DEBATES

OF

THE SENATE

OF THE

DOMINION OF CANADA

1940

OFFICIAL REPORT

Editor: DAVID J. HALPIN
Reporters: H. H. EMERSON, B. P. LAKE, F. BERRYMAN
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SIXTH SESSION—EIGHTEENTH PARLIAMENT—4 GEORGE VI

FIRST SESSION—NINETEENTH PARLIAMENT—4 GEORGE VI

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1940

95832—A½

SENATORS OF CANADA

ACCORDING TO SENIORITY

NOVEMBER 5, 1940

THE HONOURABLE GEORGE PARENT, SPEAKER

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
RAOUL DANDURAND, P.C.	De Lorimier	Montreal, Que.
RUFUS HENRY POPE	Bedford	Cookshire, Que.
GEORGE GORDON	Nipissing	North Bay, Ont.
ERNEST D. SMITH	Wentworth	Winona, Ont.
JAMES J. DONNELLY	South Bruce	Pinkerton, Ont.
CHARLES PHILIPPE BEAUBIEN	Montarville	Montreal, Que.
WILLIAM HENRY SHARPE	Manitou	Manitou, Man.
CHARLES E. TANNER	Pictou	Pictou, N.S.
THOMAS JEAN BOURQUE	Richibucto	Richibucto, N.B.
LENDRUM MCMEANS	Winnipeg	Winnipeg, Man.
DAVID OVIDE L'ESPÉRANCE	Gulf	Quebec, Que.
GEORGE HENRY BARNARD	Victoria	Victoria, B.C.
JAMES DAVIS TAYLOR	New Westminster	New Westminster, B.C.
EDWARD MICHENER	Red Deer	Calgary, Alta.
WILLIAM JAMES HARMER	Edmonton	Edmonton, Alta.
PIERRE EDOUARD BLONDIN, P.C.	Laurentides	St. François du Lac, Que.
GERALD VERNER WHITE	Pembroke	Pembroke, Ont.
SIR THOMAS CHAPAIS, K.B.	Grandville	Quebec, Que.
LORNE C. WEBSTER	Stadacona	Montreal, Que.
JOHN ANTHONY MCDONALD	Shediac	Shediac, N.B.
WILLIAM A. GRIESBACH, C.B., C.M.G.	Edmonton	Edmonton, Alta.
JAMES A. CALDER, P.C.	Saltcoats	Regina, Sask.
ROBERT F. GREEN	Kootenay	Victoria, B.C.
FRANK B. BLACK	Westmorland	Sackville, N.B.
ARTHUR C. HARDY, P.C.	Leeds	Brockville, Ont.

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SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
ONÉSIPHORE TURGEON	Gloucester	Bathurst, N.B.
SIR ALLEN BRISTOL AYLESWORTH, P.C., K.C.M.G.	North York	Toronto, Ont.
CLIFFORD W. ROBINSON	Moncton	Moncton, N.B.
JAMES JOSEPH HUGHES	King's	Souris, P.E.I.
CREELMAN MACARTHUR	Prince	Summerside, P.E.I.
WILLIAM ASHBURY BUCHANAN	Lethbridge	Lethbridge, Alta.
ARTHUR BLISS COPP, P.C.	Westmorland	Sackville, N.B.
JOHN PATRICK MOLLOY	Provencher	Winnipeg, Man.
DANIEL E. RILEY	High River	High River, Alta.
RT. HON. GEORGE P. GRAHAM, P.C.	Eganville	Brockville, Ont.
WILLIAM H. MCGUIRE	East York	Toronto, Ont.
DONAT RAYMOND	De la Vallière	Montreal, Que.
EDGAR S. LITTLE	London	London, Ont.
GUSTAVE LACASSE	Essex	Tecumseh, Ont.
HENRY HERBERT HORSEY	Prince Edward	Cressy, Ont.
WALTER E. FOSTER, P.C.	Saint John	Saint John, N.B.
HANCE J. LOGAN	Cumberland	Parrsboro, N.S.
CAIRINE R. WILSON	Rockcliffe	Ottawa, Ont.
JAMES MURDOCK, P.C.	Parkdale	Ottawa, Ont.
GEORGE PARENT (Speaker)	Kennebec	Quebec, Que.
JULES-EDOUARD PRÉVOST	Mille Iles	St. Jérôme, Que.
JOHN EWEN SINCLAIR, P.C.	Queen's	Emerald, P.E.I.
JAMES H. KING, P.C.	Kootenay East	Victoria, B.C.
ARTHUR MARCOTTE	Ponteix	Ponteix, Sask.
ALEXANDER D. MCRAE, C.B.	Vancouver	Vancouver, B.C.
RT. HON. ARTHUR MEIGHEN, P.C.	St. Mary's	Toronto, Ont.
CHARLES COLQUHOUN BALLANTYNE, P.C.	Alma	Montreal, Que.
WILLIAM HENRY DENNIS	Halifax	Halifax, N.S.
JOHN ALEXANDER MACDONALD	Richmond—West Cape Breton	St. Peters, Cape Breton, N.S.
JOSEPH H. RAINVILLE	Repentigny	St. Lambert, Que.
LUCIEN MORAUD	La Salle	Quebec, Que.
LOUIS COTÉ	Ottawa East	Ottawa, Ont.
RALPH BYRON HORNER	Saskatchewan North	Blaine Lake, Sask.
WALTER MORLEY ASELTINE	West Central Saskatchewan	Rosetown, Sask.
EDGAR N. RHODES, P.C.	Amherst	Amherst, N.S.

