his way to attack the government when he had to do it in that roundabout fashion over the head of the present Minister of Labour in reference to a matter that related to the maritime provinces.

Mr. BENNETT: No, in it he referred to the other provinces.

Mr. MACKENZIE KING: Yes, I know. And may I say this to my right hon. friend, that the Duncan commission, as he will recall, had to deal, among other things, with problems that affected the relations between the dominion and the provinces. If evidence was needed as to the service that a commission can render in just those very matters, nothing better could be cited than the work of the Duncan commission itself, because it helped in very large part to meet some of the conditions with which it was faced.

My right hon. friend appointed a commission himself. He appointed a good many; but the one I have in mind in particular is the commission that inquired into railways and transportation. At the head of that commission he placed the chief justice of Canada, and on the commission he appointed a number of other gentlemen who were known to have very definite and fixed ideas with regard to certain phases of transportation. When he appointed the members of that commission, was he doing so in the belief that they would not act in a wholly honourable manner in discharging their duties, and give to the country the best of their intelligence by way of a careful and just analysis of all the evidence that was put before them? Unless he is prepared to say as much in regard to the commissions which he appointed he should not begin to criticize other people from motives which they find it difficult to understand.

Mr. BENNETT: My right hon. friend is wrong. I was not criticizing motives; I was simply saying the method was wholly inapplicable to a constitution; that is all.

Mr. MACKENZIE KING: I think we shall agree to disagree, but may I say this last word in regard to the value of the evidence that may be given before the Dominion-Provincial commission. I do not recollect any too well much of my early classical training, but there was one sentence in Cicero which left a lasting impression upon my mind. It is: "Magna vis veritatis qua facile se per se ipsa defendit." As my latin may not be too easily understood, may I give the translation. It is: "Great is the power of truth which of itself so easily defends itself." That is the way in which the most of this commission will be judged, as will the most of every other commission. We will judge what is best in the situation from the truth itself. The truth will be easily defended because of itself it defends itself, once the facts are adequate and clear.

Mr. BENNETT: And my right hon. friend will remember, "What is truth"?

Mr. MACKENZIE KING: That is a question which has not yet been answered.

Mr. BENNETT: No.

Mr. MACKENZIE KING: But we are getting nearer the answer every day.

My right hon. friend's attention was next directed to the course the government is taking with respect to seeking to have enacted by parliament as speedily as possible a national system of unemployment insurance. I was amazed to hear his observations on the subject. He said, "How do you ever expect to amend the constitution? How do you expect to pass an unemployment insurance measure? Are you going to take the word of the premiers of the provinces? Are you going to listen to provincial governments? Are you going to take the approval of legislative assemblies of the provinces, or

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will you take the word of the electors?" He sought to have the impression that all of these were necessary before a measure of unemployment insurance could be brought into parliament.

Mr. BENNETT: I did not say that.

Mr. MACKENZIE KING: That was the inference left.

Mr. BENNETT: Well, that is not what was said.

Mr. MACKENZIE KING: I find it difficult to tell what my right hon. friend does say, but I do point out—and I do not think he will deny it—that it was he who, only a year or two ago, introduced a national unemployment insurance bill into this house. He drove it through the house, without asking the premier of a single province what he thought of it. He never asked the members of provincial governments in any of the provinces what they thought of it. He never thought of referring a copy of it to the legislative assembly of any of the provinces.

Mr. BENNETT: Hear, hear.

Mr. MACKENZIE KING: He never thought of giving the electorate in any of the provinces a chance to say a word about it, nor was he willing to permit the electorate of Canada to say anything about it. He was determined to jam it through the House of Commons, at no matter what cost—and he did that very thing.

Mr. BENNETT: Surely my right hon. friend knows better than that. He is putting into my mouth words which I did not use. What I did was to introduce and carry through the house a certain measure, on the assumption that the house had sole jurisdiction to act.

Mr. MACKENZIE KING: My right hon. friend, who usually stands behind the courts—and I believe he is right in so doing—would not allow the courts even to look at his measure. He knew that there was a statute which provided expressly that the Supreme court might be asked to express an opinion upon matters of that kind.

To-night my right hon. friend has had a great deal to say about the extent to which the provinces have been arraying themselves against the central government. I will tell him where the responsibility for that lies. I tell him that it began during the time he was in office, and because of the methods he adopted while in office. He was the man who in office tried to take from the control of parliament, and to handle himself, the management of public affairs. He was the one who, in the first instance, instituted a sort of quasi dictatorship in the conduct of public affairs in Canada. It was he who brought down and put on the statute books the so-called social reform legislation to which I have referred, although he knew, and was told over and over again by the opposition of the day, that he was attempting to deal with something which came within provincial jurisdiction, and that the provinces would so regard it. Notwithstanding that fact, and notwithstanding the position which had always been taken by parliament, he insisted upon putting through the new deal concocted between himself and the then minister to Washington, and did so in large part much against the will and wish of his own party. He insisted on jamming these measures through parliament. That is what antagonized the provinces.

That is what has given rise to a suspicion in the provinces that, so far as Ottawa is concerned, there is a desire to get everything into our own hands. Instead of attempting to do things in that way, the present administration has sought to go about the matter in the only way in which it can be speedily and satisfactorily solved, namely to communicate with the provinces themselves, with the constituted authorities in each province, hoping that they may see the reasonableness of the position taken by the government, and extend their cooperation so as to enable the necessary amendment to be made to the British North America Act. That cooperation would facilitate the early introduction of the legislation. If it cannot be brought in as a result of cooperative effort between the provinces and the dominion, I fail to see how else it can be done. It is the one and only method, and if that method had been taken at the start by my right hon. friend, instead of adopting arbitrary action at the end of his term of office, the results might have been different.

As leader of the opposition, at the beginning of the parliament over which my right hon. friend presided, I urged him to do that very thing. Had he sought an amendment to the British North America Act at that time, some seven years ago, and had an unemployment insurance measure been then introduced, we might have had such a law on the statute books five years ago. If there has been delay, such delay is due, first of all, to the years of inaction of my right hon. friend opposite, and, second, to the wrongful methods he adopted in seeking to bring such legislation into being.

I now pass on to the next subject mentioned, namely the elections and franchise

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See: "Unemployment Insurance - Historical Survey 1919-1937"

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UNEMPLOYMENT INSURANCE

No intention of extensive discussion at this time -

Matter now before provincial governments, awaiting their views;

Do not wish to prejudice question by discussion of any controversial aspects;

Ample opportunity for full consideration of question at later stage;

Evidence of Nation-wide demand for National Unemployment Insurance.

All parties support -

Liberal - (See "Historical Survey")

Endorsed since National Convention 1919;

Took first steps 1921-1930 -

Old Age Pensions etc.

recognized need to solve problem of jurisdiction

foremost in "14 points"

Conservative -

Adopted principle of social insurance at National Convention, 1927;

introduced Legislation at 1935 Session.

Endorsed by all parties in General Election 1935, accepted by electorate as an expression of the national will.

Sentiment throughout Dominion -

Endorsed by National organizations,

e.g., Canadian Chamber of Commerce;

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Trade and Labour Congress;

General approval in all parts of Dominion reflected in the press;

(See Press Summary)

Employment and Social Insurance Act, 1935

Passed under Bennett Administration, 1935;

Liberal Opposition supported principle of measure but questioned jurisdiction of Parliament to enact; urged necessity of referring Bennett Legislation to Courts in order to avoid setting up costly administrative machinery under an invalid Act;

Immediately after taking office, Liberal Government asked Supreme Court for an opinion;

Upon opinion being handed down, question was taken to Privy Council for final decision -

Both Supreme Court and Privy Council declared measure ultra vires;

(Privy Council decision handed down Jan. 1937;)

Judgments completely justified fears of present Government as to validity;

Having ascertained lack of Dominion jurisdiction in matter, government took prompt action with a view to establishment of a national scheme of Unemployment Insurance

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on a constitutional basis;

Prime Minister announced intention of Government to undertake new endeavour (April 7, 1937) -

Mr. King "The government is most anxious to proceed rapidly with further legislation, and the matter will be given very full consideration between now and the time Parliament reassembles next year."

(H. of C. Debates, 1937, p.2939)

Throughout late summer and autumn months, 1937, Department of Labour undertook exhaustive survey of situation -

Consideration of Bennett Legislation;

Sought expert advise as to details of a national scheme;

Government gave consideration to question of basis upon which scheme would function most effectively -

best procedure to follow in seeking adherence and co-operation of provinces;

To secure jurisdiction of Dominion Parliament in matter the first necessary step:

In endeavour to secure co-operation of provinces in Amendment to B.N.A. Act, Prime Minister wrote (Nov. 5/37) to provincial premiers -

emphasized belief of Government in need of unemployment Insurance scheme;

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indicated governments readiness to introduce measure during 1938 Session if the co-operation of the governments of the provinces were forthcoming;

Referred to lack of Dominion jurisdiction and to need of amendment to B.N.A. Act to permit establishment of scheme on a national basis;

Asked views of provincial governments regarding an amendment to B.N.A. Act "empowering the federal parliament to enact unemployment insurance legislation";

(Copy of P.M.'s letter attached)

Draft Amendment to B.N.A. Act sent to provinces -

Proposed amendment made as simple and unambiguous as possible -

Draft amendment sent to provincial premiers, Jan. 20, 1938, with request for expression of views of their government

(Copy of draft amendment attached)

Government proposes to table full exchange of communications;

Present Position -

Government has had indication of views in reply to first letter to Premiers;

Now awaiting replies re proposed amendment,

Hopeful all provinces may see way clear to approve;

D35031

Federal Government desirous of dealing with provinces in friendly and reasonable way;

Nothing to be gained by unnecessary recrimination or by misrepresenting motives of others;

Convinced people as whole believe -

(a) national scheme only practicable basis;

(b) Unemployment Insurance desirable and necessary;

(c) Present is time to begin a scheme, not 5 to 10 years hence;

Not too much to hope that this sentiment, generally shared by the people of Canada, may facilitate a successful outcome of the government's efforts;

Failure to attain goal now will undoubtedly make more difficult its achievement in future and perhaps result in its postponement for a decade or even a generation.

Trust discussion in Parliament may facilitate a solution on basis of friendly co-operation.

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
58		Trade: United Kingdom - United States Trade Agreement. Speeches in Parliament	Jan. 1938	D 34995 - D 35002	
58		Trade: International. Speeches in Parliament	Jan.-Feb. 1938	D 35003 - D 35020	
58		Unemployment Insurance. Speeches in Parliament	Jan.-June 1938	D 35021 - D 35031	
58		Water - Division of. Speeches in Parliament	Feb.-Mar. 1938	D 35032 - D 35041	
58		Unemployment & Drought. Speeches in Parliament	June 1938	D 35042 - D 35051	
58		Canada-United States Trade Treaty, Washington. Speeches outside Parliament	17 Nov. 1938	D 35052 - D 35086	
58		Australia: "Canada Salutes Australia" Broadcast: Speeches outside Parliament	27 Jan. 1938	D 35087 - D 35122	
58		National Liberal Federation of Canada: Speeches outside Parliament	18 May 1938	D 35123 - D 35133	

public matter connected with the business of the house, in which such members may be concerned; but in putting any such question or in replying to the same no argument or opinion is to be offered, nor any facts stated, except so far as may be necessary to explain the same. And in answering any such question the matter to which the same refers shall not be debated.

I would direct attention also to the citation from May, which appears in paragraph 349 on page 113 of Beauchesne's Parliamentary Rules and Forms:

The purpose of a question is to obtain information and not to supply it to the house. A question may not contain statements of facts unless they be necessary to make the question intelligible and can be authenticated; nor should a question contain arguments, inferences, imputations, epithets or controversial or ironical expressions.

Now may I read my hon. friend's question:

In view of the recent statements made by the Prime Minister of Great Britain expressing non-confidence in the League of Nations and foreshadowing a concordat with fascist Italy, has the government of Canada been consulted regarding changes in policy, and if so, has approval been given by the government?

It was I think unnecessary for my hon. friend in asking his question to say that the statements recently made by the Prime Minister of Great Britain expressed "non-confidence in the League of Nations and foreshadowed a concordat with fascist Italy." It was not necessary to have inserted those words, and according to the rule of the house I have quoted, those words should not have been included. Also:

Has the government of Canada been consulted regarding changes in policy?

Those words "changes in policy" also raise a controversial question and are not necessary for the information which the hon. member seeks.

Yesterday I was reluctantly obliged to draw attention to a question asked by another hon. member and to point out that it was not a proper question to ask. While the government is most anxious to give the house all the information possible on matters of public interest, it will I think, be recognized that we have to be particularly careful at this time not to ask in this house questions, with respect to what happens in the parliaments of other parts of the British empire or parliaments of any country anywhere, in a form which will be misunderstood and will occasion embarrassment or resentment there or elsewhere. The question should be put in a form which will permit of a direct answer being given thereto. If my hon. friends' question is, "in view of recent statements by the Prime Minister of Great Britain, has the government been consulted regarding policy with reference thereto, and if so has approval been given by the government?"—I believe that covers what he wishes to know—my answer would be, no, the government has not been consulted with regard to the policies referred to, nor has the government expressed any opinion with reference thereto.

DIVERSION OF WATER

PROPOSED RAISING OF GREAT LAKES WATER LEVEL—INQUIRY AS TO TABLING OF CORRESPONDENCE

On the orders of the day:

Mr. J. R. MacNICOL (Davenport): On February 17 I asked the Prime Minister (Mr. Mackenzie King) a question with reference to a letter—I shall now have to be careful in referring to another government—which had been read the day before in Washington to the United States congress, and which was written by the premier of Ontario, with reference to diversion of waters from the great lakes. I am sure that if the Prime Minister of Canada read the letter of the premier of Ontario he would be astonished at its contents. In replying to my question the Prime Minister said he would this week give the house a white paper containing full particulars of all the correspondence between this government and the Ontario government with regard to the matter which was brought up at Washington. It has not come down yet. May I ask when it will be tabled?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am glad that the hon. member has asked me that question, because at the time I answered the question to which he has referred I fully expected that the white paper would be ready to lay on the table this week. It is possible that it will be ready to lay on the table on Monday; I think I can promise my hon. friend that it will be ready at that time. It is a larger document than was anticipated, and it is being translated and printed in French as well as English; I should like if possible to table it in both languages at the same time.

While we are referring to this matter, may I inform the house that I have delayed going on with the second reading of the export power bill until the house had before it these various communications, as I believe the house will wish to have that material available for reference in the course of debate. If the correspondence is tabled on Monday I shall hope to proceed with the second reading of the power export bill, unless there is some objection, on Tuesday. If there should be desire for a longer delay I would take it up a little later on.

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I think, Mr. Speaker, that members of the house will realize something of the difficulties when I say that in the previous year, that is two years ago, there were some 6,000 head shipped; in the following year somewhere between 36,000 and 40,000 head, and last year 9,610 head were shipped. This year there is a demand immediately for the shipment of probably some 20,000 head of cattle in addition to what there is space for. The fact that there are such variations in the demands made on shipping space between Canada and Great Britain has considerable to do with the present situation.

As to the figures quoted with regard to the number of cattle brought down from the west, I think it will be found on close examination that only about 20,000 head of these being fed in the section of the country immediately concerned were actually shipped under the assisted passage scheme. Others were brought down partly because of encouragement given to shippers to go west. I am told, and we have had investigation made in the countries concerned, that the great majority of the cattle that are creating difficulties because of the prices paid are not cattle that came out of the immediate drought area but are cattle that came off the large ranges, and for which farmers paid a considerable price. Their agents who went west purchased the cattle and brought them down. Most of the cattle that passed through the Carberry pasturage were purchased at prices that make it still possible for the farmer probably to break even, even if he cannot do any better at the moment, and of course any future advance in prices would be to his advantage.

Mr. BENNETT: What is the matter with the American market?

Mr. GARDINER: I am not in a position to give details with regard to that, but I know that there was a considerable number of cattle moved out of western Canada and out of the western states into the feeding areas of the United States where corn was plentiful, and those cattle would be coming on to the American market about this time.

SHOP CARDS REGISTRATION

REQUEST THAT BILL NO. 22 STAND FOR OPINION OF DEPARTMENT OF JUSTICE

On the orders of the day:

Hon. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, I would like to ask the Minister of Justice (Mr. Lapointe), in relation to Bill No. 22 respecting the registration of shop cards by labour unions, which was introduced by the Secretary of State (Mr. Rinfret) and is, I understand, a government measure, whether it would not be possible to have the opinion of the Department of Justice before the bill is further proceeded with, as to whether, if passed, it is intra vires of this parliament. I had considerable experience with a similar proposal at the time the Unfair Competition Act, 1932, was passed. It was then proposed that a similar provision should be inserted in that bill, and when the bill was before the banking and commerce committee all the lawyers who appeared before it were, I think, unanimous in their opinion that the provision was ultra vires of the parliament of Canada. I think it would be expedient that we should have an opinion from the Department of Justice as to whether it is intra vires of this parliament, before we proceed with the bill or report it out of committee of the whole. If the Minister of Justice could deem it possible to accede to that suggestion, I think it would be very helpful to us.

Right Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, I shall be pleased to do what my hon. friend has just asked.

FOREIGN POLICY

ATTITUDE OF CANADIAN GOVERNMENT AS TO BRITISH POLICY AFFECTING LEAGUE OF NATIONS AND RELATIONS WITH ITALY

On the orders of the day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the recent statements made by the Prime Minister of Great Britain expressing non-confidence in the League of Nations and foreshadowing a concordat with fascist Italy, has the government of Canada been consulted regarding changes in policy; and, if so, has approval been given by the government?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, my hon. friend was kind enough to advise me of his intention to ask this question, and I am therefore in a position to give him an answer immediately, but before doing so I should like to bring his attention and that of other hon. members to the rule of this house with respect to how questions are to be put and answered. Standing order 44 reads:

Questions may be placed on the order paper seeking information from ministers of the crown relating to public affairs; and to other members, relating to any bill, motion, or other

Mr. MacNICOL: Would it be possible to include in the white paper the remarkable letter that the premier of Ontario sent to Washington?

Mr. MACKENZIE KING: The white paper —I think it ought to be called the white book—is being presented in book form, and I fear that to do what the hon. member asks would involve the opening of the paging and repaging it. But what I will do, if it will meet the hon. member's wishes, is to table with the white book a copy of that particular correspondence.

Mr. MacNICOL: A copy of the letter of the premier of Ontario written to Congressman W. G. Andrews.

Mr. MACKENZIE KING: All I can do is to reproduce, in photostat form if the hon. member so wishes, the communication that was placed on the Congressional Record at Washington.

Mr. BENNETT: I understood the Prime Minister to say that he has not received a copy of the letter.

Mr. MACKENZIE KING: No, I have not.

HAMILTON POST OFFICE

On the orders of the day:

Hon. W. D. EULER (Minister of Trade and Commerce): I desire to correct an answer to a question which was given to the hon. member for Wentworth (Mr. Lennard) on February 14. He placed on January 27 on the order paper a question the first part of which read as follows:

How many extra men were temporarily employed at the Hamilton post office during the Christmas rush of 1937?

Due to a clerical error the figure was given of 128; it should have been, 228.

SUPPLY

DEPARTMENT OF PENSIONS AND NATIONAL HEALTH

The house in committee of supply, Mr. Johnston (Lake Centre) in the chair.

Direct payments to veterans and dependents—European war pensions, $40,900,000.

Mr. POWER: I find that on February 18 last, in reply to a question put by the hon. member for Vancouver South (Mr. Green) I unwittingly made an incorrect reply with respect to the number of decisions given in favour of the applicant on first hearing. Perhaps I may be permitted to place more accurate figures on the pages of Hansard.

Dealing with the year 1936-37 and from April 1, 1937, up to January 31, 1938, I find: First hearings granted 1,374, not granted 3,049, total 4,423; second hearings: granted 14, not granted 211, total 225; quorums: granted 732, not granted 3,694, total 4,426; pension appeal court: granted 53, not granted 2,423. There were remitted for hearing, 46; without jurisdiction, 5; pending, 37; not heard, 1,174. The percentages are worked out for 1937-38 up to January 31, 1938. On the first hearing there were granted for 1937-38, 1,375 and not granted 2,472, or a total of 3,847. That is to say, 35 per cent of the total cases brought up on first hearing were given entitlement.

Mr. BENNETT: Without appeal being taken afterwards.

Mr. POWER: Without any appeal whatever. There is no right of appeal by the crown from the first hearing. On the second hearing there were granted, for 1937-38, 162, and not granted 1,737, a total of 1,899, or 9 per cent. As regards the quorums, for the same period, there were 233 granted and 1,256 not granted, a total of 1,489; in other words, 15 per cent were granted by the quorums. With respect to the Pension Appeal Court there were granted 52—not granted, 2,021—or two and a half per cent of the total. To recapitulate, on the first hearing 35 per cent are awarded in favour of the applicant; on the second hearing 9 per cent in favour of the applicant; before the quorum 15 per cent, and before the Pension Appeal Court two and a half per cent.

Perhaps I had better go on to the discussion of this item. It is obvious why there is a reduction of some $600,000.

Mr. GREEN: Is there an appeal by the crown from the pension commission to the quorum?

Mr. POWER: There is no appeal except from decisions of the quorum.

Mr. GREEN: Would it be possible to have the appeal by the crown from the decisions of the quorum done away with?

Mr. POWER: That is a matter for consideration; it is being considered. The whole difficulty would be whether or not some other system could be found to substitute for it.

Mr. ROSS (St. Paul's): I should like to bring to the attention of the minister the position of the war widows of Canada. No doubt hon. members have received a great many letters from these women, and I may say that I attended, at their request, a meeting held in Toronto by one of their associations. I thought it would be better for them

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to put in writing their individual cases so that they could be submitted to the department. We must not forget that in the early days when we were recruiting Canada promised that none of the dependents of her soldiers who went overseas would be left uncared for. Canada, I believe, has done her job to a great extent, but we have partly fallen down so far as war widows are concerned.

There are two or three reasons why, under the legislation as it stands, they are not properly looked after. There is the difficulty of building up the case for these widows so as to associate with war service the deaths of their husbands. When they cannot prove that death is attributable to a pensionable disease they are usually out of luck. I do not think that anyone can prove that the immediate cause of death is the real cause; very often death is probably attributable to the pensionable disability. In very many instances men have died of arterio sclerosis or cancer, or an ulcer, or something of that kind, some complaint which is not the pensionable disability, while there is no doubt that the pensionable disability has a direct bearing upon the immediate cause of death.

Another thing is this. Is there any particular reason why a war widow should have her pension cut off when the pensioner dies? I do not see any reason why she should. We must remember that a great many soldiers after the war wanted to get out of the service as quickly as possible, and consequently they were discharged perhaps rather prematurely. There is no doubt that many of them at that time were suffering from some disease attributable to the war, but owing to the circumstances under which they were discharged they find themselves to-day out of luck. And for the same reason war widows are out of luck at the present time. It would be better, in my opinion, if the pensionable disability were taken into consideration and given more weight in awarding pensions to war widows. Some change should be made in the legislation, for the plight of these war widows is terrible.

In the gathering which I attended in Toronto I do not believe that every one of those women thought they should have pensions. In any event they were mostly women whose husbands had received pensions, the pensions having been cut off at the death, and now the widows find themselves destitute. They gave great service to these soldiers who had been receiving pensions and they did not get very much out of it themselves. The least we can do is to have the legislation take care of the present situation so far as war widows are concerned.

[Mr. Ross (St. Paul's).]

Mr. BENNETT: There has been organized in the city of Calgary a substantial body of women whose husbands, having served overseas, are now dead. These women are in a desperate condition. The contention—and I think it is one which it is difficult to overcome—is that their husbands died, and I am putting it mildly, as they request me to do, earlier in life than they would have but for the service they gave the country. That is putting it on a low basis. Their contention is that being deprived of the ability of their husbands to earn a living for either themselves or their children they are now in almost necessitous circumstances; and they seek from the government a recognition of their position, just as the government has recognized the condition of the soldier who receives assistance through the relief organization that has been set up by the department.

At first I thought that the case was much simpler than it is. Looking into the matter in detail I find many cases that are known to me personally. I have a list of them beside me and it is quite clear that the husbands of these women served in some instances with great distinction, but in every instance at the risk of their lives, in France and elsewhere, mostly in a theatre of war. I do not say that all of them did, but for the most part they were in a theatre of war. The husbands of these women were not pensioned at the time of their death; some of them had received some slight recognition which was cut off, but the major number that I am speaking of now are cases in which the husband was not receiving a pension at the time of his death. The efforts that they have made to secure recognition by the department have failed because it was determined by the appropriate persons that the deaths could not be attributable to service. The same matter was discussed the other evening. In the case of many of these widows—I did not wish to go into it then, for obvious reasons, because you do not want to make it more difficult to deal with the simple problem by mixing it with others—this problem in one aspect is a simple one. We do care for necessitous cases of disabled soldiers who are unable to take care of themselves and whose condition is attributable to the war. If they have left behind them widows and children, I suggest to the minister, when he is framing his legislation, that if an annuity cannot be provided, the widow and children should at least be given the same treatment as that which would be given to the soldier if he were living and found himself in a similar condition of necessity.

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taken with respect to cream separators. I suppose, like most of us, the hon. gentleman has received a communication asking if it would be possible to have that done. I think the government would be the first to realize that it is desirable that there should be no possible thought of unfairness with respect to a matter of this kind. I have no opinion to express with respect to the merits of it at all. I only know—and I fancy many other hon. members of the house are in the same situation— that I was advised as to what was the position, and wondered whether or not it would be possible for these Canadian producers to have an opportunity to present their evidence. The report could then be brought back to the house with the additional evidence, because in the report there is a recommendation that deals with cream separators.

It seems to me quite clear, however, that this motion must pass in the first instance. Then when the motion for concurrence is made it would be proper for that order to be discharged for the moment and for the report to be remitted for one sitting of the committee, or whatever may be thought desirable, to enable the evidence of Canadian producers to be given as to the cost of production of cream separators.

Mr. MACKENZIE KING: With the concluding words of the right hon. leader of the opposition (Mr. Bennett) I am in full accord. The motion should be adopted now. When we are discussing concurrence in the report the house can decide what it may wish to do by way of having the report further considered.

Motion agreed to.

ELECTIONS AND FRANCHISE

QUESTION OF CONSIDERATION THIS SESSION OF FINAL REPORT OF SPECIAL COMMITTEE, PRESENTED APRIL 6, 1937

On orders of the day:

Mr. A. W. NEILL (Comox-Alberni): I should like to ask the Prime Minister (Mr. Mackenzie King) if he would be prepared to move a resolution in connection with the report of the franchise committee, similar to the motion that has just been adopted in regard to the report concerning farm implements. The attendant circumstances appear to me to be exactly the same, including, if I am not mistaken, a promise made across the floor of the house that we would be given an opportunity to debate the report this session.