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
THOMAS CANTLEY	New Glasgow	New Glasgow, N.S.
FELIX P. QUINN	Bedford-Halifax	Bedford, N.S.
JOHN L. P. ROBICHEAU	Digby-Clare	Maxwellton, N.S.
JOHN A. MACDONALD, P.C.	Cardigan	Cardigan, P.E.I.
DONALD SUTHERLAND, P.C.	Oxford	Ingersoll, Ont.
IVA CAMPBELL FALLIS	Peterborough	R. R. No. 3, Peterborough, Ont.
GEORGE B. JONES, P.C.	Royal	Apohaqui, N.B.
ARTHUR SAUVÉ, P.C.	Rigaud	Outremont, Que.
ANTOINE J. LÉGER	L'Acadie	Moncton, N.B.
BENJAMIN F. SMITH	Victoria-Carleton	East Florenceville, N.B.
HENRY A. MULLINS	Marquette	Winnipeg, Man.
JOHN T. HAIG	Winnipeg South-Centre	Winnipeg, Man.
EUGÈNE PAQUET, P.C.	Lauzon	St. Romuald, Que.
WILLIAM DUFF	Lunenburg	Lunenburg, N.S.
JOHN W. DE B. FARRIS	Vancouver South	Vancouver, B.C.
ADRIAN K. HUGESSEN	Inkerman	Montreal, Que.
NORMAN P. LAMBERT	Ottawa	Ottawa, Ont.
DUNCAN MCL. MARSHALL	Peel	Toronto, Ont.
FERNAND FAFARD	De la Durantaye	L'Islet, Que.
JOHN CAMPBELL ELLIOTT, P.C.	Middlesex	London, Ont.
ARTHUR LUCIEN BEAUBIEN		St. Jean Baptiste, Man.
JOHN J. STEVENSON	Saskatchewan	Regina, Sask.
ARISTIDE BLAIS	St. Albert	Edmonton, Alta.
DONALD MACLENNAN		Margaree Forks, N.S.
CHARLES BENJAMIN HOWARD	Wellington	Sherbrooke, Que.
ELIE BEAUREGARD	Rougemont	Montreal, Que.
ATHANASE DAVID	Sorel	Montreal, Que.
EDOUARD CHARLES ST-PÈRE	De Lanaudière	Montreal, Que.
SALTER ADRIAN HAYDEN	Toronto	Toronto, Ont.
NORMAN MCLEOD PATERSON	Thunder Bay	Fort William, Ont.
WILLIAM JAMES HUSHION	Victoria	Westmount, Que.
JOSEPH JAMES DUFFUS	Peterborough West	Peterborough, Ont.
WILLIAM DAUM EULER, P.C.	Waterloo	Kitchener, Ont.

SENATORS OF CANADA

ALPHABETICAL LIST

NOVEMBER 5, 1940

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
ASELTINE, W. M.	West Central Saskatchewan	Rosetown, Sask.
AYLESWORTH, SIR ALLEN, P.C., K.C.M.G.	North York	Toronto, Ont.
BALLANTYNE, C. C., P.C.	Alma	Montreal, Que.
BARNARD, G. H.	Victoria	Victoria, B.C.
BEAUBIEN, A. L.		St. Jean Baptiste, Man.
BEAUBIEN, C. P.	Montarville	Montreal, Que.
BEAUREGARD, ELIE	Rougemont	Montreal, Que.
BLACK, F. B.	Westmorland	Sackville, N.B.
BLAIS, ARISTIDE	St. Albert	Edmonton, Alta.
BLONDIN, P. E., P.C.	Laurentides	St. François du Lac, Que.
BOURQUE, T. J.	Richibucto	Richibucto, N.B.
BUCHANAN, W. A.	Lethbridge	Lethbridge, Alta.
CALDER, J. A., P.C.	Saltcoats	Regina, Sask.
CANTLEY, THOMAS	New Glasgow	New Glasgow, N.S.
CHAPAIS, SIR THOMAS, K.B.	Grandville	Quebec, Que.
COPP, A. B., P.C.	Westmorland	Sackville, N.B.
COTÉ, L.	Ottawa East	Ottawa, Ont.
DANDURAND, R., P.C.	De Lorimier	Montreal, Que.
DAVID, ATHANASE	Sorel	Montreal, Que.
DENNIS, W. H.	Halifax	Halifax, N.S.
DONNELLY, J. J.	South Bruce	Pinkerton, Ont.
DUFF, WILLIAM	Lunenburg	Lunenburg, N.S.
DUFFUS, J. J.	Peterborough West	Peterborough, Ont.
ELLIOTT, J. C., P.C.	Middlesex	London, Ont.
EULER, W. D., P.C.	Waterloo	Kitchener, Ont.
FAFARD, J. F.	De la Durantaye	L'Islet, Que.
FALLIS, IVA CAMPBELL	Peterborough	R. R. No. 3, Peterborough, Ont.
FARRIS, J. W. DE B.	Vancouver South	Vancouver, B.C.
FOSTER, W. E., P.C.	Saint John	Saint John, N.B.

95832—1

REVISED EDITION

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
GORDON, G.	Nipissing	North Bay, Ont.
GRAHAM, RT. HON. GEORGE P., P.C.	Eganville	Brockville, Ont.
GREEN, R. F.	Kootenay	Victoria, B.C.
GRIESBACH, W. A., C.B., C.M.G.	Edmonton	Edmonton, Alta.
HAIG, JOHN T.	Winnipeg South-Centre	Winnipeg, Man.
HARDY, A. C., P.C.	Leeds	Brockville, Ont.
HARMER, W. J.	Edmonton	Edmonton, Alta.
HAYDEN, S. A.	Toronto	Toronto, Ont.
HORNER, R. B.	Saskatchewan North	Blaine Lake, Sask.
HORSEY, H. H.	Prince Edward	Cressy, Ont.
HOWARD, C. B.	Wellington	Sherbrooke, Que.
HUGESSEN, A. K.	Inkerman	Montreal, Que.
HUGHES, J. J.	King's	Souris, P.E.I.
HUSHION, W. J.	Victoria	Westmount, Que.
JONES, GEORGE B., P.C.	Royal	Apohaqui, N.B.
KING, J. H., P.C.	Kootenay East	Victoria, B.C.
LACASSE, G.	Essex	Tecumseh, Ont.
LAMBERT, NORMAN P.	Ottawa	Ottawa, Ont.
LÉGER, ANTOINE J.	L'Acadie	Moncton, N.B.
L'ESPÉRANCE, D. O.	Gulf	Quebec, Que.
LITTLE, E. S.	London	London, Ont.
LOGAN, H. J.	Cumberland	Parrsboro, N.S.
MACARTHUR C.	Prince	Summerside, P.E.I.
MACDONALD, J. A.	Richmond—West Cape Breton	St. Peters, Cape Breton, N.S.
MACDONALD, JOHN A., P.C.	Cardigan	Cardigan, P.E.I.
MACLENNAN, DONALD	.....	Margaree Forks, N.S.
MARCOTTE, A.	Ponteix	Ponteix, Sask.
MARSHALL, DUNCAN MCL.	Peel	Toronto, Ont.
MCDONALD, J. A.	Shediac	Shediac, N.B.
MCGUIRE, W. H.	East York	Toronto, Ont.
MCMEANS, L.	Winnipeg	Winnipeg, Man.
MCRAE, A. D., C.B.	Vancouver	Vancouver, B.C.
MEIGHEN, RT. HON. ARTHUR, P.C.	St. Mary's	Toronto, Ont.
MICHENER, E.	Red Deer	Calgary, Alta.
MOLLOY, J. P.	Provencher	Winnipeg Man.
MORAUD, L.	La Salle	Quebec, Que.
MULLINS, HENRY A.	Marquette	Winnipeg, Man.