Right Hon. W. L. MACKENZIE KING (Prime Minister): May I say to my hon. friend that the government intend to bring down a bill dealing with the question of the franchise, and on that bill there will be ample opportunity for the discussion my hon. friend has in mind. I can assure my hon. friend there is no desire in any way to restrict the discussion on franchise matters at this session.

Mr. NEILL: That is not exactly the same thing. If the report was discussed in the house it might be anticipated that it would result in some modification of the proposed bill, but if the bill is brought down the legislation is there and the government will see it through. The undertaking, as I recall it, was that the report would be discussed in the house, and not a bill founded upon it.

Mr. MACKENZIE KING: The bill to be introduced will be based upon the recommendations made by the committee last session, and the bill will be sent to a committee where its provisions can be considered. The committee will be at liberty to discuss all that is to be found in the previous report.

Mr. NEILL: Then the difference will be between a discussion in this house and a discussion in a small committee, which is not exactly the same thing.

Mr. MACKENZIE KING: There will be both; there will be a discussion in the committee and also in this house.

DIVERSION OF WATER

INQUIRY AS TO ANSWER TO QUESTION RESPECTING DIVERSION FROM HUDSON BAY WATERSHED

On the orders of the day:

Mr. J. R. MacNICOL (Davenport): I should like to ask the Prime Minister (Mr. Mackenzie King) if I am to have an answer to the question I asked on February 3 in reference to the diversion of Albany river water. I note that the question is no longer on the order paper. Neither have I had any answer, but in the white book submitted the other day I did find a letter dated January 27, according to which the government apparently has consented to the violation of the Albany river water, and I should like to know if that is the government policy.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I can assure my hon. friend that I did not intentionally overlook answering any question of his. He has just used the expression that the government consented to the "violation" of river

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waters. Does he mean the diversion of some waters? The violation of waters is a new phrase. I must confess that I do not know what particular point has been overlooked in my hon: friend's previous question. I thought everything had been answered as satisfactorily as it could be answered. If my hon. friend would put another question on the order paper which will meet the exact point he has in mind I shall endeavour to see that it is promptly answered.

CANADIAN WHEAT BOARD

AVAILABILITY OF WEEKLY CERTIFIED REPORTS MADE UNDER THE STATUTE

On the orders of the day:

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, I should like to offer a suggestion to the Minister of Trade and Commerce (Mr. Euler), in view of the fact that the reports called for by the Canadian Wheat Board Act, which are made to him every week, for the purposes of a return would be very voluminous and very difficult to prepare. It would serve a useful purpose and probably meet the requirements of us all if the minister would bring the originals, without filing them as sessional papers, but making them available for inspection in the office of the clerk of sessional papers. This would obviate the necessity of much copying, and would enable us to get the information sought in time to be of use in connection with measures which will necessarily have to be considered during the session.

Hon. W. D. EULER (Minister of Trade and Commerce): Mr. Speaker, I shall be glad to give consideration to the suggestion made by the leader of the opposition (Mr. Bennett). I should like to know whether he means that the reports for the past year should be submitted.

Mr. BENNETT: The statute provides that the board shall send to the minister every week certain reports certified by the auditors. Obviously we have a right to see those documents, and it would seem to me to be much easier if the originals were merely placed in the custody of the clerk of sessional papers, so that they could be inspected by all members of the house. I meant not only this year, but 1936 as well.

Mr. EULER: Reports are received by the minister each week, but I am not so sure it is the intention of the act that they shall be made available to all members of the house. However I am perfectly willing to consider the suggestion.

INTERNATIONAL LABOUR OFFICE

QUESTION AS TO RATIFICATION OF CONVENTIONS AND RECOMMENDATIONS RESPECTING MARINE MATTERS

On the orders of the day:

Mr. ANGUS MacINNIS (Vancouver East): Mr. Speaker, before the orders of the day are proceeded with I should like to ask a question of the Minister of Transport (Mr. Howe). In October, 1936, a special conference of the International Labour Office dealt with marine matters, and at that time certain conventions and recommendations were made. Has the government ratified any of the recommendations or conventions, or is it the intention of the government in the near future to do so?

Hon. C. D. HOWE (Minister of Transport): Mr. Speaker, I may say that the conventions and recommendations to which the hon. member has referred are being studied by officers of my department, and I assume some decision will be arrived at shortly.

SASKATCHEWAN SCHOOLS

INQUIRY AS TO ALLOCATION OF RELIEF FUNDS AS EMERGENCY GRANTS

On the orders of the day:

Mr. A. M. EDWARDS (Waterloo South): Mr. Speaker, I should like to ask a question of the Minister of Finance (Mr. Dunning) based on a telegram and several communications I have received. Probably if I read the telegram it will be self-explanatory. It is addressed to me, and is in these words:

> Canadian Teachers Federation is appealing to the federal members on behalf of Saskatchewan schools. Teachers are unpaid for months; equipment and supplies are inadequate; hundreds of children are being deprived of educational opportunities. Galt local secondary school teachers' federation requests your co-operation in securing emergency grants.

I appreciate the distribution of the relief funds in the manner in which it is done, namely through the provincial authorities, but I should like to ask the minister if there is not some plan by which some of this money could be diverted for this particular cause, or some suggestion made which would have the desired effect.

Hon. CHARLES A. DUNNING (Minister of Finance): Mr. Speaker, I think all hon. members have received circular letters respecting the plight of school teachers in Saskatchewan. In answer to the hon. member I can say only that assistance which has been given to provincial governments under the extraordinary conditions which have prevailed

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HOUSE OF COMMONS

Speaker: The Honourable PIERRE-FRANÇOIS CASGRAIN

WEDNESDAY, March 2, 1938.

The house met at three o'clock.

DIVERSION OF WATER

CORRESPONDENCE TABLED RESPECTING KENOGAMI RIVER PROJECT

Right Hon. W. L. MACKENZIE KING (Prime Minister): I wish to lay on the table a copy of a communication dated March 1, 1938, from the Prime Minister of Canada to the Premier of Ontario regarding the Kenogami river diversion project.

HARBOUR COMMISSIONS

EXTENSION OF JURISDICTION OF WINNIPEG AND ST. BONIFACE HARBOUR COMMISSIONERS

Hon. C. D. HOWE (Minister of Transport) moved for leave to introduce Bill No. 32, to amend the Winnipeg and St. Boniface Harbour Commissioners Act.

He said: The purpose of the bill is to extend the jurisdiction of the Winnipeg and St. Boniface harbour commissioners to the waters of municipalities, contiguous to the cities of Winnipeg and St. Boniface, which desire to be brought under the act.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

MONCTON, N.B., PUBLIC WHARF

Mr. BROOKS:

1. Were tenders called for the recently constructed warehouse on the public wharf at Moncton, New Brunswick, or was the work done by day work?

2. If by contract, what was the amount of each tender, and to whom was the contract given?

3. Who was appointed foreman on this work, and what amount did he receive for his services?

Mr. CARDIN:

1 and 2. Work done by day labour.

3. (a) Reid McManus; (b) $255.

PRINCE EDWARD ISLAND RAILWAY

Mr. McCULLOCH:

What was the total cost of changing the narrow gauge to the standard gauge on the Prince Edward Island railway?

Mr. HOWE: The total cost of converting the line, according to the accounts, was $1,786,565.22, of which $1,200,570.11 was charged to capital account and $585,995.11 to operating expenses. In addition, a loss of $383,667.05 was incurred in retirement of narrow gauge equipment.

EFFECT ON CANADIANS OF ITALO-ETHIOPIAN WAR

Mr. HANSELL:

1. How many Canadian citizens lost their lives in or as the result of the Italo-Ethiopian struggle?

2. What is the total estimated value of property such as buildings, land or personal enterprises, belonging to Canadian citizens, confiscated by Italy?

3. How many of the following types of property were confiscated: (a) hospitals; (b) schools; (c) homes; (d) land; (e) other?

4. If any of the above properties were confiscated, what are they being used for now?

5. How much has been paid to Canada in this connection by way of reparations?

Mr. MACKENZIE KING:

1. Two Canadian nationals are known to have been killed in Ethiopia during the period of the Italo-Abyssinian war.

2. Following negotiations with the Italian government the Sudan Interior Mission agreed to accept £12,000 as payment for properties which were taken over by the Italian representatives.

3. Complete details as to specific types of property are not available.

4. No information.

5. No payment has been made to Canada; all payments have been made to the owners of the property itself.

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MASKINONGE RIVER, QUE., PUBLIC WORKS

Mr. WERMENLINGER:

1. What were the works executed on the Maskinonge river, at St. Didace, province of Quebec, in the summer of 1936?
2. What has been the total amount of money spent for the execution of said works?
3. What is the name of the resident superintendent who had charge of these works?
4. Are there any accounts still unpaid for the above works, either for material or for labour? If so, what are the names and occupations of those to whom amounts of money are still due?

Mr. CARDIN:

1. Construction of protection work.
2. $9,334.18.
3. C. A. Boisjoli, resident foreman.
4. An account for sawing of timber for $35 in favour of Mr. Clovis Denommé, lumber dealer, has not yet been paid. This account was not forwarded to the department for payment at time work was done, but the matter is now being attended to.

NATIONAL EMPLOYMENT COMMISSION

Mr. COLDWELL:

1. Who were the members of the National Employment Commission?
2. What salary did each receive in 1936, and 1937?
3. What expenses did each receive in 1936, and 1937?
4. What other emoluments, if any, did each receive during the years 1936, and 1937?
5. What was the total expenditure on account of this commission during the years 1936, and 1937?

Mr. ROGERS:

1. Arthur B. Purvis, chairman, Montreal, Quebec; A. N. McLean, Saint John, New Brunswick; Alfred Marois, Quebec, P. Q.; Tom Moore, vice-chairman, Ottawa, Ontario; Mrs. Mary M. Sutherland, Wells, British Columbia; W. A. Mackintosh, Kingston, Ontario; E. J. Young, Dummer, Saskatchewan.
2. The commissioners were not in receipt of a salary, except Commissioner Moore whilst performing the duties of vice-chairman.

Fiscal year 1936-37 (March)	$ 641 25
Fiscal year 1937-38	6,750 00

3.

	Fiscal year 1936-37	Fiscal year 1937-38
Arthur B. Purvis	Nil	Nil
A. N. McLean	$1,547 16	$1,311 39
Alfred Marois	892 85	389 10
Tom Moore (travelling expenses only)	275 75	334 20
Mrs. Mary M. Sutherland	2,706 63	2,243 11
W. A. Mackintosh	1,017 58	593 88
E. J. Young	2,110 20	408 60

NOTE: The above expenses consisted of travelling expenses.

[Mr. Mackenzie King.]

4. A remuneration at the rate of $20 a day while engaged on the work of the commission (P.C. No. 1140, 13th May, 1936). The following amounts were received:—

	Fiscal-year 1936-37	Fiscal year 1937-38
Arthur B. Purvis	Nil	Nil
A. N. McLean	Nil	Nil
Alfred Marois	$2,489	$1,040
Mrs. Mary M. Sutherland	4,845	4,600
W. A. Mackintosh	1,786	1,280
E. J. Young	4,275	620

NOTE: Commissioner Moore from June, 1936, to 28th February, 1937, received salary as employment and social insurance commissioner to the amount of $6,432.50.

5.	1936-37	1937-38
National Employment Commission	$88,966 93	$72,413 80
National Employment Commission, registration branch	58,602 79	75,512 14
	$147,569 72	$147,925 94

CAMBRIDGE, N.B., LANDING FIELD

Mr. BROOKS:

1. (a) What money was expended on the emergency air-landing field at Cambridge, Queens county, New Brunswick, in the year 1937; (b) who was in charge of the work; (c) what are the names of the men employed, and the amounts received by each?
2. (a) How many buildings were sold off the said property, and to whom; (b) what amount was received in each case?
3. (a) What amount was received for standing grass sold off the said property; (b) was the grass sold by tender, and, if not, why?

Mr. HOWE:

1. (a) $344.40.
   (b) E. C. Percy, district airway engineer, Moncton, N.B.
   (c) Cambridge, N.B.

Survey work

Classified labourers

Name		Amount
John Austin	Labour	$55.80
Topographical Survey		
Russell Perry	"	54.60
Gordon Perry	"	55.80
Garfield Fowler	"	58.20
		$224.40
T. Kelly, part time caretaker, 12 months at $10		120.00
		$344.40

"K" Speeches D 35040

ELECTRIC POWER

TRANSFER TO PARLIAMENT OF CONTROL OF EXPORT EXCEPT IN INTERNATIONAL EMERGENCY

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved for leave to introduce Bill No. 21, to amend the Electricity and Fluid Exportation Act.

He said: While this bill in form constitutes a general amendment and recasting of the Electricity and Fluid Exportation Act which has not heretofore been amended since it was passed in 1907, in substance its object is to transfer to parliament itself the power at present legally vested in the governor in council to control the export of electrical power from this country.

The bill does not affect the licences to export power which have already been granted, nor does it take from the governor in council the right to renew or cancel the existing licences. It does provide that no further exports of power may be made unless they are specifically authorized by a private act of parliament.

An exception to this rule is made only in the event of a temporary international emergency and only for the duration of such an emergency.

Motion agreed to.

Mr. MACKENZIE KING moved the first reading of the bill.

Right Hon. R. B. BENNETT (Leader of the Opposition): This is not a debatable motion, but the right hon. gentleman used the words "private bill." I should hardly think it could be designated a private bill. It would be a public bill of a private nature, but in any event it would be a public bill that granted the right to export electricity from this country, I should think.

Mr. MACKENZIE KING: The point raised is a matter of terminology.

Motion agreed to and bill read the first time.

DIVERSION OF WATER

EFFECT OF BOUNDARY WATERS TREATY WITH UNITED STATES RESPECTING DIVERSION FROM LAKE MICHIGAN

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I have a further reply to make to the hon. member for Davenport (Mr. MacNicol); not with respect to the question of privilege he raised yesterday but with respect to the question he raised the day before on the orders of the day, respecting the diversion of water from lake Michigan.

The treaty to which the question refers is doubtless the one commonly known as the Boundary Waters Treaty signed in 1909. It was ratified in 1910, but the customary practice is to describe a treaty by reference to the date of signature.

I do not think it is advisable to enter upon a detailed explanation of the government's position upon a legal or international question merely because of some controversial statement. The Canadian position has been indicated in a number of official publications containing correspondence and other material, such as sessional papers numbers 101 c-d-e-f-g, 157, 180, session of 1924, "Papers relating to the St. Lawrence waterway project and the Chicago drainage canal"; "Correspondence relating to diversion of the waters of the great lakes by the Sanitary District of Chicago, from March 27, 1912, to October 17, 1927"; No. 227-1928, "The Senate of Canada—Proceedings of the special committee appointed to inquire into the development and improvement of the St. Lawrence river," 1928. Beyond saying that no Canadian government has ever accepted the interpretation to which the hon. member's question refers, I do not think I need do more than direct his attention to those publications.

As is well known, the diversion in question has occupied the attention of Canadian and United States governments for many years. There have been various stages in the negotiations and the effort has been to work out practical solutions which might afford reasonable safeguards to the various interests concerned. The immediate subject of the question of the hon. member for Davenport has come to the attention of the departments concerned, and the house may be assured that such matters are taken into account and carefully considered.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Thursday, February 10, consideration of the motion of Mr. J. N. Francœur for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the proposed amendment thereto of Mr. Bennett.

Mr. C. E. JOHNSTON (Bow River): Mr. Speaker, before the house adjourned last night I had not completed my observations, and I

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should like to speak first with respect to a matter which has been referred to on one or two occasions, namely that having to do with elections, and levies made from certain contractors.

It may be said that I am following the pattern or the insinuations left by the leader of the opposition (Mr. Bennett), but notwithstanding that I must refer to the observations of the Minister of Agriculture (Mr. Gardiner) as they are reported at page 176 of Hansard. He said:

To the hon. member for Peace River—

Referring to Mr. Pelletier—

—I would say that when he has been longer in the house, or it may be in some other house, he will realize that when a man across the floor throws out vague insinuations in his remarks he is not making a charge.

It may be true that some of the younger members of the house cannot clearly distinguish between insinuations and charges, but notwithstanding that, I think it would be well to recall to the house the exact words of the right hon. the leader of the opposition.

A contribution is one thing, but a levy of a certain per cent is another. The time has come when this must stop because the contractors themselves are complaining.

That part may be the insinuation. However, I shall read further:

Mr. Howe: As one who places a great many contracts for this government I ask the right hon. gentleman to give me a specific instance of a levy.

Mr. Bennett: I can give the minister as many as he wants, but I am not going to do it here and now.

And this is the point I wish to emphasize:

What is more, I know of levies being made in connection with Canadian National Railways contracts.

Mr. Bradette: That was under Mr. Manion.

Mr. Bennett: No; it was not; it was in the last few months. Let us have no misunderstanding about that.

Mr. Howe: The right hon. gentleman has said either too much or too little. This matter must be threshed out.

Mr. Bennett: It can be threshed out any time you want any committee of this house that you desire to appoint to go into the matter.

I say, Mr. Speaker, that the reference here made by the leader of the opposition in connection with levies is no vague insinuation, in my interpretation of the word. I believe it is the charge of a man who apparently knows of such illegal practices in connection with these contracts. I say this house should know whether such things are being done. It is not a question of trying to avoid the issue; rather we must come out clearly and show, not only to the public but to hon. members, whether such a charge is true or false.

I think any hon. member would be only too willing to have a committee set up, as I understand it may be, and to have the matter investigated. I know from actual experience in the west that the money being sent in there is not received by contributions from the people. This brings up a serious question, of which I think hon. members must take serious notice. There is a condition arising in the west caused either directly or indirectly by this very thing. Last year when speaking to the house I said that unless something was done in the next session at Ottawa there would be serious consequences, and that a serious situation would arise for which the government would be directly responsible. I wish once more to draw the attention of the house to that very fact.

There is a condition arising between the west and the east which is of great importance, and it is imperative that the house take these matters into consideration. The feeling in the west is becoming greatly intensified by such conditions as I have just pointed out, in connection with elections, and they are wondering where the money comes from for election propaganda. We know that thousands of dollars are being spread out through the west for propaganda purposes. The question every honest citizen is asking is this: Where is that money coming from? How can we expect the people of Canada to express a conscientious and sincere vote, when money is being taken presumably from the east and sent out to the west to be devoted to all sorts of propaganda? That is not the way to induce good citizenship.

In the west we have conditions which are not found here in the east. In Alberta there was an election in which the majority was the greatest of that found in any province, and it was not done by graft on the part of political parties or by contributions from organizations. It was done by nickels and dimes given by those poor people out there who realize that something must be done.

Mr. McPHEE: What about the promise of $25 per month?

Mr. JOHNSTON (Bow River): If the leader of this Liberal government had kept his promise they would have got their $25 a month. Do hon. members know that the leader of this government said, "I wish with all my heart that social credit may succeed"? His policy was "hands of Alberta". Any hon.

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58		Unemployment Insurance. Speeches in Parliament	Jan.-June 1938	D 35021 - D 35031	
58		Water - Division of. Speeches in Parliament	Feb.-Mar. 1938	D 35032 - D 35041	
58		Unemployment & Drought. Speeches in Parliament	June 1938	D 35042 - D 35051	
58		Canada-United States Trade Treaty, Washington. Speeches outside Parliament	17 Nov. 1938	D 35052 - D 35086	
58		Australia: "Canada Salutes Australia" Broadcast: Speeches outside Parliament	27 Jan. 1938	D 35087 - D 35122	
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"K" Speeches
Unemployment
Vancouver situation

the manufacture of Bren guns, and the estimated saving to the department, according to the officers, is $250,000. It is not being transferred to the ownership of a private corporation. The ownership remains in the government, two-thirds of the cost of the material being borne by this government and one-third of the cost being borne by the British war office.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): According to a dispatch which appeared in the Winnipeg Free Press of June 20, the dominion government have given a contract to a Toronto firm to manufacture 7,000 of these new type machine guns. The British government has contracted with the same company, the John Inglis Company, for 5,000 of these guns, and four cars of machinery are already on the way from Valcartier to Toronto. The statement is made also that:

> The contract between the Canadian government and the John Inglis Company for manufacturing the 7,000 Bren guns was signed on behalf of the company by Major J. E. Hahn, an officer with a distinguished military record in the C.E.F. and now president of the Inglis company. According to official information, the cost plus 10 per cent profit basis provides that the 10 per cent is not to be figured on either sales tax or customs duties.

I should like to ask the Minister of National Defence, as it is asked both in the dispatch and in a long editorial in the Free Press of last Monday, how he reconciles this state of affairs with his statement across the floor of the house to me the other day when he said:

> With reference to any orders to be placed in Canada, we have no more information than is in possession of the hon. member who asked the question.

Apparently there has been a joint arrangement between the British authorities and the Canadian authorities, together with a loan of certain machinery from Quebec. If that statement is correct, how does the minister reconcile this seemingly very careful arrangement, and the signing of the contract, with his statement to me that he knows nothing more about the matter than I do?

Mr. MACKENZIE (Vancouver): If my hon. friend will look over the discussions which took place in committee of supply when my own estimates were under consideration, he will find that in response to the question of some hon. gentleman opposite, details were very carefully stated at that time. There was no cooperative contract; the contract with the war office was signed by the Toronto firm entirely separately from the contract with the Canadian government; but, as the result of two complementary contracts being signed, there will be a saving to this government of over one and a quarter million dollars.

Mr. WOODSWORTH: I ask the minister how he reconciles his statement to me—

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: —across the floor of the house, with the statements in this report?

Some hon. MEMBERS: Order.

Mr. MACKENZIE (Vancouver): I want to assure my hon. friend that there was not the slightest intention to misrepresent the situation. In regard to the contract with the war office, this was declared to the house before he asked his question of me on the floor of the house, and details were given, as they were asked, in committee of supply. There was not the slightest intention to suppress nor was there a suppression of any information, in the slightest degree. I say now in regard to these contracts that there has never been a cooperative effort between the British war office and the government of Canada except in regard to the Bren gun, and the two contracts in that case have been separately negotiated.

Mr. M. J. COLDWELL (Rosetown-Biggar): What compensation is the Canadian government receiving from the Inglis company for the loan of the machinery, and what is the value of the machinery so loaned?

Mr. MACKENZIE (Vancouver): I think that to answer that question it would be better to table the actual agreement with the company in question.

UNEMPLOYMENT

VANCOUVER SITUATION—INQUIRY AS TO PROVISION OF FOOD UNTIL EMPLOYMENT PROVIDED

On the orders of the day:

Mr. ANGUS MacINNIS (Vancouver East): I would like to ask the government in the absence of the Minister of Labour if their attention has been drawn to press reports of this morning that a number of unemployed are destitute in the city of Vancouver, and that they have announced that they will have to beg on the streets; also that the city officials have announced that if they do so they will be prosecuted; and, under the circumstances, has any arrangement been made to feed these men until work can be provided?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I may say that officials of the government are watching carefully the press reports which relate to the situation in Vancouver, and are cooperating, I understand,

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with the authorities there with respect to any situation which may develop. I cannot say what action the Minister of Labour may have taken. I have no doubt that he, like other members of the government, would be anxious to do anything he could toward improving the situation of these men at this time.

THE BUDGET

DEBATE ON THE ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed from Tuesday, June 21, consideration of the motion of Hon. Charles A. Dunning (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means, and the proposed amendment thereto of Mr. Lawson, and the amendment to the amendment of Mr. Coldwell.

Mr. E. J. POOLE (Red Deer): Mr. Speaker, I am not going to attempt to cover all the ground dealt with in the budget speech, which is after all quite voluminous. I have read the budget speech, and I think that the Minister of Finance (Mr. Dunning) is to be complimented on the manner in which he delivered it to this house. I think also that the hon. member for York South (Mr. Lawson), who had the privilege of replying to the government yesterday, made a very fine speech. But as I look over the budget, once again I am struck by the fact that both parties represent the bulwark of traditions. There is nothing new to meet conditions that are new. It is more or less a resumé or history of our economic progress during the last year and the expression of a pious hope that in the future things will change for the better.

During the speech the minister touched on many things which are significant to every hon. member, especially in his references to trade. He said:

> In emphasizing as I have done certain uncontrollable forces which have been influencing our economy, I would not have you think that I neglect or minimize the importance of the domestic factors. The fundamental fact that in this modern world no nation can live unto itself alone does not lessen, indeed it reinforces, the necessity for Canada to devote its maximum energies to the solution of its own internal problems.

The question raised in that passage from the minister's speech is significant, because the trend of the world is toward economic nationalism. This is a truth that we must face. The present economy of Canada is based upon the premise that prosperity is dependent upon our external trade. Quite true, in the days of expansion through the years following the industrial revolution which began in 1742. The system which we know as capitalism has derived its strength from the fact that the world was not at that time industrialized. But later, and especially since the great war, we have seen industrialization in every nation of the world speeded up; the very conditions which brought about prosperity in the days that are gone, through the wages received by the great masses of the people, are no more, and the markets of the world are now contracted to such an extent that there is a lesser possibility of selling goods in the world market. The result is unemployment in every nation of the world, and Canada is no exception.

Later on in his address the Minister of Finance dealt with the question of increased production in this country. The greatest contributing factor to our internal prosperity in 1937 was the increase in production in terms of metals. Surely it must be evident by this time to every member of this parliament that this is not and could not be a basis for our future prosperity. We notice that the production of all the ingredients necessary for armaments has increased; the production of nickel, lead, copper and so on has increased. Now let us face facts for a moment. Let us suppose that this mad armament race should cease; that once again peace should prevail between China and Japan; that the warring factions in Spain should go back to the soil and turn their swords into ploughshares. What would be the result in this country? From an economic point of view it would be disastrous, because then there would not be the same demand for our production. The group in this corner has persistently emphasized this one important fact, that the only way to prosperity is by recognizing first of all that the best market a nation has is the home market. That is where our prosperity must begin and end. The old belief that prosperity lies in selling our goods to the nations of the world, and that the sale of those goods is the only instrument that can be used to feed our own people, no longer holds good; because as we go on, year after year, the industrial machine will speed up more and more. as a result men will be displaced from industry. But that is not the greatest tragedy. The greatest tragedy lies in the fact that the traditional governments of the world recognize that wages is the only sound and legitimate source of purchasing power. If that is true, and the markets of the world contract through each nation becoming more industrialized, there will be a lesser demand abroad for our goods and incidentally less employment.