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
MURDOCK, JAMES, P.C.	Parkdale	Ottawa, Ont.
PAQUET, EUGÈNE, P.C.	Lauzon	St. Romuald, Que.
PARENT, G. (Speaker)	Kennebec	Quebec, Que.
PATERSON, N. M.	Thunder Bay	Fort William, Ont.
POPE, R. H.	Bedford	Cookshire, Que.
PRÉVOST, J. E.	Mille Iles	St. Jérôme, Que.
QUINN, FELIX P.	Bedford-Halifax	Bedford, N.S.
RAINVILLE, J. H.	Repentigny	St. Lambert, Que.
RAYMOND, D.	De la Vallière	Montreal, Que.
RHODES, EDGAR N., P.C.	Amherst	Amherst, N.S.
RILEY, D. E.	High River	High River, Alta.
ROBICHEAU, J. L. P.	Digby-Clare	Maxwellton, N.S.
ROBINSON, C. W.	Moncton	Moncton, N.B.
SAUVÉ, ARTHUR, P.C.	Rigaud	Outremont, Que.
SHARPE, W. H.	Manitou	Manitou, Man.
SINCLAIR, J. E., P.C.	Queen's	Emerald, P.E.I.
SMITH, B. F.	Victoria-Carleton	East Florenceville, N.B.
SMITH, E. D.	Wentworth	Winona, Ont.
STEVENSON, J. J.	Saskatchewan	Regina, Sask.
ST-PÈRE, E. C.	De Lanaudière	Montreal, Que.
SUTHERLAND, DONALD, P.C.	Oxford	Ingersoll, Ont.
TANNER, C. E.	Pictou	Pictou, N.S.
TAYLOR, J. D.	New Westminster	New Westminster, B.C.
TURGEON, O.	Gloucester	Bathurst, N.B.
WEBSTER, L. C.	Stadacona	Montreal, Que.
WHITE, G. V.	Pembroke	Pembroke, Ont.
WILSON, CAIRINE R.	Rockcliffe	Ottawa, Ont.

SENATORS OF CANADA

BY PROVINCES

NOVEMBER 5, 1940

ONTARIO—24

	SENATORS	POST OFFICE ADDRESS
	THE HONOURABLE	
1	GEORGE GORDON	North Bay.
2	ERNEST D. SMITH	Winona.
3	JAMES J. DONNELLY	Pinkerton.
4	GERALD VERNER WHITE	Pembroke.
5	ARTHUR C. HARDY, P.C.	Brockville.
6	SIR ALLEN BRISTOL AYLESWORTH, P.C., K.C.M.G.	Toronto.
7	RT. HON. GEORGE P. GRAHAM, P.C.	Brockville.
8	WILLIAM H. MCGUIRE	Toronto.
9	EDGAR S. LITTLE	London.
10	GUSTAVE LACASSE	Tecumseh.
11	HENRY H. HORSEY	Cressy.
12	CAIRINE R. WILSON	Ottawa.
13	JAMES MURDOCK, P.C.	Ottawa.
14	RT. HON. ARTHUR MEIGHEN, P.C.	Toronto.
15	LOUIS COTÉ	Ottawa.
16	DONALD SUTHERLAND, P.C.	Ingersoll.
17	IVA CAMPBELL FALLIS	R. R. No. 3, Peterborough.
18	NORMAN P. LAMBERT	Ottawa.
19	DUNCAN MCL. MARSHALL	Toronto.
20	JOHN CAMPBELL ELLIOTT, P.C.	London.
21	SALTER ADRIAN HAYDEN	Toronto.
22	NORMAN MCLEOD PATERSON	Fort William
23	JOSEPH JAMES DUFFUS	Peterborough.
24	WILLIAM DAUM EULER, P.C.	Kitchener.

QUEBEC—24

	SENATORS	ELECTORAL DIVISION	POST OFFICE ADDRESS
	THE HONOURABLE		
1	RAOUL DANDURAND, P.C.	De Lorimier	Montreal.
2	RUFUS H. POPE	Bedford	Cookshire.
3	CHARLES PHILIPPE BEAUBIEN	Montarville	Montreal.
4	DAVID OVIDE L'ESPÉRANCE	Gulf	Quebec.
5	PIERRE EDOUARD BLONDIN, P.C.	Laurentides	St. François du Lac.
6	SIR THOMAS CHAPAIS, K.B.	Grandville	Quebec.
7	LORNE C. WEBSTER	Stadacona	Montreal.
8	DONAT RAYMOND	De la Vallière	Montreal.
9	GEORGE PARENT (Speaker)	Kennebec	Quebec.
10	JULES-EDOUARD PRÉVOST	Mille Iles	St. Jérôme.
11	CHARLES C. BALLANTYNE, P.C.	Alma	Montreal.
12	JOSEPH H. RAINVILLE	Repentigny	St. Lambert.
13	LUCIEN MORAUD	La Salle	Quebec.
14	ARTHUR SAUVÉ, P.C.	Rigaud	Outremont.
15	EUGÈNE PAQUET, P.C.	Lauzon	St. Romuald.
16	ADRIEN K. HUGESSEN	Inkerman	Montreal.
17	J. FERNAND FAFARD	De la Durantaye	L'Islet.
18	CHARLES BENJAMIN HOWARD	Wellington	Sherbrooke.
19	ELIE BEAUREGARD	Rougemont	Montreal.
20	ATHANASE DAVID	Sorel	Montreal.
21	EDOUARD CHARLES ST-PÈRE	De Lanaudière	Montreal.
22	WILLIAM JAMES HUSHION	Victoria	Westmount.
23	.....	.....	.....
24	.....	.....	.....

NOVA SCOTIA—10

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

NEW BRUNSWICK—10

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

PRINCE EDWARD ISLAND—4

	THE HONOURABLE	
1	JAMES JOSEPH HUGHES	Souris.
2	CREELMAN MACARTHUR	Summerside.
3	JOHN EWEN SINCLAIR, P.C.	Emerald.
4	JOHN A. MACDONALD, P.C.	Cardigan.

BRITISH COLUMBIA—6

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

MANITOBA—6

	THE HONOURABLE	
1	WILLIAM H. SHARPE	Manitou.
2	LENDRUM MCMEANS	Winnipeg.
3	JOHN PATRICK MOLLOY	Winnipeg.
4	HENRY A. MULLINS	Winnipeg.
5	JOHN T. HAIG	Winnipeg.
6	A. L. BEAUBIEN	St. Jean Baptiste.

SASKATCHEWAN—6

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

ALBERTA—6

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

CANADA

The Debates of the Senate

OFFICIAL REPORT

THE SENATE

Speaker: Hon. WALTER EDWARD FOSTER

Thursday, January 25, 1940.

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

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

Prayers.

OPENING OF THE SESSION

The Hon. the SPEAKER informed the Senate that he had received a communication from the Governor General's Secretary informing him that His Excellency the Governor General would proceed to the Senate Chamber to open the session of the Dominion Parliament this day at three o'clock.

The Senate adjourned during pleasure.

SPEECH FROM THE THRONE

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

Honourable Members of the Senate:

Members of the House of Commons:

During the months which have elapsed since the close of the special session, my Ministers have given unremitting attention to the organization and prosecution of Canada's war effort. The Government has been in constant consultation with the Government of the United Kingdom, and the measures adopted have been those which it is believed will best serve the common cause.

Vigorous action has been taken through all branches of the armed forces to provide for the security and defence of Canada, and for co-operation with the Allied forces on land, on sea and in the air.

For the effective prosecution of the war, Canada's industrial, financial and other resources are being steadily mobilized and all war activities co-ordinated. The production and marketing of agricultural and other primary products have been given constructive direction; and safeguards have been provided against undue enhancement, under war conditions, of the prices of food, fuel and other necessaries of life.

Since last you met the developments of the war have made increasingly clear the nature of the struggle in which we are engaged. The very existence of nations that cherish independence and democratic ideals is menaced by enemy forces of ruthless aggression which aim to dominate mankind by terror and violence. The Canadian people have shown their determination to share with Britain and France to the utmost of their strength in the defence of freedom.

My Ministers are of the opinion that the effective prosecution of the war makes it imperative that those who are charged with the grave responsibility of carrying on the government of Canada should, in this critical period, be fortified by a direct and unquestioned mandate from the people. My advisers, accordingly, having regard to existing conditions and the stage of the life of the present Parliament, have decided upon an immediate appeal to the country.

Honourable Members of the Senate:

Members of the House of Commons:

In all that pertains to the discharge of your responsible duties, may Divine Providence be your strength and guide.

The House of Commons withdrew.

His Excellency the Governor General was pleased to retire.

The sitting of the Senate was resumed.

Hon. RAOUL DANDURAND: Honourable senators, I desire to lay on the Table typewritten copies of Orders in Council passed under the authority of the War Measures Act since the close of the special session, up to and including January 17, 1940.

All Orders in Council passed under the authority of the War Measures Act and having the character of legislation are being printed both in French and in English, and, I have every reason to believe, will be ready for distribution to honourable members by the middle of next week.

Right Hon. ARTHUR MEIGHEN: May I ask the honourable leader whether any legislation will be presented to Parliament this session, or we are to have just Orders in Council?

Hon. Mr. DANDURAND: I understand that a Bill has been prepared for the taking of soldiers' votes at the next election.

Right Hon. Mr. MEIGHEN: Could that not have been done under the War Measures Act?

Hon. Mr. DANDURAND: I shall convey my right honourable friend's suggestion to the Government.

Right Hon. Mr. MEIGHEN: It is an insult to Parliament to bring us here and present no programme at all.

Hon. Mr. DANDURAND: I think I answered my right honourable friend's question just as he put it; and I have taken note of his suggestion.

RAILWAY BILL

FIRST READING

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

CONSIDERATION OF HIS EXCELLENCY'S SPEECH

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

ADJOURNMENT

Hon. Mr. DANDURAND moved that when the Senate adjourns to-day it stand adjourned until Tuesday evening next at eight o'clock.

Right Hon. Mr. MEIGHEN: I have no objection at all to the hour suggested, but I see no purpose in a debate of any kind. To call Parliament without any programme whatever for its consideration is an affront unheard of in the history of British institutions.

Hon. Mr. DANDURAND: My right honourable friend has often created precedents. I doubt the correctness of his statement, but anyone who delves into parliamentary history will see whether it is right.

The motion was agreed to.

The Senate adjourned until Tuesday, January 30, at 8 p.m.

DISSOLUTION OF PARLIAMENT

The Eighteenth Parliament having been this day dissolved by Proclamation of His Excellency the Governor General, the Senate did not again meet.

CANADA

The Debates of the Senate

OFFICIAL REPORT

THE SENATE

Speaker: Hon. GEORGE PARENT

Thursday, May 16, 1940.

The Nineteenth Parliament of the Dominion of Canada having been summoned by Proclamation of the Administrator to meet this day in its First Session for the dispatch of business:

The Senate met at 10.30 a.m.

SPEAKER OF THE SENATE

Hon. GEORGE PARENT, having taken the Clerk's chair, rose and said: Honourable senators, I have the honour to inform you that a Commission has been issued under the Great Seal, appointing me Speaker of the Senate.

The said Commission was then read by the Clerk.

The Honourable the Speaker then took the Chair at the foot of the Throne, to which he was conducted by Hon. Mr. Dandurand and Hon. Mr. Ballantyne, the Gentleman Usher of the Black Rod preceding.

Prayers.

OPENING OF THE SESSION

The Honourable the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General informing him that the Honourable Oswald Smith Crocket, in his capacity of Deputy Administrator, would proceed to the Senate Chamber to open the session of the Dominion Parliament on Thursday, the 16th of May, at 12 o'clock noon.