K. Speeches.

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UNEMPLOYMENT AND DROUGHT RELIEF

Government has sought to create employment and make relief unnecessary -

Trade policies of government designed to encourage industry, thereby creating employment and increasing purchasing power -

by negotiation of trade agreements,

reduction of tariff barriers;

Success of governments policies revealed in increased production and physical volume of business -

rise in wholesale prices,

" " prices of farm products;

(See notes - "General Economic Conditions")

Increase in Employment -

more persons employed on Jan. 1, 1938, than at same time in any previous year of Canada's history -

Dominion Bureau of Statistics Index of Employment:

(firms employing fifteen or more persons)

Jan. 1, 1930 - 111.2

" " 1938 - 113.4

Decrease in unemployment

Unemployment lower in December, 1937, than in

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same month of any year since beginning of depression -

Dominion Bureau of Statistics (unpublished) estimate of unemployed in Canada, month of December -

1930	1932	1936	1937
413,000	675,000	502,000	381,000;

Government's policies have contributed to decrease in numbers receiving relief:

Relief figures at last showing substantial reduction except in areas of west affected by drought conditions;

Always a time lay between increase of employment and reduction in relief figures -

This evident a year ago when, in spite of marked rise in employment, relief figures failed to show corresponding decrease;

Total No. afforded direct relief (including dependents and part time relief) month of December:

1932	1936	1937
1,242,000	1,119,000	970,000;

Reduction in relief figures notwithstanding drastic increase in case of Saskatchewan and slight increase in Alberta,

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due to drought;

Total No. on direct relief, Province of Saskatchewan, month of December:

1935	1936	1937
176,000	230,000	400,000;

(Total population of Sask., estimated, 1937 - 939,000);

(B) Government has sought to alleviate distress and combat ill Effects of unemployment throughout Dominion:

Substantial sums voted by Parliament, as in past years, for relief of unemployment -

grants - in - aid to provinces;

joint works projects;

(i) Youth Training projects -

26,000 unemployed young people have received, or are receiving, training in various types of useful and profitable work -

served to restore morale of youth who have been denied opportunity to earn a livelihood, and helped to enable them take their places as respected members of the community;

Success of scheme throughout past year has been such as to justify government's proposals to extend projects to older age groups;

(ii) Farm Improvement and Employment Plan continued throughout 1937:

Begun in 1936 to replace Relief Camps - proved highly beneficial;

During past year over 40,000 persons given employment on farms or in other branches of primary industry (e.g., forestry) -

has given valuable and needed assistance to those engaged in primary industry who suffered most severely throughout depression years;

(iii) Home Improvement Plan continued throughout 1937:

Like Farm Improv. and Employment Plan, accorded general approval throughout Dominion and more than justified efforts of government and relatively small outlay of public funds;

Since inception of plan, Nov. 1, 1936, 34,000 loans have been made to enable householders to make needed improvements -

Has given much useful employment both directly and indirectly, throughout Canada and provided valuable stimulus to depressed building trades;

(C) National Employment Commission has aided Government, in efforts to cope with depression:

Not proposing to enter upon extensive discussion of
Commission's activities at this time -
Final Report has been completed and is now in
process of translation -
will be tabled in due course;
Ample opportunity at that time to discuss work of
Commission, together with its recommendations;
Commission appointed as an advisory body; although Act
provided that administrative functions might be
accepted;
In 18 months since appointment, Commission has more than
justified its establishment -
Governments efforts to alleviate distress, create
employment and stimulate industry have largely
been based upon its investigations and recommend-
ations;
(i) Registration of all persons on relief throughout
Dominion -
has provided the basis for dealing in a more
effective way with problem of relief;
(ii) have referred to projects already undertaken
by government on basis of Commission's
recommendations -
Youth training.

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Home Improvement Plan;

Farm Improvement and Employment Plan;

In opinion of Commission, advisory functions have now been completed -

Feeling that body of that size not suitable to undertake administrative functions;

(D) - Government has undertaken special measures to combat effects of drought:

(See "Federal Assistance to Drought Areas, 1937")

occurrence of drought, like its duration, entirely unpredictable;

area affected during past year has happily, been more limited; but the intensity of drought increased;

Total wheat production in Saskatchewan in 1937, only 35,000,000 bu., compared with 117,000,000 bu., in 1936;

normal year - 200,000,000 bu.

Nearly half population of Sask. now dependent upon public assistance -

Drought conditions in Manitoba and Alberta fortunately much less pronounced;

1

Unemployment + Drought Relief

D 35050

Government's efforts have included -

(i) Assistance in marketing of cattle;

(ii) supplying of necessary feed and fodder;

(iii) removal of better grade cattle to feeding areas elsewhere;

(iv) Federal Government undertook full responsibility of direct relief in drought areas;

(v) Necessary foodstuffs purchased by government and furnished to those in greatest need;

Mr. Bennett's criticism re administration of drought;

Mr. Bennett speaking at Brandon Oct. 22, 1937):

"Conerning relief in Saskatchewan, money is being given by the people of Canada and being used to create a great political machine. How long can democratic governments last with that sort of thing."

(Edmonton Journal, Oct. 23, 1937)

Mr. Bennett's argument wholly without substance - Distribution of relief was carried out through municipal Councils -

Dominion governments activities limited to providing funds, approving principle of projects,

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and checking accounts for various undertakings;

Municipal Councils are elective bodies - not subject to any influence whatever of Dominion Government;

Any other course of dealing with situation would have entailed needless duplication and expense.

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58		Canada-United States Trade Treaty, Washington. Speeches outside Parliament	17 Nov. 1938	D 35052 - D 35086	
58		Australia: "Canada Salutes Australia" Broadcast: Speeches outside Parliament	27 Jan. 1938	D 35087 - D 35122	
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November 17, 1938.

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Mr. President,

I need scarcely say how pleased I am to have the honour of participating today in a ceremony similar to the one of three years ago. At that time, I was privileged to take, with Mr. Secretary Hull, a part identical with that performed today. We had just affixed our signatures to an agreement between the United States and Canada, the value of which, we hoped and believed, would be shown beyond question by a marked increase in commerce between our two countries. The confidence which we felt on that occasion has been amply justified by experience.

The present agreement cannot be said to be in the nature of an untried experiment. Apart from all else, it marks the fulfilment of expectations which were cherished at the time the agreement of 1935 was entered into, and, therefore, carries with it the assurance of benefits mutually advantageous through years to come.

When our first agreement was signed, I expressed to you, Mr. President, the hope that in time it would be possible to broaden its basis and enlarge its scope. A like expectation, if I am not mistaken, was held by Mr. Secretary Hull and yourself. It is, naturally, a great satisfaction to realize, today, the hopes which we then entertained. I should like to add that, as respects the relations between our two countries, the fair and friendly manner of the negotiation of both agreements has been hardly less important than their positive content.

On the earlier occasion, I also expressed the view that the benefits of our agreement would not be confined to trade. They have not been so confined. It is no exaggeration, but the simple truth, to say that the relations between the United States and Canada have never been happier than in the three years that have elapsed since November 1935.

Today's ceremony, has, fortunately, an even broader significance than that of three years ago. We have also just witnessed the conclusion of a far-reaching agreement

D35053

between the United States and the United Kingdom. There will be in Canada genuine satisfaction that in facing the problems of today, the two countries, with whose fortunes those of Canada are so closely linked, have effectively strengthened the friendly relations which have long prevailed between them. It must be increasingly apparent that the stability of the civilization we cherish depends more than ever on the friendly association of the great English-speaking nations of the Old World and the New.

We cannot but be impressed by the fact that the occasion of our coming together today has been, in part at least, determined by the willingness of the sister nations of the British Commonwealth to facilitate a trade agreement between the United Kingdom and the United States.

Our satisfaction at the conclusion of these long and arduous negotiations is all the greater because the agreements which have been reached are in no sense exclusive. Indeed their effects will be to remove many obstacles from channels of world trade. Their benefits will extend far beyond the limits of the three countries immediately concerned. We cannot too earnestly hope that they will provide to other countries an example of the mutual advantages which flow from the broadening of trade relations, not only in the realm of material well-being, but in the wider sphere of human understanding and goodwill.

D 35054

Visit to Washington, November 1938.

Luncheon given by the Secretary of State,
November 18th.

Notes for the Prime Minister's Speech

A year ago (October 1937) the Secretary of State honoured Canada with an official visit;

Mr. Hull already well-known to Canadians;

His visit another link in the long and strong chain of association between the two countries;

A great honour and pleasure to return the visit under such happy auspices;

Present visit to Washington the culmination of another stage in Mr. Secretary's Hull's career;

Mr. Hull has devoted a lifetime in the public service to the furtherance of broadly liberal ideas and principles;

As Secretary of State, he has devoted himself systematically, persistently and successfully to furtherance of freedom in international trade;

D 35055

When he accepted this high office, the
sources of world trade seemed to be
drying up;
The prospect might well have discouraged a
man less resolute, or one who failed
to take a long view of human relationships;
But he set his face to the future - began
patiently to remove, one by one, the
obstacles from the stream of
international commercial intercourse;
That stream not yet in full flood, but it
has begun to flow;
The channel of trade between our two countries
both widened and deepend by the
action taken yesterday;
The widening of one channel in the great
stream of world not accomplished by
blocking up another channel;
instead the purpose and result to increase the
flow of trade generally between
all countries.
Pleasure the greater in paying tribute to the
success of Mr. Hull's efforts because
of great sympathy for his policy in
Canada.

D35056

Parallel courses followed by Canada and
the United States of America;
We too believe in greater freedom of world
commerce;
Our government has also pursued a consistent
policy of removing obstacles to
international trade;
The similarity of the courses of our two governments has contributed to the influence
and effectiveness of both.
Development of world trade an end in itself;
International commerce stimulates domestic
industry and agriculture;
Provides employment and maintains business
activity;
Contributes to the improvement of the
standard of living of the people;
Adds to the real wealth of the trading nations.
Indirect effect even more significant in the
world today;
International commerce leads to travel and
cultural intercourse between nations;

D 35057

Cultural and intellectual exchanges, in turn, promote mutual understanding and emphasize interdependence among peoples of the world;

The realization of dependence of nations upon one another and their concern for each other's welfare a powerful force for peace;

The true greatness of Mr. Hull's work - <u>a practical road to peace;</u>

In promoting the exchange of goods, and the material welfare which that exchange brings, he has not lost sight of the wider goal;

Underlying all his practical steps has been a deep and abiding faith in the need for understanding among nations - a conviction that through understanding alone comes a community of ideals and of the spirit, which is the basis of enduring peace.

No Speech at

Visit to Washington, Nov. 1938.

Dinner at the White House
November 17th.

Notes for the Prime Minister's speech

Signing of trade agreement adds another to many bonds between two countries;

Relations more intimate to-day than at any time in past;

Canadians have ceased to fear absorption by more powerful neighbour;

Feel instead that citizens of United States wish Canada to preserve individuality and identity;

D 35058

Happiest relations result when each nation respects the other and admits desirability of distinct lines of development.

Close relations based on common ties of culture and sentiment; common devotion to freedom and democratic institutions; and common attachment to peace and ordered progress;

Relations greatly strengthened by policy of <u>good neighbour</u>;

Recognition of mutual interdependence of Canada and United States;

D 35059

Reciprocity an advantage to both; calculated to play its part in providing more abundant life for Canadians and Americans alike;

The President's personal contribution to good relations immense;

No American citizen more highly esteemed in Canada than Mr. Roosevelt;

The President has practically the status of an "honorary" citizen of Canada, attained through long connection with a small corner of our country: Campobello, N.B.;

D35060

Three visits, in official capacity: Quebec, Victoria, Kingston and Ivy Lea;

Mr. Roosevelt's voice as well known to Canadians as to his own fellow-citizens;

Genuine personal interest shown by the President in Canada, and the Canadian people had large part in creating favourable atmosphere out of which closer official relations have grown;

Canadians feel that their country has no truer friends than the President and Mr. Secretary Hull.

D 35061

Not used

Visit to Washington

Luncheon given by the Canadian Minister, November 19th.

Notes for the Prime Minister's Speech

Tribute to negotiators

who have successfully concluded a long and arduous task;

Broad object of negotiations never questioned - success generally desired in all three countries involved;

Real problem: the reconciliation of many diverse interests - often extremely intricate;

D 35062

Required good sense, good temper, sound judgment, and infinite patience;

Pleasure to offer to the men who have toiled through many ~~w~~ary months at Washington, a heartfelt word of appreciation.

Significance of the agreements.

concluded this week:

To the three countries directly involved -

increased exchanges of goods which will contribute to their common, material ~~future~~ wellbeing;

D 35063

recognition of their
many common interests and
their mutual inter-
dependence;

the strengthening of the
numerous bonds already
existing between the great
Anglo-Saxon democracies;

To the rest of the world -
no exclusive arrangemenrs;

a general removal of
barriers to trade;

a contribution to the
prosperity and well-being
of all countries;

D 35064

a tremendous step in the direction of freer trade, and a powerful reaction against the stultifying economic nationalism and exclusivism of recent decades;

a practical example of mutual co-operation between peoples;

a pathway to peace.

D 35065

Note

Visit to Washington

Luncheon given by the Canadian Minister,
November 19th.

Notes for the Prime Minister's Speech

Tribute to negotiators

who have successfully concluded a long and arduous task;

Broad object of negotiations never questioned - success generally desired in all three countries involved;

Real problem: the reconciliation of many diverse interests - often extremely intricate;

D 35066

Required good sense, good temper, sound judgment, and infinite patience;

Pleasure to offer to the men who have toiled through many wary months at Washington, a heartfelt word of appreciation.

Significance of the agreements.

concluded this week:

To the three countries directly involved -

increased exchanges of goods which will contribute to their common, material wellbeing;

D35067

recognition of their
many common interests and
their mutual inter-
dependence;

the strengthening of the
numerous bonds already
existing between the great
Anglo-Saxon democracies;

To the rest of the world -
no exclusive arrangements;

a general removal of
barriers to trade;

a contribution to the
prosperity and well-being
of all countries;

D 35068

a tremendous step in the direction of freer trade, and a powerful reaction against the stultifying economic nationalism and exclusivism of recent decades;

a practical example of mutual co-operation between peoples;

a pathway to peace.

D 35069

Copy for Mr. Heeney

CANADIAN LEGATION
WASHINGTON

PRIME MINISTER'S ENGAGEMENTS

Friday, November 18

1.15 p.m. - Luncheon given by the U.S. Secretary of State in honour of Prime Minister. (Carleton Hotel) Informal.

4.00 p.m. - Chinese Ambassador (Dr. Wu Su Shih) will call at Canadian Legation with Counsellor of Chinese Embassy (Dr. Chen).

4.15 p.m. - Harrison & Ewing, photographers will call at Canadian Legation to take photograph of Prime Minister.

5.00 p.m. - Prime Minister will call upon British Ambassador at British Embassy.

8.00 p.m. - Dinner in honour of Prime Minister at Canadian Legation.
(White tie - decorations)

D 35070

photo at studio

flowers

D 35071

Visit to Washington, November 1938.

Luncheon given by the Secretary of State,
November 18th.

Notes for the Prime Minister's Speech

A year ago (October 1937) the Secretary of State honoured Canada with an official visit;

Mr. Hull already well-known to Canadians;

His visit another link in the long and strong chain of association between the two countries;

A great honour and pleasure to return the visit under such happy auspices;

Present visit to Washington the culmination of another stage in Mr. Secretary's Hull's career;

Mr. Hull has devoted a lifetime in the public service to the furtherance of broadly liberal ideas and principles;

As Secretary of State, he has devoted himself systematically, persistently and successfully to furtherance of freedom in international trade;

D 35072

When he accepted this high office, the
sources of world trade seemed to be
drying up;
The prospect might well have discouraged a
man less resolute, or one who failed
to take a <u>long view</u> of human relationships;
But he set his face to the future - began
patiently to remove, one by one, the
obstacles from the stream of
international commercial intercourse;
That stream not yet in full flood, but it
has begun to flow;
The channel of trade between our two countries
both widened and deepend by the
action taken yesterday;
The widening of one channel in the great
stream of world not accomplished by
blocking up another channel;
instead the purpose and result to increase the
flow of trade generally between
all countries.
Pleasure the greater in paying tribute to the
success of Mr. Hull's efforts because
of great sympathy for his policy in
Canada.

D 35073

Parallel courses followed by Canada and
the United States of America;
We too believe in greater freedom of world
commerce;
Our government has also pursued a consistent
policy of removing obstacles to
international trade;
The similarity of the courses of our two governments has contributed to the influence
and effectiveness of both.

Development of world trade an end in itself;
International commerce stimulates domestic
industry and agriculture;
Provides employment and maintains business
activity;
Contributes to the impro vement of the
standard of living of the people;
Adds to the real wealth of the trading nations.

Indirect effect even more significant in the
world todgy;
International commerce leads to travel and
cultural intercourse between nations;

D 35074

Cultural and intellectual exchanges, in turn, promote mutual understanding and emphasize interdependence among peoples of the world;

The realization of dependence of nations upon one another and their concern for each other's welfare a powerful force for peace;

The true greatness of Mr. Hull's work - <u>a practical road to peace;</u>

In promoting the exchange of goods, and the material welfare which that exchange brings, he has not lost sight of the wider goal;

Underlying all his practical steps has been a deep and abiding faith in the need for understanding among nations - a conviction that through understanding alone comes a community of ideals and of the spirit, which is the basis of enduring peace.

D35075

Visit to Washington, November 1938.

Luncheon given by the Secretary of State,
November 18th.

Notes for the Prime Minister's Speech

A year ago (October 1937) the Secretary of
State honoured Canada with an
official visit;
Mr. Hull already well-known to Canadians;
His visit another link in the long
and strong chain of association
between the two countries;
A great honour and pleasure to return the
visit under such happy auspices;
Present visit to Washington the culmination of
another stage in Mr. Secretary's Hull's
career;
Mr. Hull has devoted a lifetime in the public
service to the furtherance of broadly
liberal ideas and principles;
As Secretary of State, he has devoted himself
systematically, persistently and
successfully to furtherance of freedom
in international trade;

D 35076

When he accepted this high office, the
sources of world trade seemed to be
drying up;
The prospect might well have discouraged a
man less resolute, or one who failed
to take a long view of human relationships;
But he set his face to the future - began
patiently to remove, one by one, the
obstacles from the stream of
international commercial intercourse;
That stream not yet in full flood, but it
has begun to flow;
The channel of trade between our two countries
both widened and deepend by the
action taken yesterday;
The widening of one channel in the great
stream of world trade not accomplished by
blocking up another channel;
instead the purpose and result to increase the
flow of trade generally between
all countries.
Pleasure the greater in paying tribute to the
success of Mr. Hull's efforts because
of great sympathy for his policy in
Canada.

D 35077

Parallel courses followed by Canada and the United States of America;

We too believe in greater freedom of world commerce;

Our government has also pursued a consistent policy of removing obstacles to international trade;

The similarity of the courses of our two governments has contributed to the influence and effectiveness of both.

Development of world trade an end in itself;

International commerce stimulates domestic industry and agriculture;

Provides employment and maintains business activity;

Contributes to the improvement of the standard of living of the people;

Adds to the real wealth of the trading nations.

Indirect effect even more significant in the world today;

International commerce leads to travel and cultural intercourse between nations;

D 35078

Cultural and intellectual exchanges, in turn, promote mutual understanding and emphasize interdependence among peoples of the world;

The realization of dependence of nations upon one another and their concern for each other's welfare a powerful force for peace;

The true greatness of Mr. Hull's work - <u>a practical road to peace;</u>

In promoting the exchange of goods, and the material welfare which that exchange brings, he has not lost sight of the wider goal;

Underlying all his practical steps has been a deep and abiding faith in the need for understanding among nations - a conviction that through understanding alone comes a community of ideals and of the spirit, which is the basis of enduring peace.

Copy for Mr Handy

Visit to Washington

Luncheon given by the Canadian Minister, November 19th.

Notes for the Prime Minister's Speech

Tribute to negotiators

who have successfully concluded a long and arduous task;

Broad object of negotiations never questioned - success generally desired in all three countries involved;

Real problem: the reconciliation of many diverse interests - often extremely intricate;

D35079

Required good sense, good temper, sound judgment, and infinite patience;

Pleasure to offer to the men who have toiled through many wary months at Washington, a heartfelt word of appreciation.

Significance of the agreements.

concluded this week:

To the three countries directly involved -

increased exchanges of goods which will contribute to their common, material wellbeing;

D 35080

recognition of their
many common interests and
their mutual inter-
dependence;

the strengthening of the
numerous bonds already
existing between the great
Anglo-Saxon democracies;

To the rest of the world -
no exclusive arrangemenrs;

a general removal of
barriers to trade;

a contribution to the
prosperity and well-being
of all countries;

D 35081

a tremendous step in the direction of freer trade, and a powerful reaction against the stultifying economic nationalism and exclusivism of recent decades;

a practical example of mutual co-operation between peoples;

a pathway to peace.

D35082

Visit to Washington, Nov. 1938.

Dinner at the White House
November 17th.

Notes for the Prime Minister's speech

Signing of trade agreement adds another to many bonds between two countries;

Relations more intimate to-day than at any time in past;

Canadians have ceased to fear absorption by more powerful neighbour;

Feel instead that citizens of United States wish Canada to preserve individuality and identity;

D 35083

Happiest relations result when each nation respects the other and admits desirability of distinct lines of development.

Close relations based on common ties of culture and sentiment; common devotion to freedom and democratic institutions; and common attachment to peace and ordered progress;

Relations greatly strengthened by policy of <u>good neighbour</u>;

Recognition of mutual interdependence of Canada and United States;

D 35084

Reciprocity an advantage to both; calculated to play its part in providing more abundant life for Canadians and Americans alike;

The President's personal contribution to good relations immense;

No American citizen more highly esteemed in Canada than Mr. Roosevelt;

The President has practically the status of an "honorary" citizen of Canada, attained through long connection with a small corner of our country: Campobello, N.B.;

D 35085

Three visits, in official capacity: Quebec, Victoria, Kingston and Ivy Lea;

Mr. Roosevelt's voice as well known to Canadians as to his own fellow-citizens;

Genuine personal interest shown by the President in Canada, and the Canadian people had large part in creating favourable atmosphere out of which closer official relations have grown;

Canadians feel that their country has no truer friends than the President and Mr. Secretary Hull.

D 35086

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
58		Trade: United Kingdom - United States Trade Agreement. Speeches in Parliament	Jan. 1938	D 34995 - D 35002	
58		Trade: International. Speeches in Parliament	Jan.-Feb. 1938	D 35003 - D 35020	
58		Unemployment Insurance. Speeches in Parliament	Jan.-June 1938	D 35021 - D 35031	
58		Water - Division of. Speeches in Parliament	Feb.-Mar. 1938	D 35032 - D 35041	
58		Unemployment & Drought. Speeches in Parliament	June 1938	D 35042 - D 35051	
58		Canada-United States Trade Treaty, Washington. Speeches outside Parliament	17 Nov. 1938	D 35052 - D 35086	
58		Australia: "Canada Salutes Australia" Broadcast: Speeches outside Parliament	27 Jan. 1938	D 35087 - D 35122	
58		National Liberal Federation of Canada: Speeches outside Parliament	18 May 1938	D 35123 - D 35133	

australia
King, Speeches by

Speeches

D 35087

January 21, 1938

Memorandum for the Prime Minister

Re -"Canada Salutes Australia" broadcast, January 27th, 9.00 to 10.00 p.m.

Attached is an explanatory memorandum, and a draft message.

I told Mr. Murray that you could not say definitely whether you would take part in the broadcast, but that you would consider doing so. The C.B.C. state that the item in this morning's citizen was not authorized, and was due to an error on the part of their publicity department. They are cancelling any further announcement until word is received definitely from you.

As the records have to be shipped to Toronto and also to New York, the C.B.C. now advise that Monday is the latest day on which a record of your message can be made.

E.A.P.

P/PM

D35083

MEMORANDUM FOR THE PRIME MINISTER

Re: "Canada Salutes Australia" broadcast, January 27th, 9.00 to 10.00 p.m.

About 1786, great necessity arose in England for clearing out the over-crowded prisons, and the government decided to establish a penal colony in Australia, which had been annexed to the British Crown by Captain James Cook in 1769, but which had never been developed or colonized. On January 26th, 1788, the "first fleet" with Captain Arthur Phillip in command, landed at Port Jackson, New South Wales, with an expedition composed of 9 ships, with 443 officers, crew and marines, and 720 convicts.

In Australia, January the 26th is considered to be the anniversary of the founding of the nation, and that date is observed annually as a national holiday and referred to as "Foundation Day". This year, the 150th anniversary will be marked by a period of national celebrations, consisting of empire games, carnivals, exhibitions, etc., lasting from January the 26th to April the 25th. A world radio convention will be held in Sydney from April the 4th to the 14th. The Patron of the celebrations is Prime Minister Lyons and the Chairman of the committee in charge Premier Stevens of New South Wales, which is the "parent state" and enjoys seniority rights over the others because it was the first to be settled and several of the other states were once a part of it.

On January 1, 1901, New South Wales, Victoria, South Australia, Queensland, Tasmania and Western Australia were united in a federated commonwealth under the name of the Commonwealth of Australia.

The "Canada Salutes Australia" broadcast will be carried by C.B.C. over a national hook-up from 9.00 to 10.00 p.m. on Thursday, January the 27th. A record will be made of it and shipped immediately to Australia, where it will be reproduced upon arrival in a nation-wide broadcast there. Items of the programme so far planned will be recorded speeches by the Prime Minister of Australia and the Premier of New South Wales. The programme will be a form of cavalcade of stirring events which will be dramatized and will include those from the foundation of Australia to the present time. It is thought that Mr. Macgregor, the Australian Trade Commissioner to Canada, will be taking part in the programme, which will be submitted to him for approval before being broadcast.

E. A. P.

January 21, 1938.

/D

D 35089

TYPESCRIPT OF RECORDED MESSAGE BY THE HON. B. S. B. STEVENS, M.L.A.

"On the 26th January, 1938, we people of Australia will commence celebrating the 150th Anniversary of our foundation day, and we have arranged a season of festivities that will be worthy of such a great historic occasion. As Premier of New South Wales, the parent state, and the centre of the festivities, I extend to people overseas a most cordial invitation to visit us and join in our rejoicing.

That century and a half has seen Australia grow to front-rank nationhood. It will be one purpose of the celebrations to commemorate, by pageantry, the toil and heroism, the devotion and self-sacrifice of the great men and women who made that progress possible. It will be another purpose to display by shows and exhibitions the vast possibilities of this great Australian continent.

In every sense it will be a period of rejoicing. The most diversified entertainments will be staged, so that everyone may find his pleasure. There will be sporting events of every kind, Empire games, aquatic and aerial displays, brilliant night entertainments, all against a background of natural scenic splendour.

Australians are keen at all times to cultivate friendly relationships abroad. They are great travellers themselves and they desire nothing more than that other people should visit them and see something of their country. I would say that there could be no better chance to see Australia at its best and its people in their happiest mood than this occasion of their 150th anniversary.

D 35090

I, therefore, extend to you a sincere and hearty welcome to visit this land of sunshine.

Those of you who are interested in broadcasting are particularly invited to attend a World Radio Convention, which will be held in Sydney from 4th April to 14th April, during the celebration period. Prominent overseas radio figures will be in attendance, including the Marchesa Marconi, widow of the world-famed wireless personality.

I, personally, extend to you, therefore, with great pleasure a hearty welcome to visit this land of sunshine during the celebration period. You will love Australia, and on behalf of the New South Wales Government, I have pleasure in inviting you to visit us early next year.

"Rupert Lucas Jan 15-12. 30LGF"

ACK RHOH

D 35091

MSG T-5

E. L. BUSHNELL

The following is exact copy of Prime Minister of Australia's address:

Typescript of recorded message by the Rt. Hon. W.M. Hughes, P.C., M.P., K.C.

"It gives me much pleasure to extend to you an invitation to visit Australia early next year. From January 26th to April 25th we shall be celebrating the foundation of this great young commonwealth - an event of some importance to the world, and of the deepest significance to us.

Our history is short, but it has been cast in a wonderful age. Since the day when Captain Arthur Phillip sailed the first fleet into Port Jackson, the descendants of the first settlers and of others, who followed in their train, have, by prodigious labours, built up a great and flourishing state, and now we invite you to join with us in celebrating its 150th anniversary. For three months from January 26th, thepeople of Sydney, the oldest and greatest city of Australia, will hold high carnival. The stage on which this joyous festival will be held is ideal. In no country in the world do surroundings lend themselves more invitingly to carefree pleasure. Glorious blue skies and bright sunshine, together with a programme of joyous pleasure, thrilling sports, national exhibitions, will make memorable this arresting milestone in a young nation's progress.

The past and the present will be bridged. The bullock dray, the swift moving modern motor, the lonely backblocks, crowded modern industry; aerial

D 35092

pageantry, military and naval reviews will combine to symbolise in a colorful cavalcade - Australia's impressive march to nationhood, and to those who seek other joys,, the finest surging beaches and the beag big game fishing in the world are at their doors.

To those who are interested in the miracle of wireless, made manifest through the genius of Marconi, let me say that his widow, the Marchesa Marconi and her daughter Elettra, will be official guests of the Australian Institution of Radio Engineers at the World Radio Convention to be held in Sydney, from April 4th to the 14th. From England, Sir Noel Ashbridge, Chief Engineer of the BBC., and from America, Mr. David Sarnoff, a prominent radio executive, will be amongst the official guests, who include prominent engineers from all over the world.

So, to all of you who are arranging to travel in the early months of next year, I extend a cordial invitation to join us in our historic festivities.

D 35093

Text of Address by Rt. Hon. W. L. Mackenzie King,
Prime Minister of Canada,
"Canada Salutes Australia" Broadcast - January 27, 1938.

On behalf of the government and people of Canada, I extend cordial greetings and congratulations to the government and people of Australia, who, on the occasion of the 150th anniversary of the founding of their country, have just entered upon a period of national celebration. It is a happy circumstance that this broadcast, through which we, in Canada, are enabled to share in the rejoicing of a sister Dominion, should coincide as it does with an event of national importance in our own country, the reassembling today of the Parliament of Canada. It is a source of pleasure to all members of our House of Commons that two of our number, Mr. Sanderson, the Deputy Speaker, and Mr. Hurtubise, are participating in the ceremonies in Australia, as representatives of the Canadian Branch of the Empire Parliamentary Association.

D 35094

Australia, like Canada, presented to the explorer and settler, a continent of immense distances, and of unbounded natural wealth. Captain Phillip's historic expedition, which landed at Port Jackson, 150 years ago, was followed by a tide of heroic pioneers, who revealed the secrets of the vast interior, and opened the way for an era of rapid and substantial expansion. To the spirit of independence of the early communities, succeeding years added a growing sense of national consciousness. The end of Victoria's reign witnessed the birth of the Commonwealth of Australia.

In recent years, the people of Australia in common with Canada and the rest of the world, have faced severe trials and grave responsibilities. They have done so in a manner which has revealed the highest qualities of resolution and determination.

D 35095

As Australia looks forward to a further period of growth and development, she will enjoy the good wishes of all parts of the Empire and of other countries, but none warmer than those of the people of Canada.

Freely associated together, as members of the British Commonwealth of Nations, Australia and Canada share the same faith in democratic institutions, and the same profound desire for peace. It is the hope of the people of Canada that the ties of mutual interest and affection with which we are bound together may be strengthened through years to come. We trust that the attachment of our respective countries to common ideals and traditions may help to ensure a larger measure of happiness and well-being, not for ourselves alone, but for the Empire, and for mankind.

D 35096

Release from the Office of the Prime Minister for publication in the morning papers on Friday, January 28th, 1938.

Text of Address by the Rt. Hon. W. L. Mackenzie King, Prime Minister of Canada, in C.B.C. National Broadcast - "Canada Salutes Australia", January 27th, 1938.

On behalf of the government and people of Canada, I extend cordial greetings and congratulations to the government and people of Australia, who, on the occasion of the 150th anniversary of the founding of their country, have just entered upon a period of national celebration. It is a happy circumstance that this broadcast, through which we, in Canada, are enabled to share in the rejoicing of a sister Dominion, should coincide as it does with an event of national importance in our own country, the reassembling today of the Parliament of Canada. It is a source of pleasure to all members of our House of Commons that two of our number, Mr. Sanderson, the Deputy Speaker, and Mr. Hurtubise, are participating in the ceremonies in Australia, as representatives of the Canadian Branch of the Empire Parliamentary Association.

Australia, like Canada, presented to the explorer and settler, a continent of immense distances, and of unbounded natural wealth. Captain Phillip's historic expedition,

D 3509?

which landed at Port Jackson, 150 years ago, was followed by a tide of heroic pioneers, who revealed the secrets of the vast interior, and opened the way for an era of rapid and substantial expansion. To the spirit of independence of the early communities, succeeding years added a growing sense of national consciousness. The end of Victoria's reign witnessed the birth of the Commonwealth of Australia.

In recent years, the people of Australia in common with Canada and the rest of the world, have faced severe trials and grave responsibilities. They have done so in a manner which has revealed the highest qualities of resolution and determination.

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D 35098

Min Depoire

January 21, 1938

Memorandum for the Prime Minister

Re -"Canada Salutes Australia" broadcast, January 27th, 9.00 to 10.00 p.m.

-- Attached is an explanatory memorandum, and a draft message.

I told Mr. Murray that you could not say definitely whether you would take part in the broadcast, but that you would consider doing so. The C.B.C. state that the item in this morning's citizen was not authorized, and was due to an error on the part of their publicity department. They are cancelling any further announcement until word is received definitely from you.

As the records have to be shipped to Toronto and also to New York, the C.B.C. now advise that Monday is the latest day on which a record of your message can be made.

A message of 2 to 3 minutes is sufficient. The draft would take 3 minutes, approximately.

E.A.P.

D 35093

MEMORANDUM FOR THE PRIME MINISTER

Re: "Canada Salutes Australia" broadcast, January 27th, 9.00 to 10.00 p.m.

About 1786, great necessity arose in England for clearing out the over-crowded prisons, and the government decided to establish a penal colony in Australia, which had been annexed to the British Crown by Captain James Cook in 1769, but which had never been developed or colonized. On January 26th, 1788, the "first fleet" with Captain Arthur Phillip in command, landed at Port Jackson, New South Wales, with an expedition composed of 9 ships, with 443 officers, crew and marines, and 720 convicts.

In Australia, January the 26th is considered to be the anniversary of the founding of the nation, and that date is observed annually as a national holiday and referred to as "Foundation Day". This year, the 150th anniversary will be marked by a period of national celebrations, consisting of empire games, carnivals, exhibitions, etc., lasting from January the 26th to April the 25th. A world radio convention will be held in Sydney from April the 4th to the 14th. The Patron of the celebrations is Prime Minister Lyons and the Chairman of the committee in charge Premier Stevens of New South Wales, which is the "parent state" and enjoys a sort of seniority ~~rights~~ over the others because it was the first to be settled and several of the other states were once a part of it.

On January 1, 1901, New South Wales, Victoria, South Australia, Queensland, Tasmania and Western Australia were united in a federated commonwealth under the name of the Commonwealth of Australia.

The "Canada Salutes Australia" broadcast will be carried by C.B.C. over a national hook-up from 9.00 to 10.00 p.m. on Thursday, January the 27th. A record will be made of it and shipped immediately to Australia, where it will be reproduced upon arrival in a nation-wide broadcast there. Items of the programme so far planned will be recorded speeches by the Prime Minister of Australia* and the Premier of New South Wales. The programme will be a form of cavalcade of stirring events which will be dramatized and will include those from the foundation of Australia to the present time. It is thought that Mr. Macgregor, the Australian Trade Commissioner to Canada, will be taking part in the programme, which will be submitted to him for approval before being broadcast.

E. A. P.

January 21, 1938.

*. The typescript of these speeches attached. There is some doubt as to whether one is by Mr. Hughes or Mr. Lyons. A query has been made but no reply received as

D 35100

Note
There is doubt as to whether this is by Mr. Hughes or Mr. Bushnell. A query has been made

MSG T-5

E. L. BUSHNELL

The following is exact copy of Prime Minister of Australia's address:

Typescript of recorded message by the Rt. Hon. W.M. Hughes, P.C., M.P., K.C.

"It gives me much pleasure to extend to you an invitation to visit Australia early next year. From January 26th to April 25th we shall be celebrating the foundation of this great young commonwealth - an event of some importance to the world, and of the deepest significance to us.

Our history is short, but it has been cast in a wonderful age. Since the day when Captain Arthur Phillip sailed the first fleet into Port Jackson, the descendants of the first settlers and of others, who followed in their train, have, by prodigious labours, built up a great and flourishing state, and now we invite you to join with us in celebrating its 150th anniversary. For three months from January 26th, thepeople of Sydney, the oldest and greatest city of Australia, will hold high carnival. The stage on which this joyous festival will be held is ideal. In no country in the world do surroundings lend themselves more invitingly to carefree pleasure. Glorious blue skies and bright sunshine, together with a programme of joyous pleasure, thrilling sports, national exhibitions, will make memorable this arresting milestone in a young nation's progress.

The past and the present will be bridged. The bullock dray, the swift moving modern motor, the lonely backblocks, crowded modern industry; aerial

D 35101

pageantry, military and naval reviews will combine to symbolise in a colorful cavalcade - Australia's impressive march to nationhood, and to those who seek other joys, the finest surging beaches and the besg big game fishing ih the world are at their doors.

To those who are interested in the miracle of wireless, made manifest through the genius of Marconi, let me say that his widow, the Marchesa Marconi and her daughter Elettra, will be official guests of the Australian Institution of Radio Engineers at the World Radio Convention to be held in Sydney, from April 4th to the 14th. From England, Sir Noel Ashbridge, Chief Engineer of the BBC., and from America, Mr. David Sarnoff, a prominent radio executive, will be amongst the official guests, who include prominent engineers from all over the world.

So, to all of you who are arranging to travel in the early months of next year, I extend a cordial invitation to join us in our historic festivities.

D 35102

TYPESCRIPT OF RECORDED MESSAGE BY THE HON. B. S. B. STEVENS, M.L.A.

"On the 26th January, 1938, we people of Australia will commence celebrating the 150th Anniversary of our foundation day, and we have arranged a season of festivities that will be worthy of such a great historic occasion. As Premier of New South Wales, the parent state, and the centre of the festivities, I extend to people overseas a most cordial invitation to visit us and join in our rejoicing.

That century and a half has seen Australia grow to front-rank nationhood. It will be one purpose of the celebrations to commemorate, by pageantry, the toil and heroism, the devotion and self-sacrifice of the great men and women who made that progress possible. It will be another purpose to display by shows and exhibitions the vast possibilities of this great Australiah continent.

In every sense it will be a period of rejoicing. The most diversified entertainments will be staged, so that everyone may find his pleasure. There will be sporting events of every kind, Empire games, aquatic and aerial displays, brilliant night entertainments, all against a background of natural scenic splendour.

Australians are keen at all times to cultivate friendly relationships abroad. They are great travellers themselves and they desire nothihg more than that other people should visit them and see something of their country. I would say that there could be no better chance to see Australia at its best and its people in their happiest mood than this occasion of their 150th anniversary.

D 35103

I, therefore, extend to you a sincere and hearty welcome to visit this land of sunshine.

Those of you who are interested in broadcasting are particularly invited to attend a World Radio Convention, which will be held in Sydney from 4th April to 14th April, during the celebration period. Prominent overseas radio figures will be in attendance, including the Marchesa Marconi, widow of the world-famed wireless personality.

I, personally, extend to you, therefore, with great pleasure a hearty welcome to visit this land of sunshine during the celebration period. You will love Australia, and on behalf of the New South Wales Government, I have pleasure in inviting you to visit us early next year.

"Rupert Lucas Jan 15-12. 30LGF"

ACK RHDH

D 35104

Text of Address by Rt. Hon. W. L. Mackenzie King, Prime Minister of Canada, "Canada Salutes Australia" Broadcast - January 27, 1938.

On behalf of the government and people of Canada, I extend cordial greetings and congratulations to the government and people of Australia, who, on the occasion of the 150th anniversary of the founding of their country, have just entered upon a period of national celebration. It is a happy circumstance that this broadcast, through which we, in Canada, are enabled to share in the rejoicing of a sister Dominion, should coincide as it does with an event of national importance in our own country, the reassembling today of the Parliament of Canada. It is a source of pleasure to all members of our House of Commons that two of our number, Mr. Sanderson, the Deputy Speaker, and Mr. Hurtubise, are participating in the ceremonies in Australia, as representatives of the Canadian Branch of the Empire Parliamentary Association.

D 35105

Australia, like Canada, presented to the explorer and settler, a continent of immense distances, and of unbounded natural wealth. Captain Phillip's historic expedition, which landed at Port Jackson, 150 years ago, was followed by a tide of heroic pioneers, who revealed the secrets of the vast interior, and opened the way for an era of rapid and substantial expansion. To the spirit of independence of the early communities, succeeding years added a growing sense of national consciousness. The end of Victoria's reign witnessed the birth of the Commonwealth of Australia.

In recent years, the people of Australia in common with Canada and the rest of the world, have faced severe trials and grave responsibilities. They have done so in a manner which has revealed the highest qualities of resolution and determination.

D 35106

As Australia looks forward to a further period of growth and development, she will enjoy the good wishes of all parts of the Empire and of other countries, but none warmer than those of the people of Canada.

Freely associated together, as members of the British Commonwealth of Nations, Australia and Canada share the same faith in democratic institutions, and the same profound desire for peace. It is the hope of the people of Canada that the ties of mutual interest and affection with which we are bound together may be strengthened through years to come. We trust that the attachment of our respective countries to common ideals and traditions may help to ensure a larger measure of happiness and well-being, not for ourselves alone, but for the Empire, and for mankind.

D 35107

Text of Address by Rt. Hon. W. L. Mackenzie King,
"Canada Salutes Australia" Broadcast - January 27, 1938.

On behalf of the government and people of Canada, I extend cordial greetings and congratulations to the government and people of Australia, who, on the occasion of the 150th anniversary of the founding of their country, have just entered upon a period of national celebration. It is a happy circumstance that this broadcast, through which we, in Canada, are enabled to share in the rejoicing of a sister Dominion, should coincide as it does with an event of national importance in our own country, the reassembling today of the Parliament of Canada. It is a source of pleasure to all members of our House of Commons that two of our number, Mr. Sanderson, the Deputy Speaker, and Mr. Hurtubise, are participating in the ceremonies in Australia, as representatives of the Canadian Branch of the Empire Parliamentary Association.

D 3510

Australia, like Canada, presented to the explorer and settler, a continent of immense distances, and of unbounded natural wealth. Captain Phillip's historic expedition, which landed at Port Jackson, 150 years ago, was followed by a tide of heroic pioneers, who revealed the secrets of the vast interior, and opened the way for an era of rapid and substantial expansion. To the spirit of independence of the early communities, succeeding years added a growing sense of national consciousness. The end of Victoria's reign witnessed the birth of the Commonwealth of Australia.

In recent years, the people of Australia in common with Canada and the rest of the world, have faced severe trials and grave responsibilities. They have done so in a manner which has revealed the highest qualities of resolution and determination.

D 35109

As Australia looks forward to a further period of growth and development, she will enjoy the good wishes of all parts of the Empire and of other countries, but none warmer than those of the people of Canada.

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In recent years, in common with Canada and the rest of the world, the people of Australia have faced severe trials and grave responsibilities. They have done

D 35112

so in a manner which has revealed the highest qualities of resolution and determination.

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D 3511

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D35115

Australia, like Canada, presented to the explorer and settler, a continent of immense distances, and of unbounded natural wealth. Captain Phillip's historic expedition, which landed at Port Jackson, 150 years ago, was followed by a tide of heroic pioneers, who revealed the secrets of the vast interior, and opened the way for an era of rapid and substantial expansion. To the spirit of independence of the early communities, succeeding years added a growing sense of national consciousness. The end of Victoria's reign witnessed the birth of the Commonwealth of Australia.

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D 35116

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King Speeches outside Parliament
1938.

January 21, 1938 D 35117

Memorandum for the Prime Minister

Re -"Canada Salutes Australia" broadcast, January 27th, 9.00 to 10.00 p.m.

Attached is an explanatory memorandum, and a draft message.

I told Mr. Murray that you could not say definitely whether you would take part in the broadcast, but that you would consider doing so. The C.B.C. state that the item in this morning's citizen was not authorized, and was due to an error on the part of their publicity department. They are cancelling any further announcement until word is received definitely from you.

As the records have to be shipped to Toronto and also to New York, the C.B.C. now advise that Monday is the latest day on which a record of your message can be made.

W.A.P.

P/PM

D35118

MEMORANDUM FOR THE PRIME MINISTER

Re: "Canada Salutes Australia" broadcast, January 27th, 9.00 to 10.00 p.m.

About 1786, great necessity arose in England for clearing out the over-crowded prisons, and the government decided to establish a penal colony in Australia, which had been annexed to the British Crown by Captain James Cook in 1769, but which had never been developed or colonized. On January 26th, 1788, the "first fleet" with Captain Arthur Phillip in command, landed at Port Jackson, New South Wales, with an expedition composed of 9 ships, with 443 officers, crew and marines, and 720 convicts.

In Australia, January the 26th is considered to be the anniversary of the founding of the nation, and that date is observed annually as a national holiday and referred to as "Foundation Day". This year, the 150th anniversary will be marked by a period of national celebrations, consisting of empire games, carnivals, exhibitions, etc., lasting from January the 26th to April the 25th. A world radio convention will be held in Sydney from April the 4th to the 14th. The Patron of the celebrations is Prime Minister Lyons and the Chairman of the committee in charge Premier Stevens of New South Wales, which is the "parent state" and enjoys seniority rights over the others because it was the first to be settled and several of the other states were once a part of it.

On January 1, 1901, New South Wales, Victoria, South Australia, Queensland, Tasmania and Western Australia were united in a federated commonwealth under the name of the Commonwealth of Australia.

The "Canada Salutes Australia" broadcast will be carried by C.B.C. over a national hook-up from 9.00 to 10.00 p.m. on Thursday, January the 27th. A record will be made of it and shipped immediately to Australia, where it will be reproduced upon arrival in a nation-wide broadcast there. Items of the programme so far planned will be recorded speeches by the Prime Minister of Australia and the Premier of New South Wales. The programme will be a form of cavalcade of stirring events which will be dramatized and will include those from the foundation of Australia to the present time. It is thought that Mr. Macgregor, the Australian Trade Commissioner to Canada, will be taking part in the programme, which will be submitted to him for approval before being broadcast.

E. A. P.

January 21, 1938.

/D

D 35119

TYPESCRIPT OF RECORDED MESSAGE BY THE HON. B. S. B. STEVENS, M.L.A.

"On the 26th January, 1938, we people of Australia will commence celebrating the 150th Anniversary of our foundation day, and we have arranged a season of festivities that will be worthy of such a great historic occasion. As Premier of New South Wales, the parent state, and the centre of the festivities, I extend to people overseas a most cordial invitation to visit us and join in our rejoicing.

That century and a half has seen Australia grow to front-rank nationhood. It will be one purpose of the celebrations to commemorate, by pageantry, the toil and heroism, the devotion and self-sacrifice of the great men and women who made that progress possible. It will be another purpose to display by shows and exhibitions the vast possibilities of this great Australian continent.

In every sense it will be a period of rejoicing. The most diversified entertainments will be staged, so that everyone may find his pleasure. There will be sporting events of every kind, Empire games, aquatic and aerial displays, brilliant night entertainments, all against a background of natural scenic splendour.

Australians are keen at all times to cultivate friendly relationships abroad. They are great travellers themselves and they desire nothing more than that other people should visit them and see something of their country. I would say that there could be no better chance to see Australia at its best and its people in their happiest mood than this occasion of their 150th anniversary.

D35120

I, therefore, extend to you a sincere and hearty welcome to visit this land of sunshine.

Those of you who are interested in broadcasting are particularly invited to attend a World Radio Convention, which will be held in Sydney from 4th April to 14th April, during the celebration period. Prominent overseas radio figures will be in attendance, including the Marchesa Marconi, widow of the world-famed wireless personality.

I, personally, extend to you, therefore, with great pleasure a hearty welcome to visit this land of sunshine during the celebration period. You will love Australia, and on behalf of the New South Wales Government, I have pleasure in inviting you to visit us early next year.

"Rupert Lucas Jan 15-12. 3OLGF"

ACK RHOH

MSG T-5

D 35121

E. L. BUSHNELL

The following is exact copy of Prime Minister of Australia's address:

Typescript of recorded message by the Rt. Hon. W.M. Hughes, P.C., M.P., K.C.

"It gives me much pleasure to extend to you an invitation to visit Australia early next year. From January 26th to April 25th we shall be celebrating the foundation of this great young commonwealth - an event of some importance to the world, and of the deepest significance to us.

Our history is short, but it has been cast in a wonderful age. Since the day when Captain Arthur Phillip sailed the first fleet into Port Jackson, the descendants of the first settlers and of others, who followed in their train, have, by prodigious labours, built up a great and flourishing state, and now we invite you to join with us in celebrating its 150th anniversary. For three months from January 26th, thepeople of Sydney, the oldest and greatest city of Australia, will hold high carnival. The stage on which this joyous festival will be held is ideal. In no country in the world do surroundings lend themselves more invitingly to carefree pleasure. Glorious blue skies and bright sunshine, together with a programme of joyous pleasure, thrilling sports, national exhibitions, will make memorable this arresting milestone in a young nation's progress.

The past and the present will be bridged. The bullock dray, the swift moving modern motor, the lonely backblocks, crowded modern industry; aerial

D 35122

pageantry, military and naval reviews will combine to symbolise in a colorful cavalcade - Australia's impressive march to nationhood, and to those who seek other joys, the finest surging beaches and the best big game fishing in the world are at their doors.

To those who are interested in the miracle of wireless, made manifest through the genius of Marconi, let me say that his widow, the Marchesa Marconi and her daughter Elettra, will be official guests of the Australian Institution of Radio Engineers at the World Radio Convention to be held in Sydney, from April 4th to the 14th. From England, Sir Noel Ashbridge, Chief Engineer of the BBC., and from America, Mr. David Sarnoff, a prominent radio executive, will be amongstthe official guests, who include prominent engineers from all over the world.

So, to all of you who are arranging to travel in the early months of next year, I extend a cordial invitation to join us in our historic festivities.

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
58		Trade: United Kingdom - United States Trade Agreement. Speeches in Parliament	Jan. 1938	D 34995 - D 35002	
58		Trade: International. Speeches in Parliament	Jan.-Feb. 1938	D 35003 - D 35020	
58		Unemployment Insurance. Speeches in Parliament	Jan.-June 1938	D 35021 - D 35031	
58		Water - Division of. Speeches in Parliament	Feb.-Mar. 1938	D 35032 - D 35041	
58		Unemployment & Drought. Speeches in Parliament	June 1938	D 35042 - D 35051	
58		Canada-United States Trade Treaty, Washington. Speeches outside Parliament	17 Nov. 1938	D 35052 - D 35086	
58		Australia: "Canada Salutes Australia" Broadcast: Speeches outside Parliament	27 Jan. 1938	D 35087 - D 35122	
58		National Liberal Federation of Canada: Speeches outside Parliament	18 May 1938	D 35123 - D 35133	

PRESS CLIPPINGS D35123 Office of The Prime Minister

Name of Publication Ottawa M. Citizen

Date May 19 /38.

Subject National Liberal Federation of Canada - Advisory Council of Speech by Mr. King, May 18, 1938

Pledge Liberal Party to Guard National Unity

Advisory Council of National Liberal Federation 'Strongly Deplores, Opposes' Numerous 'Isms'

Favor Harmony Among Provinces, Dominion

Mr. King Says Govt. Is Trying to Implement Every Pledge Made in 1935.

Declaring the unity of Canada and her democracy required defence from numerous "isms," the Liberal party, through the Advisory Council of the National Liberal Federation, yesterday itself to guard that unity.

The federation in its one-day meeting took cognizance of many things that have happened in Canada since its last session and indicated the importance of the policy statements to be made, by naming Justice Minister Lapointe chairman of the resolutions committee.

It was Mr. Lapointe, who read to more than 200 Liberals, representing every province in Canada, and including many members of the Commons and Senate, the resolutions on "national unity" and "democratic government."

Unanimously Passed.

The unanimously-passed resolution on "democratic government" linked together Communism, Fascism, Nazism, separatism, sectionalism and provincialism as foes of Canada. Text of the resolution was:

"The Advisory Council of the National Liberal Federation of Canada in annual meeting assembled reaffirms its belief in the democratic and parliamentary forms of government and strongly deplores and opposes the promotion in Canada of Communism, Fascism, Nazism, separatism, sectionalism and provincialism, and all other 'isms' inconsistent with Liberal principles."

For Harmonious Relations.

Harmonious relations between Dominion and provinces and between the provinces themselves are essential to national unity, the "national unity" resolution read and the council said it "would view with regret any move or actions which might endanger such unity."

The resolution read in part:

"Never was it more necessary to safeguard and defend the rights of the whole people of this Dominion from the efforts of special interest of every kind and from every direction, and never in our history was it more necessary to promote with courage and vision the unity of the Dominion as it has been expressed so consistently by our great and distinguished leaders since Confederation.

"Harmonious relations between the Dominion and the provinces and between the provinces among themselves are essential to the preservation of this much-needed unity, and the National Liberal Federation would view with regret any move or actions which might endanger such unity. To such a policy of Canadian national solidarity the Liberal party is pledged."

Keynote Speech.

Prime Minister Mackenzie King made the keynote speech of the meeting with a plea for the unity in the Liberal party of those interested in promoting Liberal thought and action in Canada. Mr. King said his government elected in 1935 had made a conscientious effort to make effective the 14 planks in the Liberal platform of that year. With the aid of those who helped them the government could carry through and every pledge was implemented.

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REPEAT
REPETITION

PRESS CLIPPINGS

Office of
The Prime Minister

Name of Publication.....

Date.....

Subject .....

Officers Re-elected.