NEW SENATORS INTRODUCED

The following newly-appointed senators were severally introduced and took their seats:

Hon. J. Fernand Fafard, of L'Islet, Quebec, introduced by Hon. Raoul Dandurand and Hon. Donat Raymond.

Hon. John Campbell Elliott, P.C., D.C.L., of London, Ontario, introduced by Hon. Raoul Dandurand and Hon. A. C. Hardy.

Hon. Arthur Lucien Beaubien, of St. Jean Baptiste, Manitoba, introduced by Hon. Raoul Dandurand and Hon. J. P. Molloy.

Hon. John J. Stevenson, of Regina, Saskatchewan, introduced by Hon. Raoul Dandurand and Hon. Norman P. Lambert.

Hon. Aristide Blais, M.D., of Edmonton, Alberta, introduced by Hon. Raoul Dandurand and Hon. W. A. Buchanan.

Hon. Donald MacLennan, LL.B., K.C., of Inverness, Nova Scotia, introduced by Hon. Raoul Dandurand and Hon. William Duff.

Hon. Charles Benjamin Howard, of Sherbrooke, Quebec, introduced by Hon. Raoul Dandurand and Hon. Cairine R. Wilson.

Hon. Elie Beauregard, K.C., of Montreal, Quebec, introduced by Hon. Raoul Dandurand and Hon. Donat Raymond.

Hon. Louis Athanase David, K.C., of Montreal, Quebec, introduced by Hon. Raoul Dandurand and Hon. A. K. Hugessen.

Hon. Edouard Charles St. Père, of Montreal, Quebec, introduced by Hon. Raoul Dandurand and Hon. Donat Raymond.

Hon. Salter Adrian Hayden, M.A., Ph.M., K.C., of Toronto, Ontario, introduced by Hon. Raoul Dandurand and Hon. Norman P. Lambert.

Hon. Norman McLeod Paterson, of Fort William, Ontario, introduced by Hon. Raoul Dandurand and Hon. H. H. Horsey.

Hon. William James Hushion, of Westmount, Quebec, introduced by Hon. Raoul Dandurand and Hon. A. K. Hugessen.

Hon. Joseph James Duffus, of Peterborough, Ontario, introduced by Hon. Raoul Dandurand and Right Hon. G. P. Graham.

Hon. William Daum Euler, P.C., of Kitchener, Ontario, introduced by Hon. Raoul Dandurand and Hon. A. C. Hardy.

The Senate adjourned during pleasure.

OPENING OF THE SESSION

The Honourable Oswald Smith Crocket, Puisne Justice of the Supreme Court of Canada, Deputy Administrator, having come and being seated,

The Hon. the SPEAKER commanded the Gentleman Usher of the Black Rod to proceed to the House of Commons and acquaint that

House that: "It is the Honourable the Deputy Administrator's desire that they attend him immediately in the Senate Chamber."

Who being come,

The Hon. the SPEAKER said:

Honourable members of the Senate:

Members of the House of Commons:

I have it in command to let you know that His Excellency the Administrator does not see fit to declare the causes of his summoning the present Parliament of Canada, until a Speaker of the House of Commons shall have been chosen, according to law; but this afternoon at three o'clock His Excellency will declare the causes of his calling this Parliament.

The House of Commons withdrew.

The Honourable the Deputy Administrator was pleased to retire.

The sitting of the Senate was resumed.

The Senate adjourned until 2.45 p.m. this day.

SECOND SITTING

The Senate met at 2.45 p.m., the Speaker in the Chair.

The Senate adjourned during pleasure.

SPEECH FROM THE THRONE

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

Honourable Members of the Senate:

Members of the House of Commons:

You have been summoned to the first session of a new Parliament at a time of the greatest conflict in the history of mankind. Upon the outcome of the struggle will depend the maintenance of civilized society and the inheritance of human freedom for our own and future generations.

Since Parliament last met, the nature of the conflict, the character of the enemy, and the perils which menace all free nations, have become only too clear. In that short space of time, the world has seen the peaceful and peace-loving peoples of Denmark, Norway, Holland, Belgium, and Luxembourg made the victims of the treachery and barbarism which have marked the successive outrages of Nazi Germany. It has also witnessed the invasion of Finland, and, despite the epic resistance of its heroic population, the partition of that unoffending country. At any time, the lust of conquest may vastly enlarge the theatre of war. These tragic events have but served to intensify our determination to share in the war effort of the Allied powers to the utmost of our strength. In this resolution the Government has been fortified by the direct and unquestioned mandate of the Canadian people.

The organization and prosecution of Canada's war effort have commanded the unremitting attention of my Ministers. The constant consultation and complete co-operation maintained with the Governments of the United Kingdom and France have been materially strengthened by the recent visit to those countries of my Minister of National Defence.

You will be fully informed of Canada's action both in the military and economic fields. You will be asked to consider measures deemed essential for the prosecution of the war, and for the social and economic requirements of the country.

While the present session of Parliament will necessarily be mainly concerned with Canada's war effort and the measures essential to the achievement of ultimate victory, my Ministers are of opinion that, despite what to-day is being witnessed of concentrated warfare, it is desirable, as far as may be possible, to plan for the days that will follow the cessation of hostilities.

As a contribution to industrial stability in time of war, and to social security and justice in time of peace, resolutions will be introduced for an amendment to the British North America Act which would empower the Parliament of Canada to enact at the present session legislation to establish unemployment insurance on a national scale.

The report of the Royal Commission on Dominion-Provincial Relations, which has just been received, will be tabled immediately.

Members of the House of Commons:

You will be asked to make financial provision for expenditure necessitated by the existing state of war.

The estimates for the current fiscal year will be submitted to you without delay.

Honourable Members of the Senate:

Members of the House of Commons:

Since the last session of Parliament, a much beloved Governor General has passed from our midst. In the death of Lord Tweedsmuir, Canada mourns one whose character and achievements had endeared him to our people; the British Commonwealth has lost a wise and understanding counsellor, and the fellowship of writers a gifted interpreter of the graces and humanities of English literature. I join with you in the expression to Lady Tweedsmuir and the members of her family of the deep sympathy of the Canadian people.

His Majesty the King has been pleased to appoint the Earl of Athlone as his representative in succession to the late Lord Tweedsmuir. The sense of duty and the public services which have distinguished the lives of the Governor General designate and the Princess Alice ensure for His Excellency and Her Royal Highness an eager and cordial welcome to Canada.

As you assume, in these dark and difficult days, the grave responsibilities with which you have been entrusted by the Canadian people, may your resolution be sustained by the knowledge that it is the liberties of all free peoples that you are helping to preserve. Unless the evil powers, which threaten the very existence of freedom, are vanquished, the world itself will inevitably be reduced to a state of international anarchy.

I pray that Divine Providence may guide and bless your deliberations.

The House of Commons withdrew.

His Excellency the Administrator was pleased to retire.

The sitting of the Senate was resumed.

RAILWAY BILL

FIRST READING

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

CONSIDERATION OF HIS EXCELLENCY'S SPEECH

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

COMMITTEE ON ORDERS AND PRIVILEGES

Hon. Mr. DANDURAND moved:

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

The motion was agreed to.

COMMITTEE OF SELECTION

Hon. Mr. DANDURAND moved:

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

The motion was agreed to.

ROYAL COMMISSION ON DOMINION-PROVINCIAL RELATIONS

REPORT TABLED

Hon. Mr. DANDURAND: Honourable senators, I beg leave to table the report of the Royal Commission on Dominion-Provincial Relations, together with copies of the letter from the Prime Minister to the Premiers of the various provinces. The same letter has been sent to all the Premiers. Instead of reading it I will place it on Hansard.

Ottawa, May 10, 1940.

My dear Premier,

I wish to inform you that the Royal Commission on Dominion-Provincial Relations has to-day submitted to the Government the Commission's report, comprising three large printed volumes and a number of separately bound appendices. The report and the appendices will be presented to Parliament on Thursday afternoon, the 16th instant, the opening day of the approaching session.

I am arranging to have forwarded to you, in time for their receipt on the morning of Thursday, May 16, two sets in English and one set in French of the three volumes of the report. At the same time I am having sent to you, by express, for the use of the Provincial Government, further sets of the report, with the various appendices and related studies. A statement of the number of additional copies and volumes of appendices and other material, being sent forward by express, is enclosed.

It is, of course, important that adequate and accurate publicity be given to the report in the press. In order that representative journalists may have an opportunity to make some study of its contents and prepare material for their newspapers, copies are being made available, in advance, to members of the Press Gallery here, upon the distinct undertaking that there will be no publication, in whole or in part, before the afternoon papers on Thursday. Release has been deferred until that time in order to ensure your receipt of the report before publication in the press. It is fully anticipated that this arrangement will be respected by local newspapers.

Yours sincerely,

(signed) W. L. Mackenzie King.

WAR MEASURES ACT

ORDERS IN COUNCIL TABLED

Hon. Mr. DANDURAND tabled certain documents.

He said: Honourable senators, the Orders in Council tabled herewith are those passed under the authority of the War Measures Act since August 25, 1939. All the Orders covering the period up to December 31, 1939, have now been printed, and those passed since that date, up to and including May 11, 1940, are in typewritten form.

The Senate adjourned until Tuesday, May 21, at 3 p.m.

THE SENATE

Tuesday, May 21, 1940.

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

Prayers and routine proceedings.

TRIBUTES TO SENATORS DECEASED OR RETIRED

Hon. RAOUL DANDURAND: Honourable senators, since our meeting in September last we have had the misfortune to lose five of our colleagues.

Senator John S. McLennan was one of our elders. He was born in 1853 and was with us since 1916. He belonged to an influential Montreal family. His father, Hugh McLennan, was most successful in the transport business, his boats plying from the Upper Lakes to

Montreal. The late senator's brothers, highly cultured, have all been interested in Canadian history and literature. Our departed colleague took his degrees at McGill University and Cambridge, winning honours in philosophic and moral sciences. He was a writer of note, and owned and edited a newspaper in Cape Breton. All the social problems of the day retained his attention, and he treated them in this House, as well as in the press, in his usual spirit of moderation. He was always most considerate of the feelings of others. His gentlemanly instincts were apparent in all his movements, and he was often quite apologetic when his views differed from those of his colleagues, who gave him their esteem and friendship.

Major General the Honourable Archibald Hayes Macdonell, C.M.G., D.S.O., was one of the gallant and brilliant representatives of the Canadian Army in this Chamber who highly distinguished themselves during the Great War. Senator Macdonell had a most active career on many a field with the British Imperial troops. He was essentially a soldier. He joined the Canadian Militia in 1886 and the Permanent Corps in 1892. He served in the Canadian Contingent in South Africa and was a member of numerous expeditions to West Africa and Southern Nigeria. His various experiences in many campaigns on the African continent would make interesting reading for our young men who are at present attracted to our corps. During the War of 1914-1918 he was on the First Division staff as a Lieutenant-Colonel. He commanded the Royal Canadian Regiment until April, 1916, and then the Fifth Canadian Infantry Brigade until July, 1917. Senator Macdonell participated in our debates on matters related to the subject nearest to his heart: the defence of Canada and of the Commonwealth.

Senator Archibald B. Gillis had been ailing for some time and we could all notice during our spring session that his health was considerably impaired. Our colleague was an early pioneer of our Western plains. There were, indeed, few people who had settled before him in what was to become the province of Saskatchewan. He went there with his parents in 1882, when he was but eighteen years of age; well ahead of the railways. Having all the aptitudes of a Scotch farmer, he soon prospered. He was public-spirited too, and served from 1893 to 1905 in the Legislature of the Northwest Territories, entering the first legislature of the new province of Saskatchewan in 1905, the year of its creation. He had been Deputy Speaker of the Northwest Territories Legislature, and from 1902 to 1905 its Speaker. He was summoned to the Senate in 1921, and here he followed diligently the work of our committees and of the House. He was often heard on matters pertaining to Western problems and was always most informative and interesting.