All officers of the federation were re-elected. They are: Honorary president Mr. King; president, Senator Norman Lambert; vice - presidents, Mr. Lapointe, Senator Cairine Wilson; English secretary, Walter B. Herbert; French secretary, A. Phileas Cote.

Senator Lambert, in his presidential report, outlined the work of the federation in keeping Liberals organized nationally. Reports were heard also from provincial organizations.

The council by resolution expressed its appreciation of the "constructive contribution" being made by the press and other information mediums to Canada's life and expressed confidence in Mr. King.

"K" Speeches

Notes prepared by Mr. Fredenburgh.

D 35125

National Liberal Federation

Ottawa, May 18, 1938

Welcome to out-of-town delegates -

Last meeting December 1936 - abdication;

Burdens on P.M. - few opportunities of meeting Liberals throughout country

Plan to visit West this year;

Meeting brings together representatives -

From all parts of Canada,

Men and women,

Young and old,

Parliamentary and non-parliamentary;

Senator Lambert

Appreciation of work as President since last meeting; and of Federation staff;

Appointment to Senate -

recognition of his public services

" " Federation;

D 35126

link between Parliamentary and non-parliamentary party;

National Federation of Liberal Women -

They, like 20th Century Association sharing so fully in work of meeting and of party generally -

Best wishes for meeting of N.F.L.W. being held later this week;

Political parties vital part of democratic Government -

two-fold function:

to acquaint party leaders and Ministry of Liberal opinion throughout country,

to make known to people Liberal policies and efforts of government;

Annual meeting a valuable forum -

real government rests ultimately not with Ministry or Parliament, but electors;

D 35127

occasion for frank speaking - review of past efforts and of present objectives;

Conservative Convention - likely to result in renewed efforts and interest;

Necessity of maintaining efforts and cohesion of Liberal Party -

Tendency for organization to lag when Party in office;

e.g. - Conservatives 1930-35

Tendency for party with preponderant majority to lose its cohesion -

Recognize different views within party -

e.g. tariff reform, defence;

Divergence of view characteristic of Liberalism -

Welcomes different views as sign of vitality;

Present a period of exceptional difficulties -

External Problems - strife in Spain and Far East -

Political ferment in other countires, ruthless political methods - influence on elements in this country;

Defence - became grave national issue with failure of collective system and disarmament efforts;

Domestic problems -

Quebec - "autonomy" - distortion of issues - Unemployment Insurance;

Alberta - attempts to put government in difficult position - passed Acts known to be ultra vires;

Ontario - Relations most trying - Have gone out of way to co-operate in face of provocation;

D 35129

Constitutional problems -

70 years accumulation of maladjustments;

Government's hands tied in seeking needed reforms -

e.g. social legislation;

Legacy of Bennett government -

Serious economic and financial plight of country -

Bennett, as P.M., set example of autocratic, arbitrary government;

Objectives of government -

In Opposition, as in G.E. campaign, Liberal party insisted on putting first things first in programme of ordered reform;

To secure social reforms -

(1) must have sound economic basis;

(2) must settle constitutional problems -

Question of jurisdiction -

Rowell Commission;

Remarkable progress of past 2 years all along line, towards economic recovery;

unprecedented drought and business recession in U.S. have impeded recovery to some extent -

many "favourable signals" at present; e.g. crop prospects;

Government has sought to reduce cost of production and consumers goods -

a foremost aim of Liberalism;

progress already made (U.S. & U.K. agreements, 1936 & 1937 Budgets) not generally realized;

Hope for more comprehensive agreement with U.S. -

recognize desirability of further tariff reduction -

seeking to combine this with securing concessions in markets abroad;

 D 35131

Need of broad perspective -

task still far from complete;

must view achievements and unfinished programme in light of complex situation of present time;

never in peace time has Canada been confronted with so many grave issues;

if not treated with utmost patience, might divide nation, threaten Confederation;

Geography, race, religion, different economic interests make Canada difficult to govern;

While forces making for disunity are serious, difficulties of other periods overcome -

Manitoba School question,

Nationalist movement (Bourassa),

Maritime Rights; Natural Resources;

D 35132

Preservation of national unity task of Liberalism -

difficulties and dissention makes stable administration, based on moderate policies, more than ever essential -

What alternative is there today to to Liberal government?

What other party or group could preserve unity of nation re defence, foreign policy, dominion-provincial problems?

Conservatives weak and disunited -

Third parties based on class appeal -

Liberal party alone, today, truly national in scope and appeal;

To perform its task, Liberalism must itself remain united -

Policy of party results from interaction of different views - united on broad, fundamental principles - must move forward as a whole;

Co-operation within party of utmost significance to future of Dominion;

Liberal administrations of past have achieved -

economic development, prosperity;

social reforms;

solution Dom.-Prov. problems;

progress toward nationhood in Commonwealth of free nations;

conduct of public affairs characterized by tolerance and dignity;

full expression of democratic methods of government;

Liberal Party, strong and united, remaining true to its traditions, will again achieve solution of nation's problems.

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
58		National Federation of Liberal Women of Canada Banquet: Ottawa. Speeches outside Parliament	20 May 1938	D 35134 - D 35163	
58		Press Gallery Dinner, Ottawa. Speeches outside Parliament	28 May 1938	D 35164 - D 35216	
58		Women: Five Alberta, Unveiling of Tablet to: Ottawa. Speeches outside Parliament	11 June 1938	D 35217 - D 35234	
58		Niagara Falls Memorial Arch: Unveiling of. Speeches outside Parliament	18 June 1938	D 35235 - D 35335	
58		Toronto Civic Luncheon. Speeches outside Parliament	30 July 1938	D 35336 - D 35349	
58		Canadian Corps Reunion, Toronto. Speeches outside Parliament	30 July 1938	D 35350 - D 35362	
58		St. Lawrence - International Peace Centennial: Prescott, 1 July. Speeches outside Parliament	1 July 1938	D 35363 - D 35421	
58		Fort Henry: Re-opening of Kingston. Speeches outside Parliament	1 Aug. 1938	D 35422 - D 35441	

D35134

Toronto Women's Liberal Association
May 11, 1934.

The Times in which we are living.

The World conditions.

A changing Social Order.

What is it we want to change?

foundations that are solid,

or a superstructure that is out of date.

Quo Vadimus?

Communism -

take out entire foundations - Christianity -

Fascism -

put faith in dictatorship - materialism;

extension of State.

Democracy -

faith in the people; vox populi - vox dei;

essence of democracy - personal liberty

freedom of the individual -

for personal reasons;

" economic reasons -

initiative, enterprise, progress;

not of few, but many;

D35135

Democracy -

how secured -

Magna Carta;

Petition of Rights;

Bill of Rights;

Habeas Corpus;

Right of Assembly;

Freedom of Press;

Free Parliamentary Institutions;

The People's Charter;

Franchise;

Rights of Minorities;

- characteristic of all, particular interest made subject to general; secured by Parliament.

Within Extremes of Communism and Fascism - each depending on open resort to force
Lie other Autocracies - with bureaucracy

Autocracy of Toryism (not Conservatism)-rule of special interests) keep form of Parlt.
" " Socialism - rule of class interests. (destroy its spirit - common good

- both tending to get rid and be subversive of Parliamentary institutions.

D 35136

Toryism -

Relief Measures - no control by Parlt. - orders in council;

Marketing Bill - Restrict trade by O. in C.

create offence by others than Parliament.

Function of Liberalism -

Maintain fundamental principles of freedom,

of personal liberty;

i.e. parliamentary institutions - the constitution;

rights of minorities;

freedom in all phases of life - political

religious;

social;

economic;

Liberalism not Synonymous with Laissez-faire -

" " " " Regulation or Control -

do not belong to same category;

Liberalism = a political creed;

gospel of freedom.

Laissez-faire and control = methods.

D35137

Methods to be applied as necessity arises -

e.g. Laissez-faire to secure freedom by removing fetters,
take away necessary restrictions:
e.g. mediaevel guilds,
monopolies,
restrictions on trade.

Regulation = to secure freedom by preventing encroachments on individual rights and freedom;
freedom of each to have regard for wider freedom of all;
restrict liberty of few, that greater liberty may be secured to the many.
e.g. factory acts, etc.

Liberal measures illustrative of Regulation and Control:

Conditions of Today parallel to those of a Century ago:

Note parallels:

D 35138

Sall we Imitate Revolutions -

French revolution,

Chartists uprising,

Ludgate riots, etc.

Or Shall We Hold to Fundamental Principles Securing Freedom

and go on enlarging the bounds of freedom in economic sphere.

An essential to Freedom -

Peace.

The Enemies of Today - based on restriction:

Economic Nationalism - leads in economic relations to scarcity;

Economic Imperialism - " " international " " war.

Develop doctrine of scarcity

and imminent danger of war.

Alternative -

Economic co-operation - within nation - between countries,

secured through free parliamentary institutions,

lay down regulations.

D 35139

Application to present day problems in Canada:

(1) Unemployment -

Recognize problem as National problem;

" no Department of Government able to cope with;

Need for representative National Commission similar to National Patriotic Fund;

Commission to report to Parliament and make recommendations;

delegation of its function by State

Have voluntary effort as large as possible;

State to supplement for purpose of administration and for construction programme;

otherwise programme become one to be used for political ends - to corrupt electorate -

e.g. Highways,
Public Works, etc.,
Provinces.

(See Toronto Star article May 5th).

(2) Work our National Social Insurance Scheme

against inevitable risks of industry.

(See Industry and Humanity re).

(3) Effect Necessary Changes in British North America Act

to effect uniformity of standards, etc.

Only means of giving effect to legislation re

Minimum standards,

Price spreads. (re Out Govt (see Reflection Stand)

Re application of regulation, etc., as Liberal principle.

D 35140

Liberal Party's Record in Federal Field:

Department of Labour -

Fair Wages.

Hours of Labour and Working Conditions -

(Report on Sweating System)

(Report on Telephone Operators)

(Report on Cotton Workers).

Industrial Disputes act -

(Report on Strike in Alberta).

Combines Investigation Act.

Old Age Pensions.

Labour representation on Board of National Railways.

My own contribution -

Industry and Humanity.

Principles underlying Peace,
Work,
Health.

Progress or Confusion - right attitude.

Comparison with N.R.A. -

similar principles -

different methods of application.

The British parliamentary system vs. the American -

bring to parliament all classes -

not Executive one class.

D 35141

Why did we not introduce?

(1) We did in Federal field:

under Laurier,

" King,

were preparing to go farther - Conference to deal with unemployed -

Representative Commission, etc.

(2) Meet most urgent need:

restore parliamentary institutions,

increase trade,

reduce taxation -

how can you market if you have no trade
if you have trade - marketing will follow.

to help labour get employment.

Results obtained.

(3) Made beginnings Social Insurance Programme:

(a) Old Age Pensions;

(b) working towards unemployment,

took over war veterans end.

(4) To have in time of great prosperity,

when evils were curing themselves in a natural way,

sought to impose regulations necessary in times of depression, would not have been listened to.

Note position too:

Adverse Senate,

adverse parties to right and left.

D 35142

If in office would have to repeat.

End where I began - Whither?

What are determining factors in progress:

(1) Materialism - (Atheism).

(2) Organization - (Bureaucracy) etc.

(3) Belief in Spiritual Nature of Man -

not mere matter,

not mere machine,

but a living soul -

right to freedom,

right to development of fullest life.

Women's part -

Perceptions keener;

can help to provide the spirit -

the spiritual force needed for co-operation;

co-operation cannot be forced from without,

must come from within.

Call of woman is to Service of Humanity -

(See [redacted] Canon Henry Gluck and Socialism).

Service of Humanity

"K" Speeches

Notes prepared by Mr. Fredenburgh.

D 35143

RE: NATIONAL LIBERAL FEDERATION

Ottawa, May 18, 1938

Welcome opportunity to meet Liberals from all parts of Dominion -

Last meeting of Federation nearly year and half ago -

Circumstances will be present to minds of all -

Abdication;

Had looked forward to participating -

very day I was to have addressed meeting

(Dec. 10, 1936) King Edward renounced

Throne;

In these times, Leader of party - and especially

if he is Leader of Government -

has all too few opportunities of meeting

representatives of party throughout country;

Burdens of a Prime Minister today - leisure almost

unknown - only with greatest difficulty

can he avoid becoming so immersed in detail

that he is in danger of losing perspective

of broad picture so necessary to sound

administration -

Especially true when P.M. also responsible for

conduct of external relations - terrible

responsibilities of these troubled times;

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REPEAT
REPETITION

D95144

Unable to visit West-

Pressure such it has been impossible to visit West - and even to meet my own constituents since taking office -

Definitely planning to do so during present year;

Political party a vital part of democratic government:

Parliamentary system based on parties -

Party, in turn, dependent on continuous work of organization and discussion of public questions;

Two-fold function of Liberal Federation -

(1) to make known to party leaders and to Ministry, Liberal opinion throughout Canada,

(2) to acquaint people of Canada generally with Liberal policies and efforts of Government to cope with problems of day;

Task belongs not only to P.M. and Members of Government, or even Members of Parliament, but to all who share aims and ideals of party;

D 35145

Annual meeting a valuable forum:

Opportunity for frank exchange of views re work of party, and for review of Government's stewardship;

Serves to emphasize that real government of Dominion rests ultimately not with Ministry, or even Parliament, but with electors of nation, speaking through local associations;

Pleased that circumstances permitted meeting this year during session -
Parliamentary representatives and non-Parliamentary delegates thus enabled to discuss together questions of concern to Liberalism as a whole;

Occasion not for speech-making, but for clear reasoning and plain speaking amongst ourselves -

Opportunity to observe political picture across Dominion at present time; to review record and aims of the Administration, and to reconsider objectives towards which, as a party, and as a Government, we are striving;

Significance of forthcoming Conservative Convention:

Present meeting of Federation, coming in third year of administration, particularly important;

Too often, in office, political parties tend to let work of organization lag, with disastrous consequences -

e.g., Conservatives, after 1930, neglected organization - contributed to crushing defeat of G.E. 1935;

Conservatives shortly to hold national Convention to select new Leader -

Likely to result in stimulus to work of party and in renewed efforts to build up strong and active organization on nation-wide scale;

Tendency for party with preponderant majority to lose its cohesion -

Liberal party enjoys unprecedented majority in H. of C., and Liberal governments in 7 provinces;

Very strength of Liberalism might, if unity on fundamentals were lost, become a source of weakness;

D 35147

Recognize different views within party:

e. g., extent of defence programme necessary; speed with which tariff reform should be carried through -

Shall refer later to these questions - do not question sincerity of opinions;

? Divergence of view characteristic of Liberal principles and methods - a sign of vitality;

Liberalism does not seek to suppress individuality within party, but welcomes different points of view - party programme the result of different opinions being focussed on problems of day;

Present a period of exceptional difficulties:

While all will recognize certain problems with which Government is faced, few aware of whole series of grave and complex questions which have combined to make path of administration a thorny one;

Problems both external and domestic have arisen which make task of preserving national unity most difficult - an era of international tenseness

Seriousness of these issues renders co-operation within party ~~unity~~ all the more imperative;

D 35143

A. - External problems:

Forces at work in other parts of world, while beyond our control, exert powerful influence upon us;

Strife in Spain and Far East, and general insecurity in Europe have tended to create conflict of views in Canada -

Political ferment in other countries, with their clashing ideologies and ruthless political methods, following upon years of economic uncertainty, have influenced certain elements in this country who have no real grasp of, or sympathy for, democratic institutions -

Importation of hate and stridency, class and racial strife: swastika, hammer and sickle; attacks upon minorities;

Defence also a problem of national unity:

Impossible to foresee, when Government took office, that defence would become one of most outstanding and urgent problems;

Situation changed with unexpected rapidity - hope of disarmament gone, world feverishly re-arming;

D 35140

In view of world situation and breakdown of collective system, Canada had no practical alternative to embarking on defence programme;

Government sought to follow moderate defence policy, adequate to needs, but which would avoid extremes and command general approval;

In this task, Government, and Liberal party has performed service to nation;

<u>What other party in Canada could have preserved unity in these times on this vital issue</u>?

B. - <u>Domestic Problems:</u>

Emergence of sectional interests has led to misunderstanding and threat to national unity;

<u>Quebec</u> - Duplessis has sought to embarrass Dominion Government -

distortion of public issues -

e. g., unemployment insurance and "provincial rights";

D 35150

Alberta - Aberhart has also sought to misrepresent issues to his own advantage, and put Government in difficult position - e. g., measures known to be ultra vires - disallowance;

Ontario - Relations with Ontario Premier have been particularly trying - In spite of greatest provocation, Dominion Government has gone out of its way to co-operate;

Constitutional problems have caused uncertainty;

Constitutional adjustment has failed to keep pace with economic and social change - accumulation, over 70 years, of Constitutional maladjustments has led to misunderstanding and friction between Dominion and provinces;

Government constantly finding its hands tied in seeking needed reform - e. g., - social legislation;

certain provincial authorities have not hesitated to seek political advantage from confusion and uncertainties;

D35151

Legacy of Bennett Government:

In appraising efforts of present government, should keep in mind legacy of problems left by previous administration -

half million unemployed, million on relief; public debt increased over half billion in 5 years; trade cut in half; revenues drastically reduced; railway systems crippled;

4 provinces dependent on federal treasury; farming industry all but ruined; vast accumulated surpluses of wheat; public confidence and morale of Canadian people seriously impaired;

Mr. Bennett, as Leader of government, set the style for autocratic and arbitrary conduct of public affairs, since copied by others in public life in Canada;

Objectives of the government:

In opposition, as throughout general election campaign, Liberal party insisted on putting first things first in programme of ordered progress towards reform;

To secure social reforms with which Liberalism is vitally concerned -

(1) must have sound economic basis for reform- first objective of government was to seek economic rehabilitation - to place national economy on sound and stable basis through re-opening trade channels, stimulation of industry and commerce, reduction of unemployed;

(2) constitutional problems must be faced and question of jurisdiction settled - folly of precipitate and ill-considered attempts at reform seen in failure, and needless expense, of Bennett "new deal" measures; has added to confusion and uncertainty;

Appointment of Rowell Commission - to make intensive study of situation as necessary prerequisite of broad proposals of adjustment and reform;

D 35153

NSL

Remarkable progress of past 2 years towards economic recovery -

Notwithstanding unprecedented drought in West and business uncertainty in U. S. A.;

Trade - In 1937 Canada's total trade almost 40% greater than in 1935;
in 1936 and 1937, Canada 4th exporting nation of world, for first time since 1921;

Production - At close of 1937, industrial production and volume of business higher than at same time in any year in history;

Employment - More persons in gainful employment On Jan. 1st, 1938, than at same time in any year in history;

Unemployment - Lower at beginning of 1938 than at same time in any year since 1930;

Relief - Notwithstanding drought, relief rolls for Dominion reduced this spring by more than 325,000 as compared with 2 years ago;

Two factors have impeded recovery and added to government's problems -

(1) Unprecedented drought - nearly half of total population of Saskatchewan receiving direct

D 35154

relief;

Crop prospects now best for some years;

(2)Business recession in U.S. during past months - political and business uncertainty - reduced purchases both within U.S. and from other countries -

Favourable economic "signals":

While U.S. situation has slowed up pace of recovery in Canada, no reason to believe it deep-seated or of prolonged character;

Fundamental differences between situation of today and 1929 -

No general overdevel opment of capital goods industries; no huge accumulated world stocks; no hectic speculation; no fear of inadequate gold supply, banks in "liquid" position;

Government has sought to reduce cost of production and of Consumers' goods:

One of foremost aims of Liberalism - gov't has reduced tariffs and removed most of arbitrary valuations;

D 35155

Aware that some members of party feel
progress has not been rapid enough;
Have always maintained while tariff walls
can be erected over night, can only
be reduced by progressive stages;

NSC

Extent of tariff reduction not generally realized:

Through U.S. Agreement - nearly 100 specific reductions in Canadian tariff;
(nearly 800 other reductions, in effect, thro' grant of most-favoured nation treatment)

Through U.K. Agreement - 179 reductions in Canadian tariff;

Budgets 1936 and 1937 - over 150 further reductions;

Hope for more comprehensive agreements with U.S. and U.K.

Government recognizes desirability of further tariff reduction;

For obvious reasons, desirable to combine this with securing of concessions in other markets;

D 35156

Hopeful that present negotiations may be completed before end of session, and that results may prove highly satisfactory both re wider trading opportunities and relief for primary producers and consumers;

Need of broad perspective in viewing situation:

While gov't has accomplished much, its task is still far from complete;

Essential to view both achievements and unfinished programme in light conditions of today;

Never, in peace time, has Canada been confronted with so many grave issues which might, if not treated with utmost patience, divide nation into opposing sections and groups, and threaten Confederation;

Factors of geography, race, religion; conflicting economic interests, make Canada difficult country to govern;

While this true, and forces making for disunity are serious, should remember grave difficulties of other periods were overcome;

D 35157

e. g., Manitoba School question;
Nationalist Movement (Bourassa)
later, Maritime Rights; Natural Resources;

NOT Preservation of National Unity Task of Liberalism:

Difficulties and dissension of present makes stable administration, based on moderate policies, more than ever essential;

What other party or group could undertake this task at present time?

Conservatives weak and disunited -

If, as result of coming Convention, party is dominated by old reactionary forces, it cannot hope to find solution or undertake needed reforms;

If it breaks with old forces, it also breaks with history and traditions of Conservatism and may lose still further confidence of many of ablest supporters;

Third parties based on class appeal -

C. C. F. discredited in G.E. of 1935 and by-elections since;

S.C. stumbling blindly in dark;

Many of its aims commendable, but of

D 35158

doubtful practicability; uncertain
as to how to achieve its ends;

<u>To perform its task, Liberalism must itself remain united</u>:

Liberal party, today, alone truly national in
scope and appeal -

It alone can hope to cope with economic,
social and constitutional problems;
to strengthen spirit and structure
of Confederation;

Policy of party results from interaction of different
views; united on broad, fundamental principles;
must move forward as a whole;

Co-operation within party of utmost significance
to future of Dominion;

Liberal Administrations of past have achieved:

Great economic development and prosperity,
Social reforms,
Solution of problems between Dominion and
provinces,
Progress toward nationhood in a Commonwealth
of free nations;
Conduct of public affairs characterized by
tolerance and dignity;
Full expression of democratic methods of
government;

D 35159

Liberal party, strong and united, remaining true to its traditions, will again achieve solution ~~for~~ of nation's problems.

May 4, 1938.

RLF/GG

PRESS CLIPPINGS

Office of
The Prime Minister

Name of Publication Ottawa M. Citizen D 35160

Date May 21,/38.

Subject National Federation of Liberal Women of Canada
Speech by Mr. King at banquet - Ottawa, May 20, 1938.

Prime Minister Warns Of War Dangers, Urges Fullest National Unity

Mr. King Tells Liberal Women That Forces Are at Work That Threaten the Total Collapse of Civilization. Declares Good-Will Needed in Troubled World Today. Ministers Accompany Premier to Banquet. Hint of Election Appeal on National Unity Platform.

Warning of the dangers of war that threaten the total collapse of civilization, Rt. Hon. W. L. Mackenzie King, Prime Minister, made an appeal for national unity and good-will and urged allegiance to the ideals of Liberalism and democracy to avert those dangers, in an address last night at a banquet held by the National Federation of Liberal Women of Canada at the Chateau Laurier.

More than 700 members and delegates from all parts of Canada who are attending the two-day convention in Ottawa were present in the banquet hall to hear not only the Prime Minister but also Rt. Hon. Ernest Lapointe, minister of justice; Hon. Ian Mackenzie, minister of national defence, and Hon. Norman McLeod Rogers, minister of labor.

Sees One Way Out.

In his address the Prime Minister said: "The people of the world today, regardless of country, find themselves in a sort of maze, and sense that some appalling danger is drawing nearer day by day and bringing with it paralyzing fear." He declared that a way out of this approaching catastrophe was through ideals of Liberalism, a belief in human brotherhood and the potency of goodwill and co-operation. The Prime Minister, as did other speakers at the banquet, strongly deprecated symptoms of disunity appearing on the Canadian horizon. "Any man who preaches disunity is a foe of the nation," Hon. Mr. Lapointe declared.

"Challenge to Nation."

Rt. Hon. Ernest Lapointe, who spoke first, stated that "a few days ago a political leader in Western Canada, campaigning in a province not his own, advised Western Canada to band together. I have no hesitation in saying that such statements are a challenge to the nation," he said.

Presiding as chairman at the banquet held in the banquet hall was Hon. Cairine Wilson, who gave the toast to The King. Senator Wilson said that the unfortunate illness of Mrs. R. K. Paterson, president of the Ottawa Women's Liberal Club, who undertook the responsibility of organizing the banquet, prevented her from attending as chairman, and the duty devolved upon her. The order of speakers, she said, had been arranged by themselves, the first being Mr. Lapointe.

At Head Table.

Present at the head table, besides the Prime Minister and cabinet ministers were Mrs. Norman Rogers, Mrs. Pierre Casgrain, Hon J. E. Michaud and Mrs. Michaud, Mrs. J. L. Ilsley, Hon. J. G. Gardiner and Mrs. Gardiner, Hon. T. A. Crerar and Mrs. Crerar, Mrs. C. G. Power, Hon. Fernand Rinfret, Hon. A. C. Hardy and Mrs. Hardy, Hon. Norman Lambert and Mrs. Lambert, Mrs. H. W. Skinner, of the National Liberal Study Clubs, and Mrs. A. H. Lieff of the 20th Century Liberal Association of Canada.

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REPEAT
REPETITION

PRESS CLIPPINGS

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In his address which concluded the banquet, Rt. Hon. Mackenzie King warned against disintegration, class war and the danger of dictatorship.

"Let us ask ourselves if we are increasing our freedom here to the extent most citizens would like, or is there beginning to start up in this country species of dictators?" he asked. "I needn't mention them," he said, "they are in our minds.

The Prime Minister prefaced these remarks with an outline of Liberal ideals and especially the part played by women in political matters. He said that women were interested paramountly in two things: the preservation of their homes and their country.

Human Problems.

"The problems of government today are human problems," he said, comparing this to earlier considerations of economical trend. This was of particular interest to women, who were bringing to bear upon national affairs their knowledge and experience, and chiefly in those things which have to do with the spirit and mind, he said.

"What I believe lies at the root of unrest today is the recognition that man does not live by bread alone but by the things of the spirit also," the Prime Minister said. "The world is striving to raise man to a higher plane."

Prefacing a quotation from a newspaper report, he said: "I have to be rather careful in what I say because no matter how well-intentioned a remark may be it is apt to be given a significance out of all relation to its importance when made by the leader of a political party."

Taking then his text from the report of Harold Butler, secretary of the International Labor Office, Geneva, Mr. King then quoted statements in which Mr. Butler warned the world was on the brink of war. "War is already invading the social field," he quoted.

From Within and Without.

"Our homes and country are threatened from within and without by subversive doctrines," Mr. King continued, "by disintegrating forces at work from different causes, and above all we are kept in a state of paralytic fear from what we know is happening elsewhere in the world."

A state of tension had come very suddenly in Europe, he said, and if the cause is to be found it would be necessary to go back to the Great War which has in fact never ended, he stated. The Treaty of Versailles was found to have in it the seeds of a fresh war; revolutions had broken out for freedom and were continuing in some of the old countries of Europe.

Comparing international politics to a maze, Mr. King spoke of the necessity of guidance to lead nations onto a straight road again. "I believe there is a way," he said, "the Liberal way which has helped to guide the world in the past."

Liberal principles were founded in a belief in human brotherhood and human personality, Mr. King continued, in a belief in brotherhood that should exist between the Empire and through the world.

In the Balance.

"I think peace and war are in a balance at this moment," the Prime Minister declared. "We cannot tell when the scale will tip and in what way, whether to one side or to the other. If it is in one direction it will be because men of ill-will are in the majority. If in the other, because those of goodwill prevail."

"What will turn the scales will be as dust in the balance, so nearly do they balance at the present time," he said.

Help Forces of Good.

Everyone can do his part in helping the forces of good to conquer, said Mr. King, and pointed to the achievements of

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REPEAT
REPETITION

his own government in fostering international good-will. He spoke of the lifting of the embargo on trade with Russia, of the trade understanding made with Japan and of the excellent commercial and friendly conditions between the United States and Canada.

"When at the League of Nations nothing gave me greater pleasure than to say Canada had no enemy in the world," he stated. The aim of Liberalism is just such evidences of good-will with which anything can be solved. "Our ideal is freedom, not dictatorship or regimentation," he said. "Liberalism relies on a form of mutual aid, on co-operation and not coercion." Canadians should ask themselves whether there were evidences today of a lack of co-operation within the Dominion in matters of national concern, Mr. King said.

"These tendencies must be checked, or we will have at work disintegrating influences that will take an endless time to overcome," he said.

Co-operation in Empire.

Within the British Empire there was more co-operation than ever before, and the Anglo-Irish treaty was an example of this spirit. "What will save the situation," he declared, "is the fact that England aims above all else to keep the peace of the world through the spirit of good-will in which we can help. The Liberal party places its reliance on justice, equity and equality between all people," he declared.

Denying that he had ever said Canadians should not discuss foreign policies of other nations, Mr. King said, "I do say we should be careful how we discuss them and not add to the embarrassment of those who are having difficulty in meeting them."

In conclusion he pressed for unity in Canada. "If we allow our homes and our country to disintegrate, then we have lost all our power and strength," he said. "What will save the nation and the world is the spirit that saves the home."

Importance of Unity.

All four speakers emphasized similarly the importance of unity, and Mr. Lapointe intimated that the Liberal government eventually would seek re-election on an appeal of national unity. "The Liberal party is asking every man and woman in Canada: are you a Canadian? Every man and woman will be asked this question at the polls when the time comes," Mr. Lapointe declared.

The Prime Minister, as did the other speakers, also praised the federation for its services and said that women would play a greater part in national affairs than ever in the future. "I know of no other organization better able to guide the administration than this gathered tonight," he said.

When Mr. King rose to speak the assembled guests sang "For He's a Jolly Good Fellow" and cheered him heartily.

The Prime Minister was thanked by Madame P. F. Casgrain, who spoke in French and English. She said that Liberal women took their role very seriously, and all the reports at the convention showed they were closely studying the problems facing Canada.

A Worthy Successor.

Introducing Mr. Lapointe, Sen. Wilson said that women regarded him as particularly their champion. "Representing Sir Wilfrid Laurier's constituency as he does," she said, "we will agree he is a worthy successor."

Speaking of the example of unity evinced by the sight of so many representatives of Canadian womanhood gathered together for the Liberal convention, Mr. Lapointe said: "Where could we find a more striking illustration that Liberalism is not a dead doctrine but a living adaptable creed? Liberal women as well as men are convinced that institutions must be so developed and applied to new and changing conditions that they will be strong enough to withstand attacks made upon them.

"The old individualism is gradually giving way to the idea of necessary co-operation, co-operation between groups, between classes and all citizens. The ideal of Liberalism is to be a party of citizens united for a common purpose, who will never be controlled

by any class whether from the right or from the left," he said.

"A great nation cannot be developed upon a foundation of hatred, internal strifes and discord," he continued. "It can only grow on union, tolerance, moderation and reason. Only two or three days ago a political leader in the West advised Western Canada to band together. I have no hesitation in saying that we Liberals are taking up this challenge and that the flag of national unity will remain at the top of the Liberal mast."

The Minister of Justice also spoke in French. He said that despite changes everywhere in the world, the Dominion of Canada would live, and that there was no country in the world to which the principles of socialism were less applicable. "The best defence of our institutions is the accomplishment of reforms which new conditions necessitate," he said.

United Forces

Speaking next, Hon. Ian Mackenzie declared that "despite the rumblings of discontent heard in various places, the Prime Minister has never had behind him the united forces of Canadian Liberalism to the extent that he has today."

He said that the Prime Minister had led the party to many victories in the past and would again in the future. The Speaker also paid warm tribute to his friend, Mr. Lapointe, leader of Liberalism in the province of Quebec. "He is to me that solid rock of Liberalism that will withstand Fascism and Communism," he said.

He congratulated the federation on its work and the great assistance given the government by Liberal women. He bade the delegates to return with the message that the administration is alert and alive to the problems facing the Dominion, and had as guiding principles freedom, liberty, progress and an abiding belief in democracy.

Loyalty to Leader

Hon. Norman Rogers, in his address also spoke of the confidence held by Liberal women in the government, and pointed to the present gathering as a demonstration of loyalty to their leader the Prime Minister.

"What our country needs above all at this hour is a restoration of faith," he said. "We must renew our faith in our type of government, in ourselves and in the future progress of our country." He spoke of the difficult times faced by the Western Provinces in recent years, and said that all the provinces were bound inextricably together.

The minister stated it was a reproach to democracy that it was easier to find unity in war-time than in peace. The Liberal party must strive towards a betterment of the lot of the common man, he said, and bring a greater measure of happiness to everyone.

by any class whether from the right or from the left," he said.

"A great nation cannot be developed upon a foundation of hatred, internal strifes and discord," he continued. "It can only grow on union, tolerance, moderation and reason. Only two or three days ago a political leader in the West advised Western Canada to band together. I have no hesitation in saying that we Liberals are taking up this challenge and that the flag of national unity will remain at the top of the Liberal mast."

The Minister of Justice also spoke in French. He said that despite changes everywhere in the world, the Dominion of Canada would live, and that there was no country in the world to which the principles of socialism were less applicable. "The best defence of our institutions is the accomplishment of reforms which new conditions necessitate," he said.

United Forces

Speaking next, Hon. Ian Mackenzie declared that "despite the rumblings of discontent heard in various places, the Prime Minister has never had behind him the united forces of Canadian Liberalism to the extent that he has today."

He said that the Prime Minister had led the party to many victories in the past and would again in the future. The Speaker also paid warm tribute to his friend, Mr. Lapointe, leader of Liberalism in the province of Quebec. "He is to me that solid rock of Liberalism that will withstand Fascism and Communism," he said.

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REPEAT
REPETITION

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
58		National Federation of Liberal Women of Canada Banquet: Ottawa. Speeches outside Parliament	20 May 1938	D 35134 - D 35163	
58		Press Gallery Dinner, Ottawa. Speeches outside Parliament	28 May 1938	D 35164 - D 35216	
58		Women: Five Alberta, Unveiling of Tablet to: Ottawa. Speeches outside Parliament	11 June 1938	D 35217 - D 35234	
58		Niagara Falls Memorial Arch: Unveiling of. Speeches outside Parliament	18 June 1938	D 35235 - D 35335	
58		Toronto Civic Luncheon. Speeches outside Parliament	30 July 1938	D 35336 - D 35349	
58		Canadian Corps Reunion, Toronto. Speeches outside Parliament	30 July 1938	D 35350 - D 35362	
58		St. Lawrence - International Peace Centennial: Prescott, 1 July. Speeches outside Parliament	1 July 1938	D 35363 - D 35421	
58		Fort Henry: Re-opening of Kingston. Speeches outside Parliament	1 Aug. 1938	D 35422 - D 35441	

Press Gallery Dinner
May 28, 1938

D 35164

Introductory

Thanks for invitation

on behalf of other guests and self.

Express pleasure at presence of:

White,
Cahan,
P. D. Ross,
Lapointe,
and others.

Regret absence of:

Bennett,
G. P. Graham,
and others in and outside Parliament.

Congratulations:

Lipsett - on speech;

Lynch - as President.

30 years ago - Press dinner.

D35165

Significance of Press Dinner

expressed in article by Sydney Roe -

brotherhood of Parliament
gathers at Press Gallery dinner.

Article reveals historic association -

Leaders from Sir John Macdonald
to present;

linking with Confederation.

Present value in relation to Parliament.

Bringing together constituent elements

four estates of the realm;

like British Commonwealth of
Nations:

freely associated,
common allegiance,
no subordination
domestic or
external affairs.

Room 16 not made use of -

change in structure of building;

change in the times;

other changes in Capital,

Greber's plans being carried out.

D 35166

Theme of evening - Defence of Canada.

Those who have to do with formulating of public opinion by the spoken or the written word.

The Press plays the largest part - its word is more enduring.

The magic and the power of the written word.

Many people believe what they read.

Difficult distinguish true from false - today's subversive theories, tendencies, and thoughts.

Necessary to get back to bed rock of truth and sound principles.

Test of soundness of principles and policies -

Can a course of conduct or action be indefinitely prolonged,

e.g. good-will between individuals classes and nations.

Discord or harmony.

D 35167

Surest measure of Defence -

Courtesy of Canadian Press -

might add Canadian Press Gallery.

Importance of Public Opinion Today.

Public and world gets its impression of Parliament through courtesy of Canadian Press.

Views expressed almost hourly over radio from abroad, and of proceedings in Parliament, through courtesy of Canadian Press.

What appears in the papers through courtesy of Canadian Press.

What Parliament does,
What goes over Radio,
What foes in Papers,

Courtesy of Canadian Press

bearing on public opinion.

D 35168

Essence of courtesy - good-will

not to foster ill-will.

Courtesy = restraint, and seeing others point of view.

Parliament less significant

than Press today.

New factors at work -

Commentators - in relation to nations.

Thank Press for despatches received

last few weeks -

weeks of tension.

Remark Archbishop of Canterbury -

better relieve tension of nations

than our own particular feelings.

D 35169

Personal association with press very short.

1896 - Toronto Globe,
Mail and Empire,
Toronto Star;

also, 1900-1908,
Editor of Labour Gazette.

Hereditary right.

W. L. Mackenzie experience as a journalist:

Colonial Advocate,
most westerly publication
in British North America;
involved in libel suits;
expelled from Legislature;
Hansard;
defended actions himself for libel,
etc

John King, K.C.

Editor, Berlin Tedegraph;

Associated in drafting libel laws of Canada by Sir John Thompson and Oliver Mowat, Ontario;

also, for some 40 different papers, honorary member Canadian Press Ass'n;

Counsel for Cânq Mars re breach of privileges House of Commons.

Author - Law of Criminal Libel;

Treatise on slander and libel;

Case of precognition, some member of Parliament in politics.

D 35170

Ramsay MacDonald

Inscription - London Press Club:

"Say what you like,
but be careful what you write".

Safer to slander than to libel.

King -

Write as you may,
but be careful what you say.

D 35171

Thanks on behalf of guests

present and absent.

Congratulations

Lipsett and Lynch.

Association with Press dinner -

30 years;

" with Press.

Significance of Press dinner.

Sydney Roe - "Brotherhood of Parliament" gathers at dinner.

Historic significance.

Present significance:

constituent elements of British Commonwealth -

"freely associated", common allegiance.

Room 16 - not used.

Changing times.

D 35172

Defence of Canada

represented here.

Public Opinion

what we say,

what we write.

Press

Magic power of printed word,

devastating power of spoken wor

Subversive tendencies.

Return sound principles.

Surest measure of Defence

Courtesy of Canadian Press.

What Parliament does.
What goes over Radio.
What goes in papers.

Essence of courtesy.

Archbishop of Canterbury.

MacDonald

and Cahan.

MEMORANDUM

Office of the Prime Minister

Ottawa,.....

file
243.

Notes prepared by Mr. Fredenburgh.

D 35173

Press Gallery Dinner

May 28, 1938.

Replying to Toast: "Our Guests"-

Appreciation -

Seldom find activities of members of Press Gallery so entirely pleasing as to-night;

"Defence Theme" - Trust it has not involved stripping Halifax of its guns - believe Dominion may have had a gun or two during late Administration - if so, possibly still in basement of National Defence Building - might have borrowed it for tonight - no danger of it going off or hurting anyone;

Theme all too appropriate - thankful it may be treated tonight in satirical manner -

Trust that events in weeks and months

D 35173-1

ahead may not add to seriousness of question;

Governor General -

Privilege of meeting, in delightfully informal manner;

A former journalist, and a writer of highest distinction, no one better able to appreciate camaraderie of men of press -

As member of Haig's staff - and now "Commander-in-Chief" - will feel equally at home in "military atmosphere" of gathering -

Wonder which G.G. prefers: brass hat or cocked hat - latter very imposing

Mr. Bennett } Regret absence to-night, through
Sen. Graham } recent bereavements;

Mr. Cahan - Pleased to be associated with so old a friend in replying to Toast;

D 35174

While deploring his politics, appreciate none the less his warm friendship;

A former journalist and member of Press Gallery -

There, no doubt, learned art of devastating attack upon opponents;

Presence of Mr. Cahan, serves to recall other outstanding persons who have been members of P.G. - many of whom are present to-night; - P.D. Ross, Dafoe, R.S. White, Hon. F. Rinfret, F. Cook, R.M. Macleod, etc.;

In song, satire and suggestion members of P.G. have, like Mr. Lipsett in proposing Toast, revealed what they think of guests -

Now turn of Mr. Cahan and self to let our hosts know what we think of them;

P.G. the window of Parliament - D35175

Through it people of Dominion view

efforts and institutions of government -

What one sees through a window depends to large degree on window itself;

Importance of this window in edifice of Dominion cannot be over-estimated;

No ordinary window -

Not without a little colouring here and there -

In certain sections, quality of glass results in some distortion;

Notwithstanding slight imperfections, and the colouring, the window has been a most useful part of Parliamentary structure -

Gives to country, view of government within; likewise gives to Parliament, view of country outside;

Some illuminating colours along edges might enhance its beauty and interest

D35176

Would suggest depiction of figures and activities of different members of gallery - e.g. -

Capt. Murrary might be Britannia-like figure with dove of peace;

Mr. Mears, as St. James, drawing a toy train;

Mr. Richer, as Don Quixote, jousting with the windmills of Canadian political life;

Mr. Norman Macleod, like character of Leacock, mounting his steed, and riding off in all directions;

Charlie Bishop with crooked pipe and peaked cap of Sherlock Holmes.

Restraint, self-discipline of P.G. -

Not, of course, to be assumed from exuberance this eveing that men of press not wholly capable of restraint

D 35177

and jove-like dignity to which it gives rise;

Self-discipline, seen in self-government of P.G., also characteristic of individual member in his own work -

Restraint, sense of fairness, moderation, common sense, which enable men and women of press to play so vital part in democratic system of government;

"Say what you like, but be careful what you write" -

Some years ago, late Ramsay Macdonald attended dinner of Press Club in London;

Asked to accept, on behalf of his daughter Ishbel, silver inkstand, inscribed as above -

The motto suggests, by implication, tremendous power of written word-

D 35178

A despatch, written perhaps, in 10 minutes, may be read by tens, or even hundreds, of thousands of persons;

Threat of general conflagration, in Europe.

Passions so aroused in certain quarters that no one can foretell what consequences a border incident might bring to world;

Power of Press never more clearly demonstrated than in present European situation -

false or exaggerated reports - whether deliberate or a result of lack of accuracy and restraint - playing upon prejudice, fear and hate - inflaming public opinion, creating war psychology;

Foreign policy of late Grey of Fallodon - two major objectives (cf. Trevelyan: "Grey of F.")

D 35179

(1) To avert war,

(2) If unable to avoid war, to ensure victory in arms;

Nations - including press - too often emphasize (2), and tend to forget (1) -

Never more so than at present, and in years immediately past;

Better to prevent war than to emerge victorious from conflict -

Especially true to-day, when modern methods of warfare bring devastation, horror and death to both sides - no real victory in modern war;

Throughout Great war, press and people of Canada devoted to one idea - to win -

Should we not now be equally determined to put forth every effort to avert war, if possible?

Press of Canada devoted to peace - has, on whole, sought to enlighten rather than poison public opinion -

D 35180

refused to appeal to baser instincts in society in order to further selfish interests;

A tribute to the freedom of democratic institutions, and to character and public spirit of members of P.G. that their great influence is exerted on side of moderation, common sense, and tolerance;

These qualities most essential in these times of anxiety and friction between nations -

In adherence to these principles, press of Canada may play vital part in overcoming problems of today, in international, as in domestic affairs.

May 26th, 1938.
RLF/PM

D 35181

MEMORANDUM

Office of the Prime Minister

Ottawa, May 26

OK/S

Mr. Shelton

Your comments wd. be appreciated.

4 [illegible]

[illegible]

Press Gallery Dinner

May 28, 1938.

Replying to Toast: "Our Guests"-

Appreciation -

Seldom find activities of members of Press Gallery so entirely pleasing as to-night;

"Defence Theme" - Trust it has not involved stripping Halifax of its guns - believe Dominion may have had a gun or two during late Administration - if so, possibly still in basement of National Defence Building - might have borrowed it for tonight - no danger of it going off or hurting anyone;

Theme all too appropriate - thankful it may be treated tonight in satirical manner -

D 35182

Trust that events in weeks and months

ahead may not add to seriousness of question;

Governor General -

Privilege of meeting, in delightfully informal manner;

A former journalist, and a writer of highest distinction, no one better able to appreciate camaraderie of men of press -

As member of Haig's staff - and now "Commander-in-Chief" - will feel equally at home in "military atmosphere" of gathering -

Wonder which G.G. prefers: brass hat or cocked hat - latter very imposin

Mr. Bennett) Regret absence to-night through
) recent bereavements;
Sen. Graham)

Mr. Cahan - Pleased to be associated with old a friend in replying to Toast;

D 35183

While deploring his politics, appreciate none the less his warm friendship;

A former journalist and member of Press Gallery -

There, no doubt, learned art of devastating attack upon opponents;

Presence of Mr. Cahan, serves to recall other outstanding persons who have been members of P.C. - many of whom are present to-night; - P.D. Ross, Dafoe, R.S. White, Hon. F. Rinfret, F. Cook, R.M. Macleod, etc.;

In song, satire and suggestion members of P.C. have, like Mr. Lipsett in proposing Toast, revealed what they think of guests -

Now turn of Mr. Cahan and self to let our hosts know what we think of them;

P.C. the window of Parliament - D 35184

Through it people of Dominion view

efforts and institutions of government -

What one sees through a window depends to large degree on window itself;

Importance of this window in edifice of Dominion cannot be over-estimated;

No ordinary window -

Not without a little colouring here and there -

In certain sections, quality of glass results in some distortion;

Notwithstanding slight imperfections, and the colouring, the window has been a most useful part of Parliamentary structure -

Gives to country, view of government within, likewise gives to Parliament view of country outside;

Some illuminating colours IN along edges might enhance its beauty and interest -

D 35185

Would suggest depiction of figures and activities of different members of gallery - e.g. -

Capt. Murrary might be Britannia-like figure with dove of peace;

Mr. Mears, as St. James, drawing a toy train;

Mr. Richer, as Don Quixote, jousting with the windmills of Canadian political life;

Mr. Norman Macleod, like character of Leacock, mounting his steed, and riding off in all directions;

Charlie Bishop with crooked pipe and peaked cap of Sherlock Holmes.

<u>Restraint, self-discipline of P.G.</u> -

Not, of course, to be assumed from exuberance this evening that men of press got wholly capable of restrain

D 35186

and jove-like dignity to which ot gives rise;

Self-discipline, seen in self-government of P.G., also characteristic of individual member in his own work -

Restraint, sense of fairness, moderation, common sense, which enable men and women of press to play so vital part in democratic system of government;

"Say what you like, but be careful what you write" -

Some years ago, late Ramsay Macdonald attended dinner of Press Club in London;

Asked to accept, on behalf of his daughter Ishbel, silver inkstand, inscribed as above -

The motto suggests, by implication, tremendous power of written word-

D 35187

A despatch, written perhaps, in 10 minutes, may be read by tens, or even hundreds, of thousands of persons;

Threat of general conflagration, in Europe.

Passions so aroused in certain quarters that no one can foretell what consequences a border incident might bring to world;

Power of Press never more clearly demonstrated than in present European situation -

false or exaggerated reports - whether deliberate or a result of lack of accuracy and restraint - playing upon prejudice, fear and hate - inflaming public opinion, creating war psychology;

Foreign policy of late Grey of Fallodon - two major objectives (cf. Trevelyan: "Grey of F."

D35188

(1) To avert war,

(2) If unable to avoid war, to ensure victory in arms;

Nations - including press - too often emphasize (2), and tend to forget (1) -

Never more so than at present, and in years immediately past;

Better to prevent war than to emerge victorious from conflict -

Especially true to-day, when modern methods of warfare bring devastation horror and death to both sides - no real victory in modern war;

Throughout Great war, press and people of Canada devoted to one idea - to win -

Should we not now be equally determined to put forth every effort to avert war, if possible?

Press of Canada devoted to peace - has, on whole, sought to enlighten rather than poison public opinion -

D35189

refused to appeal to baser instinct in society in order to further selfish interests;

A tribute to the freedom of democratic institutions, and to character and public spirit of members of P.C. that their great influence is exerted on side of moderation, common sense, and tolerance;

These qualities most essential in these times of anxiety and friction between nations -

In adherence to these principles, press of Canada may play vital part in overcoming problems of today, in international, as in domestic affairs.

May 26th, 1938.
RLF/PM

D 35190

Press Gallery Dinner

May 28, 1938.

Replying to Toast: "Our Guests"-

Appreciation -

Seldom find activities of members of Press Gallery so entirely pleasing as to-night;

"Defence Theme" - Trust it has not involved stripping Halifax of its guns - believe Dominion may have had a gun or two during late Administration - if so, possibly still in basement of National Defence Building - might have borrowed it for tonight - no danger of it going off or hurting anyone;

Theme all too appropriate - thankful it may be treated tonight in satirical manner -

D 35191

Trust that events in weeks and months

ahead may not add to seriousness of question;

Governor General -

Privilege of meeting, in delightfully informal manner;

A former journalist, and a writer of highest distinction, no one better able to appreciate camaraderie of men of press -

As member of Haig's staff - and now "Commander-in-Chief" - will feel equally at home in "military atmosphere" of gathering -

Wonder which G.G. prefers: brass hat or cocked hat - latter very imposing

Mr. Bennett) Regret absence to-night through
) recent bereavements;
Sen. Graham)

Mr. Cahan - Pleased to be associated with so old a friend in replying to Toast;

D 35192

While deploring his politics, appreciate none the less his warm friendship;

A former journalist and member of Press Gallery -

There, no doubt, learned art of devastating attack upon opponents;

Presence of Mr. Cahan, serves to recall other outstanding persons who have been members of P.C. - many of whom are present to-night; - P.D. Ross, Dafoe, R.S. White, Hon. F. Rinfret, F. Cook, R.M. Macleod, etc.;

In song, satire and suggestion members of P.C. have, like Mr. Lipsett in proposing Toast, revealed what they think of guests -

Now turn of Mr. Cahan and self to let our hosts know what we think of them;

P.C. the window of Parliament -

D 35193

Through it people of Dominion view

efforts and institutions of government -

What one sees through a window depends to large degree on window itself;

Importance of this window in edifice of Dominion cannot be over-estimated;

No ordinary window -

Not without a little colouring here and there -

In certain sections, quality of glass results in some distortion;

Notwithstanding slight imperfections, and the colouring, the window has been a most useful part of Parliamentary structure -

Gives to country, view of government within, likewise gives to Parliament view of country outside;

Some illuminating colours in along edges might enhance its beauty and interest

D35194

Would suggest depiction of figures and activities of different members of gallery - e.g. -

Capt. Murrary might be Britannia-like figure with dove of peace;

Mr. Mears, as St. James, drawing a toy train;

Mr. Richer, as Don Quixote, jousting with the windmills of Canadian political life;

Mr. Norman Macleod, like character of Leacock, mounting his steed, and riding off in all directions;

Charlie Bishop with crooked pipe and peaked cap of Sherlock Holmes.

<u>Restraint, self-discipline of P.G.</u> -

Not, of course, to be assumed from exuberance this evening that men of press not wholly capable of restrain

D 35195

and jove-like dignity to which ot gives rise;

Self-discipline, seen in self-government of P.C., also characteristic of individual member in his own work -

Restraint, sense of fairness, moderation, common sense, which enable men and women of press to play so vital part in democratic system of government;

"Say what you like, but be careful what you write" -

Some years ago, late Ramsay Macdonald attended dinner of Press Club in London;

Asked to accept, on behalf of his daughter Ishbel, silver inkstand, inscribed as above -

The motto suggests, by implication, tremendous power of written word-

D 35196

A despatch, written perhaps, in 10 minutes, may be read by tens, or even hundreds, of thousands of persons;

Threat of general conflagration, in Europe.

Passions so aroused in certain quarters that no one can foretell what consequences a border incident might bring to world;

Power of Press never more clearly demonstrated than in present European situation -

false or exaggerated reports - whether deliberate or a result of lack of accuracy and restraint - playing upon prejudice, fear and hate - inflaming public opinion, creating war psychology;

Foreign policy of late Grey of Fallodon - two major objectives (cf. Trevelyan: "Grey of F.")

D35197

(1) To avert war,

(2) If unable to avoid war, to ensure victory in arms;

Nations - including press - too often emphasize (2), and tend to forget (1) -

Never more so than at present, and in years immediately past;

Better to prevent war than to emerge victorious from conflict -

Especially true to-day, when modern methods of warfare bring devastation horror and death to both sides - no real victory in modern war;

Throughout Great war, press and people of Canada devoted to one idea - to win -

Should we not now be equally determined to put forth every effort to avert war, if possible?

Press of Canada devoted to peace - has, on whole, sought to enlighten rather than poison public opinion -

D 35198

refused to appeal to baser instincts in society in order to further selfish interests;

A tribute to the freedom of democratic institutions, and to character and public spirit of members of P.C. that their great influence is exerted on side of moderation, common sense, and tolerance;

These qualities most essential in these times of anxiety and friction between nations -

In adherence to these principles, press of Canada may play vital part in overcoming problems of today, in international, as in domestic affairs.

May 26th, 1938.
RLF/PM

D 35199

"K" Speeches

Press Gallery Dinner
May 28, 1938

D 35200

Introductory

Thanks for invitation

on behalf of other guests and self.