Senator George Lynch-Staunton passed away in March last. He was with us for the last time in September, 1939. Although more than eighty years of age, he seemed to have retained his strength, and we had little reason to expect that he would leave us so soon. After retiring from actice practice at the Bar, some years ago, he seemed to enjoy life far away from all kinds of exertions and turmoil. He lived leisurely for six months of every year in Ireland, at an historical castle which he owned there. He was familiar with French literature and devoted half of his reading to French and English classics, which adorned his library. In his earlier years he had had a quite active and prominent career at the Ontario Bar, where he stood high in his fraternity. He possessed the full confidence of the people of the city of Hamilton, where he spent most of his lifetime. His counsel was constantly sought by the large institutions of that city. Senator Lynch-Staunton took an active part in the deliberations of the Senate and its committees, his legal knowledge contributing to the solution of many of our problems. He was always listened to attentively. On many a theme he had special views, which he delighted in propounding far away from the trodden paths.

Surprising news reached us a few day ago, telling of the demise of Senator Charles Bourgeois, who was called to this Chamber in August, 1935. For a number of years he had been interested in politics. He presented himself as a candidate in Nicolet county in 1926, without success, but his own people of Three Rivers returned him to the House of Commons in a highly contested election in 1931. His family had deep roots in that city, and Senator Bourgeois possessed the confidence and esteem of the whole population. He had a wide practice as a barrister and served in the City Council of Three Rivers. He was made Bâtonnier of the Bar of his district, and later became the General Bâtonnier for the whole province of Quebec. We are all sorry indeed that he was not allowed by Providence to continue his parliamentary career, which was full of promise, as we appreciated his contribution to many a debate of interest to his people and to the country.

To the families of our departed colleagues I desire to express the most sincere sympathy of all members of this House.

I should like to mention the name of one of our colleagues who has left this Chamber because a persistent illness has kept him away from active life for a number of years.

Senator Joseph Marcelin Wilson will be with us no more, but he still follows our deliberations as reports of them reach him daily. Senator Wilson has played so important a part in our financial and industrial institutions in Canada and in our educational activities that I am sure all my colleagues will join with me in hoping that this springtime may bring him enjoyable sunny days.

Right Hon. ARTHUR MEIGHEN: Honourable members, the heavy exigencies of this time would indicate that brief references to the departed would suffice, particularly after the complete and most appropriate recital of their chief achievements and characteristics by the honourable leader of the House. But I do not want it to be thought, because I am brief, that I or my associates on this side do not fully share in the pain of severance and in sympathy with the families of the departed.

As to Senator McLennan, I would only mention his culture, his distinctly gentlemanly characteristics, his wide reading, his devotion to public business to the full extent of his capacity.

Senator Macdonell, a soldier almost by birth, a Britisher by blood and conviction, never failing in his duty as a Canadian or as a subject of this Empire, served on fields of peril in no fewer than half a dozen wars and pursued to the very end of his life the true, direct course of a loyal citizen.

Senator Gillis was, just as the leader of the House tells us, a rugged Westerner, rugged from the days of his young boyhood in Nova Scotia. His personality and his whole outlook reflected that sturdy physique which he possessed through nearly all his life. His service to the West was great indeed, and the love of his friends was without reservation.

Senator Lynch-Staunton was one of the oldest of our number, one of those longest among us. His great distinction was his standing at the Bar. He was one of its senior members and his authority was highly regarded. The Irish in him appeared in every accent and every sentiment. It was not surprising that he returned to the Emerald Isle whenever he felt the need of relaxation and desired to taste again the lore of that home of his ancestry. We delighted in having him among us. We lament that he too has been called, though in the fullness of years.

I was depressed indeed to hear, just as the session opened, of the death of Senator Bourgeois. Not having heard of his illness, I was shocked by the news. Many of us have been warmed and delighted by his kindly manner, expressive of that friendliness with which he was endowed, and we were glad to see him here, accompanied always, until very recently, by his beautiful daughter. It is regrettable that he should have been called so soon. Senator Bourgeois was a scholar, a man who loved the learning of his profession, and who contributed to the advancement of that learning in his province.

I am at one also with the leader of the House in my admiration of the former Senator J. M. Wilson, and regret that his long-continued ill-health should have convinced him that he should give up his seat in this Chamber. Though speaking with him very little in the sphere of public affairs, where his ill-health has long continued, I did meet with him in other ways, and I wish to record that I never in my life encountered a fairer or more liberal-minded man. Senator Wilson merited his success—and his success was great; he merited the esteem and admiration of us all; he merited the eloquent words of the leader of the House, and in those words, I am sure, all who know Senator Wilson will join.

The sincere sympathy of all honourable members, and our sense of loss, we would express to the survivors, the widows and families of the deceased.

Hon. Sir THOMAS CHAPAIS (Translation): Honourable senators, three days ago I had the sad privilege of conveying to his final resting-place the regretted colleague whose loss we mourn. And to-day I cannot refrain from associating myself with the eloquent utterances which we have just heard in praise of him.

Senator Charles Bourgeois was truly and in every sense of the word a good citizen. He was moreover a remarkably gifted man. His extreme modesty could not conceal his great worth.

Born sixty years ago in the ancient and historic city of Trois-Rivières, of a family in which the purest Canadian traditions had been handed down from generation to generation, he received an education based on the sternest discipline and the noblest aspirations. It was at the time when a great and eloquent bishop distributed to his flock the substantial food of an apostolic eloquence and an inspiring doctrine. In so favourable an atmosphere our regretted colleague acquired the firm principles and high ideals which were so greatly admired in him.

He embraced the legal profession, in the practice of which he was very successful. His study of jurisprudence often enabled him to throw light on obscure points of law. His thinking was as straight as his judgment was sound. With him, knowledge and conscience went hand in hand. Within a few years he acquired a high reputation at the Bar, and the confidence of his fellow-

lawyers carried him successively to the posts of Bâtonnier of the Bar of the district of Trois-Rivières and Bâtonnier of the whole province.

His reputation and prestige naturally led his friends to urge him to enter the political arena. He could not refuse. Undeterred by an initial setback, he was soon elected member for his native city in unfavourable circumstances which gave to his victory the sense of a personal triumph due to his prestige and to the support from all quarters which his devotion to the common good had earned for him.

This brilliant career was finally crowned by our colleague's appointment to the Senate. We have seen him at work in our midst. And we have been able to admire his noble qualities, his perfect courtesy, his firm convictions, his energetic attachment to his principles and the clearness and correctness of his speech.