Express pleasure at presence of:

White,
Cahan,
P. D. Ross,
Lapointe,
and others.

Regret absence of:

Bennett,
G. P. Graham,
and others in and outside Parliament.

Congratulations:

Lipsett - on speech;

Lynch - as President.

30 years ago - Press dinner.

D 35201

Significance of Press Dinner

expressed in article by Sydney Roe -

brotherhood of Parliament
gathers at Press Gallery dinner.

Article reveals historic association -

Leaders from Sir John Macdonald
to present;

linking with Confederation.

Present value in relation to Parliament.

Bringing together constituent elements-

four estates of the realm;

like British Commonwealth of
Nations:

freely associated,
common allegiance,
no subordination
domestic or
external affairs.

Room 16 not made use of -

change in structure of building;

change in the times;

other changes in Capital,

Greber's plans being carried out.

D35202

Theme of evening - Defence of Canada.

Those who have to do with formulating of public opinion by the spoken or the written word.

The Press plays the largest part - its word is more enduring.

The magic and the power of the written word.

Many people believe what they read.

Difficult distinguish true from false - today's subversive theories, tendencies, and thoughts.

Necessary to get back to bed rock of truth and sound principles.

Test of soundness of principles and policies -

Can a course of conduct or action be indefinitely prolonged,

e.g. good-will between individuals classes and nations.

Discord or harmony.

D 35203

Surest measure of Defence -

Courtesy of Canadian Press -

might add Canadian Press Gallery.

Importance of Public Opinion Today.

Public and world gets its impression of Parliament through courtesy of Canadian Press.

Views expressed almost hourly over radio from abroad, and of proceedings in Parliament, through courtesy of Canadian Press.

What appears in the papers through courtesy of Canadian Press.

What Parliament does,
What goes over Radio,
What foes in Papers,

Courtesy of Canadian Press bearing on public opinion.

D 35204

Essence of courtesy - good-will

not to foster ill-will.

Courtesy = restraint, and seeing others point of view.

Parliament less significant

than Press today.

New factors at work -

Commentators - in relation to nations.

Thank Press for despatches received

last few weeks -

weeks of tension.

Remark Archbishop of Canterbury -

better relieve tension of nations

than our own particular feelings.

D 35205

Personal association with press very short.

1896 - Toronto Globe,
Mail and Empire,
Toronto Star;

also, 1900-1908,
Editor of Labour Gazette.

Hereditary right.

W. L. Mackenzie experience as a journalist:

Colonial Advocate,
most westerly publication
in British North America;
involved in libel suits;
expelled from Legislature;
Hansard;
defended actions himself for libel,
etc

John King, K.C.

Editor, Berlin Telegraph;

Associated in drafting libel laws of Canada by Sir John Thompson and Oliver Mowat, Ontario;

also, for some 40 different papers, honorary member Canadian Press Ass'n;

Counsel for Cânq Mars re breach of privileges House of Commons.

Author - Law of Criminal Libel;

Treatise on slander and libel;

Case of precognition, some member of Parliament in politics.

D 35206

Ramsay MacDonald

Inscription - London Press Club:

"Say what you like,
but be careful what you write".

Safer to slander than to libel.

King -

Write as you may,
but be careful what you say.

"K" Speeches

Press Gallery Dinner
May 28, 1938

D 35207

Thanks on behalf of guests

present and absent.

Congratulations

Lipsett and Lynch.

Association with Press dinner -

30 years;

" with Press.

Significance of Press dinner.

Sydney Roe - "Brotherhood of Parliament" gathers at dinner.

Historic significance.

Present significance:

constituent elements of British Commonwealth -

"freely associated", common allegiance.

Room 16 - not used.

Changing times.

D 35208

Defence of Canada

represented here.

Public Opinion

what we say,

what we write.

Press

Magic power of printed word,

devastating power of spoken wor

Subversive tendencies.

Return sound principles.

Surest measure of Defence

Courtesy of Canadian Press.

What Parliament does.
What goes over Radio.
What goes in papers.

Essence of courtesy.

Archbishop of Canterbury.

MacDonald

and Cahan.

Press Gallery Dinner
May 28, 1938

D 35209

Introductory

Thanks for invitation

on behalf of other guests and self.

Express pleasure at presence of:

White,
Cahan,
P. D. Ross,
Lapointe,
and others.

Regret absence of:

Bennett,
G. P. Graham,
and others in and outside Parliament.

Congratulations:

Lipsett - on speech;

Lynch - as President.

30 years ago - Press dinner.

 D 35210

Significance of Press Dinner

expressed in article by Sydney Roe -

brotherhood of Parliament
gathers at Press Gallery dinner.

Article reveals historic association -

Leaders from Sir John Macdonald
to present;

linking with Confederation.

Present value in relation to Parliament.

Bringing together constituent elements-

four estates of the realm;

like British Commonwealth of
Nations:

freely associated,
common allegiance,
no subordination
domestic or
external affairs.

Room 16 not made use of -

change in structure of building;

change in the times;

other changes in Capital,

Greber's plans being carried out.

D 35211

Theme of evening - Defence of Canada.

Those who have to do with formulating of public opinion by the spoken or the written word.

The Press plays the largest part - its word is more enduring.

The magic and the power of the written word.

Many people believe what they read.

Difficult distinguish true from false - today's subversive theories, tendencies, and thoughts.

Necessary to get back to bed rock of truth and sound principles.

Test of soundness of principles and policies -

Can a course of conduct or action be indefinitely prolonged,

e.g. good-will between individuals, classes and nations.

Discord or harmony.

D 35212

Surest measure of Defence -

Courtesy of Canadian Press -

might add Canadian Press Gallery.

Importance of Public Opinion Today.

Public and world gets its impression of Parliament through courtesy of Canadian Press.

Views expressed almost hourly over radio from abroad, and of proceedings in Parliament, through courtesy of Canadian Press.

What appears in the papers through courtesy of Canadian Press.

What Parliament does,
What goes over Radio,
What foes in Papers,

Courtesy of Canadian Press bearing on public opinion.

D 35213

Essence of courtesy - good-will

not to foster ill-will.

Courtesy = restraint, and seeing others point of view.

Parliament less significant

than Press today.

New factors at work -

Commentators - in relation to nations.

Thank Press for despatches received

last few weeks -

weeks of tension.

Remark Archbishop of Canterbury -

better relieve tension of nations

than our own particular feelings.

D 35214

Personal association with press very short.

1896 - Toronto Globe,
Mail and Empire,
Toronto Star;

also, 1900-1908,
Editor of Labour Gazette.

Hereditary right.

W. L. Mackenzie experience as a journalist:

Colonial Advocate,
most westerly publication
in British North America;
involved in libel suits;
expelled from Legislature;
Hansard;
defended actions himself for libel, etc.

John King, K.C.

Editor, Berlin Telegraph;

Associated in drafting libel laws of Canada by Sir John Thompson and Oliver Mowat, Ontario;

also, for some 40 different papers, honorary member Canadian Press Ass'n;

Counsel for Cânq Mars re breach of privileges House of Commons.

Author - Law of Criminal Libel;

Treatise on slander and libel;

Case of precognition, some member of Parliament in politics.

Personal association with press very short.

1906 - Toronto Globe,
all and Empire,
Toronto Star;

also, 1900-1908,
Editor of Labour Gazette.

Hereditary right.

W. L. Mackenzie experience as a
journalist:
Colonial Advocate,
Most westerly publication
in British North America;
involved in libel suits;
expelled from Legislature;
Hansard;
defended actions himself for libel,
etc

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also, for some 40 different papers, honorary member Canadian Press Ass'n;

Counsel for Comq Wars re breach of privileges House of Commons.

Author - Law of Criminal Libel;

Treatise on slander and libel;

Case of precognition, some member of Parliament in politics.

REPEAT
REPETITION

D 35215

Ramsay MacDonald

Inscription - London Press Club:

"Say what you like,
but be careful what you write".

Safer to slander than to libel.

King -

Write as you may,
but be careful what you say.

-6, D 35216

Ramsay MacDonald

Inscription - London Press Club:

"Say what you like,

but be careful what you write."

Safer to slander than to libel.

Key - Write as you may
but be careful what you say

Vol	File/Dossier	Subject/Sujet	Dates	Pages	Reel\Bobine
58		National Federation of Liberal Women of Canada Banquet: Ottawa. Speeches outside Parliament	20 May 1938	D 35134 - D 35163	
58		Press Gallery Dinner, Ottawa. Speeches outside Parliament	28 May 1938	D 35164 - D 35216	
58		Women: Five Alberta, Unveiling of Tablet to: Ottawa. Speeches outside Parliament	11 June 1938	D 35217 - D 35234	
58		Niagara Falls Memorial Arch: Unveiling of. Speeches outside Parliament	18 June 1938	D 35235 - D 35335	
58		Toronto Civic Luncheon. Speeches outside Parliament	30 July 1938	D 35336 - D 35349	
58		Canadian Corps Reunion, Toronto. Speeches outside Parliament	30 July 1938	D 35350 - D 35362	
58		St. Lawrence - International Peace Centennial: Prescott, 1 July. Speeches outside Parliament	1 July 1938	D 35363 - D 35421	
58		Fort Henry: Re-opening of Kingston. Speeches outside Parliament	1 Aug. 1938	D 35422 - D 35441	

Women: Five Alberta
King: Speeches outside Parliament

D 35217

Unveiling of Women's Tablet

Senate - June 11, 1938

The ceremony this evening is in honour of five outstanding Canadian women, whose efforts, over a period of years, served to gain for the women of our country recognition of their right to membership in the Senate of Canada. A permanent memorial, in the form of a bronze tablet, recording the names and the service of these five women, has, with the approval of the Government, and with the consent of honourable members of the Senate, been erected by the Canadian Federation of Business and Professional Women's Clubs. It is under the auspices of the Federation that tonight's ceremony has been arranged, and that the tablet is now about to be unveiled.

The women who thus contributed to the larger sphere of woman's share in Canadian public life, and whose names appear on the tablet which is being unveiled this evening, are: Mrs. Henrietta Muir Edwards, Magistrate Emily F. Murphy, Mrs. Nellie L. McClung, Mrs. Louise C. McKinney, and the Honourable Irene Parlby,

all of the Province of Alberta. I deeply regret to say that, of those mentioned, Mrs. Edwards, Mrs. Murphy, and Mrs. McKinney have since passed away.

It is particularly appropriate that the tablet, commemorating the part played by these women, should find its place on the walls of our Houses of Parliament, at the entrance of the Senate chamber.

Prior to 1929, it was the general opinion throughout Canada - an opinion which, incidentally, was shared by the law officers of the Crown in Canada - that, under our constitution, women were not eligible to be summoned to the Senate. The question hinged upon the interpretation of the word "persons" in the section of the British North America Act which relates to appointments to that body. Section 24 of the British North America Act reads: "The Governor General shall from time to time, in the Queen's name, by Instrument under the Great Seal of Canada, summon qualified persons to the Senate; and, subject to the provisions of this Act, every person so summoned shall become and be a member of the Senate and a Senator".

D 35219

Before 1916, it had never been seriously contended that the word "persons" in the section embraced women, as well as men.

In 1916, Mrs. Emily Murphy, of Edmonton, and Mrs. Jamieson, of Calgary, were appointed police magistrates for the Province of Alberta. Their eligibility for the position was at once challenged on the ground that, as women, they were not persons qualified to hold such office. The question was carried to the Supreme Court of Alberta, which handed down an opinion confirming their legal eligibility.

After the Great War, the Dominion franchise was extended to women in recognition, in part, of the devotion, service, and sacrifice of the women of Canada throughout the long years of conflict.

In 1921, Miss Agnes MacPhail was elected to the House of Commons as member for the constituency of Grey South East. Miss MacPhail enjoys the honour of being the first woman to occupy a seat in either House of the Canadian Parliament.

After Miss MacPhail's election to the Commons, the question, very naturally, immediately arose, of woman's right to a seat in the Senate. Led by Mrs. Emily Murphy and her four associates, a movement was

initiated which sought to settle, once and for all, woman's right to membership in both Houses of Parliament.

The representations of Mrs. Murphy and her associates were brought to the attention of the Government at Ottawa in the form of a petition to the Governor in Council. It was dated August 27, 1927, and was signed by all five "as persons interested in the admission of women to the Senate of Canada". The petition requested the Government "to refer to the Supreme Court of Canada, for hearing and consideration, certain questions touching the power of the Governor General to summon female persons to the Senate of Canada".

A Liberal Administration, in which there were several members of the present Administration, was in office at the time. My colleagues and I were convinced that, in furthering the movement for the recognition of woman's right to membership in the Upper Chamber, we would but be performing an act of justice - one which would come to win, if it did not already enjoy, the general approval of the people of Canada. We, therefore, took immediate steps to meet

D 35221

the prayer of the petition.

The opinion of the Supreme Court of Canada was to the effect that women were not eligible to sit in the Senate. The opinion was delivered on the morning of April the 25th, 1928. On the afternoon of that day, the Right Honourable Ernest Lapointe, then, as now, Minister of Justice, made the following declaration of Government policy in the House of Commons. He said:

> "I have been informed that the judgment of the Supreme Court was delivered today, and their judgment is that under the British North America Act women are not eligible for appointment to the Senate. I understand that the basis for the judgment is that the Act must be interpreted in the meaning it had when it was adopted in 1867, and that at that time the expression "fit and qualified persons" as it appears in the Act could not apply to women, as they were then disqualified for appointment to public offices. The judgment was unanimous. In view of this judgment, and in view of the fact that women in this country now have an equal franchise with men, and in view of

D 35222

> the further fact that one of the seats in this House is occupied by a woman, the Government have decided that they should have the equal right to sit in the other chamber, and means will be taken to secure an amendment to the British North America Act in that respect."

Before seeking amendment of the British North America Act, an appeal from the judgment of the Supreme Court was taken forthwith, at the instance of the Administration, to the Judicial Committee of the Privy Council, in London, England, the Privy Council being the court of final appeal in such matters.

On October the 18th, 1929, the Privy Council reversed the judgment of the Supreme Court of Canada, and it was declared that women were eligible for appointment to the Senate. This decision finally settled the matter of eligibility.

When a Senate vacancy occurred in the following year, my colleagues and I decided to fill the vacancy by the appointment of a woman. We recommended to His Excellency the Governor General the appointment of Mrs. Norman Wilson, who, as the Honourable Cairine Wilson, now enjoys the honour of being the first woman appointed to

D 35223

the Senate of Canada. Subsequently, a second woman was similarly honoured by appointment to the Senate, this time upon the recommendation of a Conservative Administration. The appointment I refer to is that of the Honourable Iva Fallis. which was made July 20, 1935 Both Mrs. Wilson and Mrs. Fallis are now entitled to occupy their seats in the Senate for life.

In centering public opinion upon women's eligibility for appointment to the Senate, the five Alberta women, whose services are being commemorated tonight, performed a task much larger than the specific one to which their immediate efforts were directed. They helped to raise, in the most effective manner, the whole question of woman's rights and responsibilities with respect to the conduct of public affairs. They did more than that. They helped to throw into bold relief the special gifts which it is within the power of woman to bring to the organized life of the community and of the nation. Endowed with special powers of intuition and sympathy, a keen insight into human values, and, ~~in general,~~ in most cases an abiding loyalty to cherished institutions and principles, woman possesses and has revealed in public, as in private life, a

D 35224

quite exceptional capacity for sustained and unselfish service.

Today, when the problems of government, the world over, are essentially human problems, and our very homes, and all that we hold most sacred, are threatened by appalling dangers from without, and by subversive forces from within, it is well that our national existence should be fortified by the participation in its affairs of those who are so exceptionally qualified to contribute to human well-being, and to the preservation of the foundations of home and community life.

It is with thoughts and convictions such as these that, on behalf of the Canadian Federation of Business and Professional Women's Clubs, I now unveil the tablet which the Federation has erected in honour of the five women whose names it records.

D 35225

The tablet, as you see, bears the following inscription:-

"This Tablet is placed here
by the
CANADIAN FEDERATION OF BUSINESS AND
PROFESSIONAL WOMEN'S CLUBS
To Honour

Mrs Henrietta Muir Edwards,	MacLeod
Magistrate Emily F. Murphy,	Edmonton
Mrs. Nellie L. McClung,	Edmonton
Mrs. Louise C. McKinney,	Claresholm
Honourable Irene Parlby,	Alix

All of the Province of Alberta.
To further the cause of womankind these five outstanding pioneer women caused steps to be taken resulting in the recognition by the Privy Council of women as persons eligible for appointment to The Senate of Canada.

This movement was inaugurated by Magistrate Emily F. Murphy."

R243

Draft
Taken 35220
Revised
by P. M.

Unveiling of Tablet
by
Canadian Federation of Business and Professional Women's Clubs
To Honour Five Alberta Women.
June 11, 1938.

The tablet, which I shall have the honour of unveiling in a moment or two, has been erected by the Canadian Federation of Business and Professional Women's Clubs, under whose auspices this evening's function is being held. The ceremony, like the tablet itself, is in honour of five outstanding Canadian women, whose efforts, over a period of years, served to gain for the women of our country recognition of their right to membership in the Senate of Canada.

The women who thus contributed to the larger sphere of women's share in Canadian public life, and whose names appear on the tablet are:

Mrs. Henrietta Muir Edwards,

Magistrate Emily F. Murphy,

Mrs. Nellie L. McClung,

Mrs. Louise C. McKinney, and

Honourable Irene Parlby.

Of these, Mrs. Edwards, Mrs. Murphy and Mrs. McKinney have since passed away. It is particularly appropriate that the tablet, commemorating the part played by these women, should find its place on the walls of our Houses of Parliament at the entrance of the Senate chamber.

D 35227

Prior to 1929, it was the general opinion throughout Canada - an opinion which, incidentally, was shared by the law officers of the Dominion Government - that, under our constitution, women were not eligible to be summoned to the Senate. The question hinged upon the interpretation of the word "persons" in the section of the British North America Act which relates to appointments to that body. Section 24 of the British North America Act reads: "The Governor General shall from time to time, in the Queen's name, by Instrument under the Great Seal of Canada, summon qualified persons to the Senate; and, subject to the provisions of this Act, every person so summoned shall become and be a member of the Senate and a Senator".

Before 1916, it was generally assumed that the word "persons", as used in the section of the British North America Act which I have just quoted, had reference only to those of the male sex. It had never been seriously contended that the word "persons" in the section embraced women, as well as men.

In 1916, Mrs. Emily Murphy of Edmonton, and Mrs. Jamieson, of Calgary, were appointed police magistrates for the Province of Alberta. Their eligibility for the

D 35228

position was at once challenged on the ground that, as women, they were not persons qualified to hold such office. The question was carried to the Supreme Court of Alberta which handed down an opinion confirming their legal eligibility.

After the Great War, the Dominion franchise was extended to women in recognition, in part, of the devotion, service, and sacrifice of Canadian women throughout the long years of conflict. In 1921, Miss Agnes MacPhail was elected to the House of Commons as member for the constituency of Grey South East. Miss MacPhail enjoys the honour of having been the first woman to occupy a seat in either House of the Canadian Parliament.

After Miss MacPhail's election to the Commons, the question, very naturally, immediately arose of woman's right to a seat in the Senate. Led by Mrs. Emily Murphy and her four associates, a movement was initiated which sought to settle, once and for all, woman's right to membership in both Houses of Parliament. The representations of Mrs. Murphy and her associates were brought to the attention of the Government at Ottawa. It so happened

D 35229

that a Liberal Administration was in office at the time, of which I had the honour of being the leader. My colleagues and I were convinced that, in giving sympathetic consideration to the movement for the recognition of woman's right to membership in the Upper Chamber, we would be acting in accord with the wishes of the electors of Canada. We, therefore, took steps to obtain an opinion from the highest judicial authorities as to whether or not, under the British North America Act, women were "persons" eligible to sit in the Senate. While arranging for this, the Right Honourable Ernest Lapointe, then, as now, Minister of Justice, stated in the House of Commons that, should the decision of the Courts be in the negative, the Government would immediately seek to have the Constitution amended so as to ensure woman's right to membership in both Houses of Parliament.

The opinion of the Supreme Court of Canada was to the effect that women were not eligible to sit in the Senate. In other words, they were not "persons" within the meaning of that word as it appeared in the section of the British North America Act, as quoted. An appeal was taken forthwith to the Judicial Committee of the Privy Council. On October the 18th, 1929, the Privy Council reversed the judgment of the Supreme Court of Canada, and it was declared that women were eligible for appointment to the Senate.

D35230

This decision finally settled the matter of eligibility.

When a Senate vacancy occurred in the following year, my colleagues and I recommended to His Excellency the Governor General the appointment of the Honourable Cairine Wilson, who became Canada's first woman Senator. Since that time, a second woman, the Honourable Iva Fallis, has been appointed to the Senate.

D35231

(FOR LAST PAGE)

I now have pleasure in unveiling the tablet, which bears the following inscription:

"This Tablet is placed here

by the

CANADIAN FEDERATION OF BUSINESS AND PROFESSIONAL WOMEN'S CLUBS

To Honour

Mrs. Henrietta Muir Edwards,	MacLeod
Magistrate Emily F. Murphy,	Edmonton
Mrs. Nellie L. McClung,	Edmonton
Mrs. Louise C. McKinney,	Claresholm
Honourable Irene Parlby,	Alix

All of the Province of Alberta

To further the cause of womankind these five outstanding pioneer women caused steps to be taken resulting in the recognition by the Privy Council of women as persons eligible for appointment to The Senate of Canada.

This movement was inaugurated by Magistrate Emily F. Murphy."

D 35232

June 3, 1938.

MEMORANDUM FOR THE PRIME MINISTER:

Re: Unveiling of tablet, in Senate lobby, to five Alberta women, June 11th, 1938.

The Deputy Minister of Public Works has raised the question of the authorization for this project. In reply, he was informed that the first intimation which the Prime Minister had of any authorization was through the invitation to perform the unveiling, extended to him on April the 9th, by Miss Isabel Cummings, on behalf of the Canadian Federation of Business and Professional Women's Clubs. In the course of her letter, Miss Cummings stated that "this week Senator Dandurand and members of the Senate reached a decision to allow our Federation to have the tablet, honouring the five Alberta women, hung in the lobby of the Senate Chamber". According to Senator Dandurand, the inscription on the tablet was submitted to him in advance and he and Senators Graham and Meighen approved of the place where the tablet was to be put up.

Early in 1936, Honourable Charles Stewart wrote to the Prime Minister stating that he had "been approached by representative women from various organizations in Canada, asking if I would assist in securing consent to allow them to place a small tablet in the Hall of Fame" to honour the five women. The question was considered in Council and the proposal negatived, Council being opposed to placing any tablets in the Parliament Buildings during the lifetime of the persons whose names it was desired to commemorate - (of the five Alberta women, two are still alive).

E. A. P.

RLP/G

D 35233

CREST

This Tablet is placed here

by the

CANADIAN FEDERATION OF BUSINESS AND

PROFESSIONAL WOMEN'S CLUBS

To Honour

Mrs. Henrietta Muir Edwards,	MacLeod
Magistrate Emily F. Murphy,	Edmonton,
Mrs. Nellie L. McClung,	Edmonton,
Mrs. Louise C. McKinney,	Claresholm
Honourable Irene Parlby,	Alix.

All of the Province of Alberta

To further the cause of womenkind these five outstanding pioneer women caused steps to be taken resulting in the recognition by the Privy Council of women as persons eligible for appointment to The Senate of Canada.

This movement was inaugurated by Magistrate Emily F. Murphy.

Ceremony of

UNVEILING OF TABLET TO FIVE WOMEN

IN THE LOBBY OF THE SENATE

June 11th, at 9 p.m.

D35234

Introductory Remarks

DR. M. ELLEN DOUGLASS, President, Can. Fed. of Business and Professional Women's Clubs

Tribute to Five Women and Unveiling of Tablet

RT. HON. W. L. MACKENZIE KING, Prime Minister of Canada

Response

MRS. JOHN CLEAVE KENWOOD, (Daughter of Magistrate Murphy)

MRS. NELLIE L. MCCLUNG

Message from MRS. PARLBY (to be read by Mrs. McClung)

Appreciation

MISS A. JOSEPHINE DAUPHINEE, Hon. Pres. Can. Fed. B. & P. Clubs (Speaking from Vancouver)

Address in French (Contribution of women to the Senate)

HON. LOUIS COTE

Response

SENATOR CAIRINE WILSON

Response

SENATOR IVA CAMPBELL FALLIS

A Carrillon Concert will follow this ceremony during the reception in Senator Foster's Suite.

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58		Niagara Falls Memorial Arch: Unveiling of. Speeches outside Parliament	18 June 1938	D 35235 - D 35335	
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58		Canadian Corps Reunion, Toronto. Speeches outside Parliament	30 July 1938	D 35350 - D 35362	
58		St. Lawrence - International Peace Centennial: Prescott, 1 July. Speeches outside Parliament	1 July 1938	D 35363 - D 35421	
58		Fort Henry: Re-opening of Kingston. Speeches outside Parliament	1 Aug. 1938	D 35422 - D 35441	

"K" Speeches

D 35235

MEMORIAL ARCH - NIAGARA FALLS

June 18, 1938.

Thanks to Mr. McQueston and Commission
for invitation.
to Mr. Houck for introduction.

Mention of distinguished guests
present.

Purpose of ceremony - Unveiling Memorial
Arch (Clifton Gate),
entrance to Oakes Theatre.

Place of ceremony.

(a) unparalleled natural beauty;
incomparable.
voice of many waters.
historic - scenic.

(b) unparalleled historic interest;

unequalled save Quebec,
Washington, Williamsburg.

History of Canada remarkable.
Combines all civilizations;
Compresses centuries into decades;
All represented here from dis-
covery of America to present;
Review of Canadian history.

D 35236

Explorers (LaSalle),
Discoverers,
Missionaries (taking of Quebec 1756-63)
American revolution - U.E. Loyalists.

Beginnings of Government:
First Legislature - Upper Canada;
Governor Simcoe;
Navy Hall;
Invasion - War of 1812-14.

Home of Laura Secord;
Old Forts;
Tecumseh Indians;
Beginnings of political agitation.

Colonial Advocate - Mackenzie's Press;
Brock Monument - 1824
(Sir Peregrine Maitland)
Navy Island;
Rebellion of 1837.

Two loyalties - Crown and people.

Time of ceremony:
Hundred years from Rebellion;
Responsible Government;
Durham's report, etc.

Object of ceremony: The Memorial Arch.
Significance of Arches -
triumph usually conquest of arms;
this time conquest of ideas and ideals

Tribute to sacrifice.
Unknown warrior - unknown pioneer.

D 35237

The cross of sacrifice- our country today the crown of sacrifice;

Both have contributed.

Conception due to Hon. Mr. McQuesten.
Vision, historic sense;
Practical wisdom, good judgment and chivalry.

Congratulations to all concerned.
Architect: Mr. Sommerville;
Mr. Maumeyer - Manager of Parks Commission and all Commissioners for their foresight and concern for human welfare;
Recalls beautification of Capital at Ottawa.

Importance due to: (travel
(cinema
(television.

Inscriptions on the panels of the Arch.
(a) <u>tribute to pioneers.</u>
the unknown, unheralded, unrecorded, unnumbered, unremembered men and women who have contributed laying foundation of the nation.

Tribute particularly to the heroism and sacrifices of men and women in times of peace and war.

homely virtues of those in humble circumstances (?)
self-reliance, thrift, industry, endurance, faith, courage, reverence.

D 35238

The work and worth of individual men - world's work. Farmers, mechanics, day-labourers.

Recall the lines of Gray's "Eulogy"
"Some Village Hampden".
"Full many a gem".
"Let not ambition..."

(b) tribute to lives of sacrifice given in cause of freedom.

Lowell "Truth forever on the scaffold".
Roseberry: "Re monument of Cromwell (See quotation).

(c) tribute to Canada itself.
Pioneers - intellectual and political freedom;
British Commonwealth of Nations;
Transition in political developments:
Responsible Government;
Self-Government;
Domestic and external.

Significance of a hundred years.
The Coronation and the Imperial Conference.
Queen Victoria and Queen Elizabeth; George VI.

Imperial Conference - united Empire.

D 35230

Has been unveiled.
Remains to dedicate the Arch.

Remain steadfast and true to homely virtues, inactive self-reliance, industry, thrift, endurance, etc. Principles of right and justice and freedom, and reverence for truth and for work, faith, religious belief.

These gave their lives to the making of a nation.

Ourselves to maintain in bonds of unity and fraternity as a heritage to future generations, the nation that our forbears have bequeathed to us.

Significance of this in present day.
Wars on earth.
Earthquake and famine, pestilence and world unrest - to be united.

Keep Canada and Empire united.

D 35240

Memorial Arch - Niagara Falls

Thanks.- Mr. McQuesten & Board

Purpose of ceremony - unveiling, dedication.

Place of ceremony.
natural beauty - historic interest.

Time of ceremony.
100 years - Responsible Government.

Object of ceremony - Memorial Arch.
Significance of Arches.
Triumph - arms.
Conquest of ideas and ideals.
Unknown warrior - unknown pioneer

Conception due to Mr. McQuesten.
Congratulations to all concerned.
Inscriptions on panels.
Tribute to pioneers.

Gray's "Eulogy".
"Some Village Hampden".
"Full many a gem"
"Let not ambition"

Tribute to those tried and executed.
Lives sacrificed.
Lowell "Truth forever on scaffold"
Rosebery

Tribute to Canada itself.
Corner stone - British Commonwealth of Nations.

Coronation and Imperial Conference.
Contrast of a hundred years.

Dedication of Arch.
Steadfast and true homely virtues.

D 35241

Maintains bonds of unity and fraternity.
National heritage to future
generations.

Significance of - in world situation.

1

D 35242

Memorial Arch - Niagara Falls

June 18, 1938

Thanks Mr. McQuesten
Mr. Houck.

Purpose of ceremony - unveiling,
dedication.

Place of ceremony -
natural beauty - historic interest.

Time of ceremony -
100 years - Responsible Government.

Object of ceremony - Memorial Arch.
Significance of Arches;
Triumph - arms;
Conquest of ideas and ideals;
Unknown warrior - unknown
pioneer.

Conception due to Mr. McQuesten.
Congratulations to all concerned.

Inscriptions on panels.
Tribute to pioneers.

Gray's "Eulogy".
"Some Village Hampden".
"Full many a gem"
"Let not ambition"

Tribute to those tried for treason and
executed.
Lives sacrificed.
Lowell "Truth forever on scaffold"
Rosebery.
Tribute to Canada itself.
Corner stone - British Commonwealth
of Nations.

D 35242-1

Coronation and Imperial Conference.
Contrast of a hundred years.

Dedication of Arch.
Steadfast and true homely virtues.

Maintains bonds of unity and fraternity.
National heritage to future generations.

Significance of - in world situation.

Prepared by Mr. Fredenburgh
June 1938

D 35243

Notes re W. L. Mackenzie and

events of 1837.

Introduction:

Pleasure at being invited, as Mackenzie's grandson, to participate in service of Commemoration;

Thanks to Senator Hardy, members of Ontario Government, and all who have been associated with project;

Fortunate to have secured services of one of world's outstanding artists to design and execute Memorial;

Mr. Allward's works in Canada, and later his beautiful Memorial at Vimy, have earned for him an honoured place in realm of sculptural art;

Like to think of Memorial, and of Centenary celebrations, as tribute not merely to Mackenzie as an individual, but to those who, over a period of years, struggled, with no thought of narrow selfish interest, for much-needed reforms, and of which Mackenzie was the moving spirit;

he, himself, would wish Memorial and celebration to be looked upon in such a manner;

Gratification at observing that that interest in Memorial and participation in Commemoration services has transcended narrow political associations;

For a long time after 1837, passions and prejudices were such as to preclude any true evaluation of events of 100 years ago, and of individuals concerned;

D 35244

Now, fortunately, with the passing of the years, these feelings have so passed that we are able, irrespective of our political affiliations or our attitude toward the rebellion itself, to see events of that time in their proper historical setting, and to accept the work of the early reformers where it produced beneficial consequences;

Significanse of 1837:

Fortunately we have come to regard the unhappy events of 1837 merely as the climax - some would say, the unfortunate climax - of a long struggle, conducted peacefully and with constitutional weapons alone, for the redress of grievous wrongs;

Whether or not the rebellion was necessary, whether the Government and people of Britain would eventually have awakened to the injustices of the old colonial system, whether Responsible Government would have been granted if there had been no resort to force - these are questions which cannot be answered with any certainty;

Perhaps those historians are right who maintain that the rebellion finally brought the realization that the whole system was inadequate and had to be changed, ~~and~~ as the French say, "il fallait passer par là" - "It had to come in that way";

There is, in any case, no questioning the fact that the struggle which culminated in 1837 forms an important link in long series of developments of the colonies:

D 35245

military dependency, then
crown colony, then
self-governing colony, then
autonomous nation of British Commonwealth;

While Responsible Government was not granted immediately after the rebellion, there was, thereafter, steady progress in that direction -

Durham's report,
change in attitude of Colonial office,
Sydenham and Bagot as contrasted with Gore, Maitland, Head,
Despatch instructing governor to select advisors having confidence of Assembly,
Complete assertion of Responsible Government under Elgin -
Rebellion Losses Bill;

Perhaps justified in looking upon 1837 as the watershed in the history of the colonies -

Prior to that time the people of the colonies had no effective voice in administration of their own affairs, ~~of colonies~~ -
most they could do was to hamper the governor;

after the period of rebellion, "responsibility" gradually introduced -

Gradual widening of Responsible Government that culminated in Statute of Westminster in 1931;

D 35246

What the grant of Responsible Government has meant to the Empire:

It is a commonplace among historians that what is now the Dominion of Canada has been the "laboratory of the Empire";

When a concession was granted to Canada, it was at once extended to the other principal colonies;

e.g., grant of Responsible Government,
right to control tariff policy,
right to negotiate our own treaties, etc.;

Thus when our forefathers won the right to govern themselves, they won it not for themselves alone, but for the empire as a whole;

It is also an historical commonplace that Responsible Government is the foundation of the British Commonwealth of today;

Once Responsible Government was granted in principle - even limited Responsible Government as Durham advocated - it was inevitable that the scope of "responsibility" should be gradually broadened - most students of British Commonwealth affairs maintain that the "Commonwealth system" as defined (legally) by the Statute of Westminster was the logical - and, indeed, the inescapable - consequence of the reluctant grant of limited Responsible Government which followed the rising of 1837;

Thus we in Canada - what is now Canada - may claim with justifiable pride that our forefathers in these colonies ~~laid~~ shared in laying the foundation of our great Commonwealth, as it exists today;

D 35247

It is fitting, therefore, that we are today paying tribute to those whose efforts and sacrifices, a hundred years ago, contributed so largely to place colonial government on a new basis, and thereby made possible ~~our great~~ the Commonwealth of today;

1937 a significant year:

It is an interesting coincidence that this year - the centenary of the rebellion of 1837 - marked the occasion of two events of which the importance and the solemnity to the British Commonwealth cannot be over-estimated;

(1) The Coronation:

It symbolized our relationship with the Monarch - feelings which this event gave rise to, an indication that never have we, as a people, been more attached to the Throne - the link which binds together the free peoples of the Commonwealth,

also indicated the constitutional position which Canada today occupies - for the first time the Monarch was crowned as "King of Canada" as well as of the United Kingdom, and other Dominions;

(2) The Imperial Conference:

It symbolized the relationship between the autonomous communities of the Commonwealth;

Like the Coronation, it emphasized two principles upon which British Commonwealth is based -

D 35248

Independence of component parts, and

Unity of whole through co-operation;

In past, empires have implied subordination, and have been held together by military power,

British Commonwealth a society of free and co-equal nations, held together by ties of amity and understanding;

If many of the historians are right, this "Commonwealth system," symbolized by Coronation and Conference of this year, are the logical outcome of the recognition by the Mother Country of the right of the colonies to determine their own destinies -

The final step in the long series of developments which began with the early administration of the colonies and ended with the passing of the Statute of Westminster;

We do well, therefore, to commemorate the events of 100 years ago, and the men most closely associated with those troubled times.

<u>Mackenzie's part in the struggle for Responsible Government:</u>

Many of the Reformers of a century ago were men of outstanding abilities, unselfish, and genuinely public-spirited in their efforts and their aims;

Mackenzie's name, has, however, become particularly associated with the events of 1837 because he was, undoubtedly, the most indefatigable, and most effective, of those who opposed the ruling clique and urged the redress of the grievances under which the people suffered;

D 35240

Most historians of today regard Mackenzie as the individual who, in his aims and interests, as in his writings and his public utterances, was most completely identified with the Reform movement of the period;

Few men in the Canadas were as widely read as Mackenzie and the ideas and information thus acquired, were freely drawn upon in the interest of reform;

Mackenzie was a capable business man - one of the few reformers who understood what his biographer calls "the mysteries of accounting" - and both his practical knowledge and, as well, the financial resources which it enabled him to amass, were devoted unstintingly to what he conceived to be the cause of good government;

It was once the fashion to look upon Mackenzie as a professional agitator whose chief source of delight was in stirring up trouble by any means at his disposal;

The historian has gradually eliminated such a misconception - Mackenzie has been recognized as one who had limitations and made mistakes, but as one of unimpeachable integrity, who never spared himself or his own where the public good was concerned; who possessed a thorough knowledge of the economic and financial injustices under which the people suffered, and, as well, of their political impotency to correct them;

D 35250

Mackenzie a man of high principles:

Fundamental and abiding principle of Mackenzie's political faith was that government is a trust to be administered on behalf of, and in interests of governed -

need of re-affirmation of that principle today;

Integrity - Mackenzie's worst enemies were unable to point to any action of Mackenzie's wherein his honesty, or his honour, could be questioned -

This in a day when public office was generally expected - and seldom failed - to produce its rewards;

Independence - Mackenzie never accepted office or recognition of any kind if he felt it in any way tended to circumscribe his independence or his freedom to critize or oppose where he felt such was called for -

e.g. - his refusal of lucrative post with Post Office, offered him by Colonial Secretary in 1833;

Disinterested public service - in this Mackenzie has set an example to the public men and women of this country;

He was comfortably off when, in 1824, he turned to journalism in the hope that he might, in that way, further reform;

Mackenzie also well off when rebellion broke out - in summer of 1837 Mackenzie had been in New York to make a large purchase of books for his library and equipment for enlarging his printing establishment;

D35251

Mackenzie knew he was risking everything when he led reforms in uprising - he lost everything;

Perhaps no greater proof of sincerity of Mackenzie than risks and hardships to which he, a most devoted son, husband and father, exposed those he loved;

Mackenzie had an abiding faith in "the people" -

he had an intimate and first-hand acquaintance with the farmers, merchants, mechanics and labourers who made up a large part of the population - he knew their problems and the grievances they suffered - Mackenzie never lost his faith in these people - in this regard, he was a true liberal;

Perhaps the greatest tribute that can be paid to Mackenzie is the manner in which they returned his confidence -

(1) 7 times elected member of Legislature,

(2) elected first Mayor of Toronto,

(3) finally, when revolt failed and a price of £1,000 placedon his head, he made his way undisguised and practically unarmed, to the United States border, although recognized many times - often, indeed, by political enemies; (see exhibit

D 35252

PART B.

1937 a Significant Year

(Del Visit to Scotland) Berry - Aberdeen.

Two events this year of greatest significance to Canada -

Hold a special significance for York County;

These two events by no means unrelated:

(1) - Coronation and Imperial Conference,

(2) - Centenary of struggles of 1837;

(1) The Coronation and Imperial Conference:

Coronation this year had new significance for Canada as for other Dominions -

Position Dominions have come to occupy given formal recognition in ceremonies -

In effect, George VI crowned "King of Canada," and of other Dominions, in same way as King of Great Britain;

"Colonial period" as symbolized by former Coronation ceremonies now finally ended;

Oath which His Majesty took on May 12, clearly indicated new relationship;

The Coronation is the "final word" in struggle for self-government which had its beginning more than one hundred years ago;

D 35253

Imperial Conference this year one of most important yet held -

Derived much of its importance from very fact that Dominions have now finally achieved last stage in self-government;

Like the Coronation, the I.C. was based upon two principles which at first appear contradictory;

(a) Complete control over own destinies, and

(b) Co-operation with one another;

Actually, these principles complementary - each essential to "Commonwealth system" of government;

While the visible bonds of Empire have all but disappeared the real bonds have, I believe, never been truer or stronger -

Their strength due to fact they are completely voluntary and not based on coercion -

The strength of the Commonwealth structure of today lies in underlying principle of freedom;

Constitutional position as symbolized by Coronation and Imperial Conference not a sudden development, not derived from "paper constitution"

D 35254

produced overnight, but the result
of a long period of political growth
and development which goes back more
than 100 years;

The story of the struggle which had its dramatic
climax in the events of this year
(Coronation and I.C.) is an epic of
high ideals and heroic endeavour, of
mistakes and misjudgments, of successes
and failures - crowned by the final success
which we believe the British Commonwealth
of today to be;

Period of development of present Commonwealth witnessed, in
Canada, transition from military dependency
to crown colony, then
to self-governing colony, then
to Dominion with partially achieved
autonomy,
and, finally, to completely autonomous
nationhood of today;

This process of development largely responsible for present
status and constitution of "Dominion
of Canada";

It acquires added importance in view of its Imperial

D 35255

aspect -

Canada has from early colonial times been the "laboratory of the Empire";

A concession granted to Canada was thereafter extended to other principal colonies;

Thus while the struggle which finally ended in the freedom we enjoy today was largely confined to what is now Canada, the scope of its effects was Empire-wide;

The central point in that long period of development was the series of events which culminated in the outbreak, the centennary of which is being observed in Canada this year;

(2)Centennary of Struggle of 1837:

Year 1837, in real sense, forms political water-shed in Canada and, hence, of Empire as a whole -

Prior to that time, a more or less consistent deterioration discernible in administration of British North American colonies;

After 1837, there was, on the whole, steady progress towards the complete freedom which characterizes Canada's position in Empire of today;

The goal sought by the leading Reformers of 100 years ago was

D 35256

good government -

honest administration in the interests of "the people", not the use of the power and machinery of government as a bulwark for the protection of vested interests;

To achieve that goal the Reformers realized that "the people" must, in the long run, control the government -

To ensure that control, they recognized:

(a) that those charged with the administration of affairs - the Executive - must be responsible to the elected representatives of the people - that is, by "responsible government", and

(b) that, in all matters of interest to the colony alone, the interference of the Imperial Government must cease - that is, by what we have since come to refer to as "self-government";

To establish the supremacy of the people, through their elected representatives, the Reformers saw clearly that they must control the revenues of the colony -

D 35257

hence, so large a part of aims and endeavours of Reformers was directed towards gaining control of the purse;

once that concession was gained, it could never be withdrawn, and "responsible government" was assured;

The Relationship between Events of 1837 and 1937:

The struggle for Reform, which culminated in resort to armed force, served finally to awaken the government and people of Britain to the grievances of the colonies -

As a result, Durham was sent to Canada and, subsequently, presented the Report which has become a classic of colonial administration;

On the basis of Durham's Report, responsible government was, over period of two decades following, granted to B.N.A. colonies;

Once the principle of responsible government was conceded, the sequence of developments toward complete self-government was inescapable -

Indeed, not too much to say that the
Statute of Westminster, and the
"commonwealth system" as symbolized
by Coronation and Imperial Conference
of this year, were the logical outcome
of the winning of responsible government
a century ago; see exhibit

Only in years immediately past have we come to
recognize full significance of grant
of responsible government -

Early Reformers builded better than they knew -
They struggled for immediate things necessary
for the peace, order and good government
of colonies;

Durham, in recommending responsible government set
definite limits to it -

British Government was to retain power over:

1. Constitution of Colonies,
2. Crown lands,
3. Relations with other countries,
4. Fiscal affairs;

D 35259

Subsequent history proved that, having accepted principle of responsible government it was not possible to set limits to it -

"When a nation was made, it was not possible to set bounds to national aspirations, or to uphold the limits within which he proposed to grant responsible government".

(Lucas: Introduction to Durham's Report, p.253)

One by one, powers which Durham recommended to be retained by British Government were handed over to colonies -

1. Control of Crown lands - before responsible government was introduced;
2. Control over fiscal matters - as result of Galt's stand in 1859;
3. Control over constitution - has been recognized in fact for many years past and given legal recognition (under conditions requested by Canada) in 1931 (Statute of Westminster);

D35260

4. Control over foreign affairs - now recognized completely - symbolized by signing of Halibut Treaty in 1923, signing of Briand-Kellogg Pact in 1928, establishment of legations, etc;

In winning responsible government, the early Reformers won it not for Canada alone, but for the other principal colonies as well -

It is the foundation-stone of the present day structure of the British Commonwealth of Nations;

In estimating the contribution made by Reformers of early Canada, therefore, we must remind ourselves of what the Commonwealth stands for in world today;

<u>The Commonwealth in the world of today:</u>

It serves to reveal to the rest of the world, a better way of settling difficulties between nations than by resort to armed force with the destruction of spiritual and material values which the latter entails;

D 35261

Indicates that the complete freedom of the individual nation is no bar to an ordered system of relationships between all nations -

Shows how the independence of a country or people can be reconciled with the increasing interdependence of modern world - peace and understanding vs. international chaos;

The Commonwealth not only a bulwark of liberty but also a foremost factor in ensuring peace of world -

While furthering principles of good-will and co-operation between nations, Commonwealth constitutes a menace to no country -

At recent Imperial Conference, profound concern of people of Empire for international peace found clear and repeated expression;

To a world society distracted by ill-will and fear, and by the misunderstanding which the latter engenders, the Commonwealth points the way to co-operative effort between nations and to the security which emanates from it.

D 35262

PART C

The Early Reform Movement

Have indicated how the struggle for Reform in Canada led to responsible government and what the latter has meant to the Commonwealth as it exists today;

Should like merely to touch upon the broader aspects of early Reform Movement and the heritage which we derive from its leaders -

No attempt to discuss period or individuals in detail;

Grievances of the people:

The "Family Compact" -

By their control of the whole machinery of government clique was able to maintain itself in position of economic and financial ascendency -

"all the best families had all the best offices;"

control of financial resources and of canal system;

Entire patronage of colony in hands of Governor and Councils -

D 35263

Usually Governor wholly subservient to councils;

Not only the administration, but also the judiciary dominated by governing clique;

Legislative Assembly offered only means of constitutional redress of wrongs -

It was rendered impotent through lack of control of purse -

Governor joined with placemen in both Councils to thwart Assembly;

In last resort, Governor and Councils could, by abuse of power, secure the election of a "bread and butter" Assembly - see exhibit

In the Assembly, on the public platform and through the press the Reformers strove unceasingly to remedy abuses;

When these means failed, they despatched petitions to the Colonial Office and to the King -

even sent delegates to London to make known situation;

"A Spurt of Civil War":

Only when all hope of redress disappeared was there any question of resort to armed force -

D 35264

Until very eve of rising, expressions of loyalty to the Sovereign characterized utterances of Reformers;

Outbreak of December 1937 was not so much a rebellion as what Goldwin Smith has called "A spurt of civil war" -

Prior to that time, hositility and struggle were directed against local dominant group -

Mackenzie and other Reformers genuinely devoted to British system of government and of justice - see exhibit

Criticism of Home Government was on basis of its lack of understanding and indifference to situation in Canada, and failure to take steps to correct abuse of existing system;

In issuing call to arms, aim was expressed of forcing the Governor to put Executive Council on responsible basis;

People of Upper Canada were moved by blind sense of rage at injustices, and feeling of impotence to secure change -

D 35265

Wonder is, not that revolt failed so utterly, but that so many farmers and labourers with everything at stake, plodded across the fields in early December, armed only with staves, pitch-forks, bludgeons and, in a few cases, light rifles, to join forces which assembled at Montgomery's Tavern in this very county;

The Leaders of the Early Reform Movement:

While they had a grasp of the broad principles for which they strove, they were not visionaries, but eminently practical men -

Interested in the day-to-day problems of the people and sought to remove the injustices and the difficulties in their daily lives to which the existing system gave rise;

Reform Leaders -

For the most part, they were educated and intelligent individuals, many of them well-to-do, who commanded the respect of their fellow citizens -

e.g. Dr. Morrison,
John MacKintosh,
Robert MacKay,
Van Egmond, - see exhibit
W. L. Mackenzie, etc;

These men were not seeking to further selfish, private interests or material gain, nor yet political power for its own sake, but to promote the well-being of the people of Upper Canada as a whole -

They had nothing to gain, personally, in the event of success, but everything to lose if they failed;

Failure brought death to some, exile or imprisonment to others, and loss of all their material possessions to most;

Mackenzie -

Best known of more radical reform leaders -

His abilities and energies brought him to forefront of struggle for reform;

D 35267

His outlook and his intimate knowledge of all classes and types of people made him more completely identified with the movement and with the times in which he lived, than any other individual of the period;

The fundamental principle of Mackenzie's political faith, as of his entire public career, was that government was a trust - almost a sacred trust - to be administered on behalf of, and always in the interest of the governed -

In all the years of his public life, his most implacable enemy was unable to point to any act of his in which the public welfare was sacrificed for private consideration - "the unimpeachable patriot";

When he was in London, he indignantly refused a lucrative office in the Post Office of U. C., offered by the Colonial Secretary, because it would, of necessity, have stilled his demand for reform;

Mackenzie's material possessions, no less than his intellectual capacities were ever at the public service -

D35268

Comfortably off when he first entered political field, his industry and business acumen had rendered him prosperous;

In the final struggle he staked everything, and lost not only all material, and even personal, possessions, but his own health as well -

Even more grievous to him, he brought exile, penury and want upon a family to which he was passionately devoted;

That Mackenzie could make such sacrifices, and, in the face of them, struggle on with such a surprising absence of bitterness and rancour was due to his profound attachment to the public welfare and, as well, his abiding faith in "the people" -

One of the fundamental tenets of Liberalism, he never lost his faith in the farmers and labourers, artisans, mechanics and merchants - the people of "The Cotters' Saturday Night" -

His faith in people was returned by their trust in him

D 35269

His escape to U.S. with price on his head;
Never forgot his own humble birth and all that he endured of privation and want in early life;

The Heritage of the early Reform Movement:

100 years ago Mackenzie appealed to the citizens of York to join in an endeavour to promote, by the only means which, at the time, he believed to be effective, the welfare and the prosperity of the people, and the principles of good government in U.C. -

Today the need is rather for a spirit of moderation and understanding on the part of individuals and of the different sections of the Dominion, to maintain and strengthen the bonds which have made Canada a great nation;

Especial need, at present time, for same spirit in our endeavour to eliminate industrial unrest, and all in way of narrowness and intolerance which tends to impair the unity of the Dominion and, in turn, the bonds which link the different parts of Commonwealth in great family of nations;

D 35270

In our national life today, it is well for us to remind ourselves of the sincerity of the early Reformers and of the ideals by which they were motivated -

Disinterested public service,

Responsibility of public office and of citizenship,

Willingness to sacrifice self for well-being of all,

Love of freedom and of social justice, and faith in the principles of democratic government;

Large part of efforts of Reformers was directed against social and economic abuses -

They strove to establish economic security of the oppressed;

Today - a century later - the struggle for security still goes on -

Security of labour in the complex industrial life of today,

Security of the home and of family life in a world which tends to disregard their eternal values,

Security in world in which mistrust and understanding threaten the very foundations of our civilization;

D 35271

In our endeavour to achieve a solution to these problems, we may find inspiration and assistance in the motives and the efforts of the early Reformers;

From them we have derived a great heritage of freedom and of public service -

We should be unworthy successors if we failed to remember the cost by which it was achieved, and to seek in every way to preserve and to enlarge the principles of liberty and justice for which they strove;

In these times when the complexities of modern life all too frequently limit our vision to the more immediate problems of the day, and to cause us to lose our grasp of the great basic principles underlying our economic and political life; when there is so much of self-seeking and of desire for personal gain and aggrandisement, the spirit and the motives of the early Reformers of Canada, and, indeed, of this very district, acquire an added significance in our national life.

August 12, 1937
RLF/MAC

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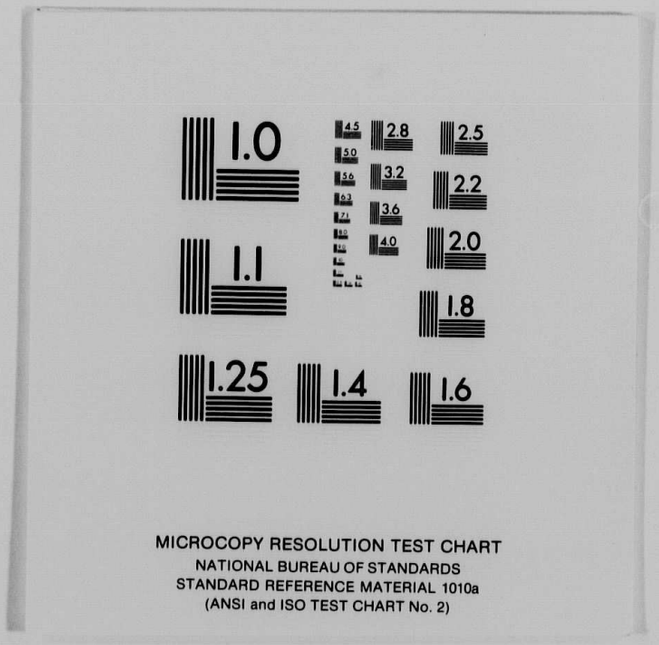

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