The well-merited tribute which has just been rendered to the memory of Senator Bourgeois was mainly intended for the professional and political man. But a part of his active life remained untouched by the light which radiated from his public life. And it was perhaps the finest part. Senator Bourgeois possessed and practised that virtue which Bossuet called sovereign—the virtue of charity. He was a social worker. He was a leader in that choice army enrolled under the banner of St. Vincent de Paul. And in his native city the poor blessed his name and will venerate his memory. This imperishable crown will adorn his brow beyond the tomb. And it will prove more durable than the laurels of the judgment-halls and the palms of public life.

Our colleague has entered the kingdom of eternal rest. We tender him our last respects and offer him the tribute of admiration due to his noble life, and the assurance of our undying remembrance.

Hon. EUGENE PAQUET (Translation): Honourable senators, on the 15th of this month a dispatch brought me the news of the almost sudden death of my neighbour and our distinguished colleague, Senator Charles Bourgeois. I associate myself with my colleagues to pay a parting tribute to this highly gifted friend.

Senator Bourgeois had a brilliant career at the Bar. He was one of the most eminent members of the legal profession because of his wide knowledge of the law, his reputation as a lawyer, his thorough honesty and his Christian ideals.

I pay tribute to him as a remarkable model of constancy, of firmness and of inviolable attachment to the most noble principles.

Hon. Sir THOMAS CHAPAIS.

A friend of the higher culture in all its forms, he took a natural interest in our centres of intellectual training and in the students of our universities.

I had the advantage of hearing him lecture at the School of Higher Political Studies of the University of Ottawa. His lectures were always solid and brilliant. His sole preoccupation was to fulfil as well as possible the task which had been entrusted to him. In the performance of this duty he spared himself neither labour nor pains. Senator Bourgeois's lectures bore in each one of their pages the stamp of his clear and well-ordered mind, of his wide knowledge and his vast experience. He was to have continued them. Unfortunately, his pen has fallen from his hand and his great voice will henceforth be silent.

At his funeral I was able to note the sympathy and affection which the people of Trois-Rivières, both high and low, felt for their distinguished fellow-citizen who had always served the most noble causes. A man of great culture, a sincere Catholic, a Knight of the Holy Sepulchre, he shone by his knowledge, his experience and his goodness. Together with you, my honourable colleagues, I pay him a final tribute and I tender to his bereaved children our deep and heartfelt sympathy.

I shall conclude by quoting the words he uttered in this Chamber on the occasion of the death of Senator Fortin, on the 19th of May, 1936:

> Our departed colleague was also a firm and true believer. Firmly rooted in him were the religious principles that pass from generation to generation in old Quebec. Those principles he practised in public as well as in private life. Oh! truly, he could smile, and smile to the end, for he was of those who "have fought the good fight" and can await in serene calmness "their just reward."

Hon. F. B. BLACK: Honourable senators, I feel that I cannot let this opportunity pass without expressing my personal tribute to two of those who have passed from among us. I have great respect for all who have been mentioned in this Chamber to-day, but there are two, the late Senator McLennan, and the late Senator Macdonell, whom I have known for much of my lifetime—one of them virtually from my boyhood days—with whom I have been in very close association, and whose intimate friendship I have enjoyed.

Senator McLennan was born in Montreal, but at an early stage in my life he came to the Maritime Provinces, where he was connected with the Dominion Coal Company. In my boyhood he came to the town of Sackville and engaged in land development there. It was then I first knew him. Senator

McLennan was a very dear friend. He knew what friendship was, what it meant, and how to enjoy it. He was a scholar of distinction, and an author of no mean power, having written a very excellent book on the early history of the Maritime Provinces, with special reference to Port Royal. Everyone who knew him will regret his passing, and I wish to pay my particular respects to him.

I cannot say anything about General Macdonell which has not already been said. He came to Fredericton as a junior lieutenant at a time when there was a military school there commanded by Colonel Maunsel. It was then I met the late senator, and I have known him intimately ever since. I knew him at Valcartier in 1914, and in France and England in 1915 and 1916; and when, after the war, he came back and settled in New Brunswick I was intimate with him. I had a very high regard for General Macdonell. He was a most excellent officer and a gentleman in every sense of the word. In all my association with the General I never knew him to say an unkind thing about any person. Even about his enemies, if he could not say a good word he had the tact to say nothing.

I pay my tribute to all whose names have been mentioned, but I must pay particular tribute to these two very dear friends of mine.

HIS HONOUR THE SPEAKER

FELICITATIONS ON HIS APPOINTMENT

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN: Mr. Speaker, whether it is usual or not, I want to express on behalf of all, I feel sure, on this side of the House, and presumably of all on the other side, our satisfaction and pleasure on your elevation to the Speakership of the Senate of Canada.

Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: The Speakership of this House, for some reason into which I have not inquired, but presumably a good reason, is at the disposal of the Government of the day and not of the members of the Senate. But had authority for the selection been reversed and vested in us, I doubt not that there could have been no more popular appointment than that of yourself.

Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: After my long association with Your Honour, extending over nearly my entire term in the other House and all my term in this House, I am sure you will conduct your duties with fairness, with capacity and with goodwill.

Hon. SENATORS: Hear, hear.

Hon. RAOUL DANDURAND: Your Honour, it gives me great pleasure indeed to hear my right honourable friend's commendation of an appointment to which I was a party. I felt that it was not for me to take the lead in felicitating Your Honour, inasmuch as your appointment emanated from the will of the Cabinet of which I am a member. I am happy indeed that my right honourable friend has spoken for us all in congratulating you on your elevation to the Chair.

THE ADMINISTRATOR'S SPEECH

ADDRESS IN REPLY

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

Hon. NORMAN McL. PATERSON rose to move that an Address be presented to His Excellency the Administrator to offer the humble thanks of this House to His Excellency for the gracious Speech which he has been pleased to make to both Houses of Parliament.

He said: Your Honour, before I proceed with my remarks in support of this motion, may I, on behalf of the newly-appointed senators, humbly offer congratulations to you upon your appointment? We feel sure Your Honour will grace the Chair with dignity.

Honourable senators, may I be permitted to express to you and to the Government the appreciation of the district known as the "Head of the Lakes" and of myself for the honour it has received in being recognized by the appointment for the first time of a senator from there. I also appreciate the honour not only of being made a member of this Chamber, but of being chosen to move adoption of the gracious Speech from the Throne.

Much that I have had in my mind to say seems, in the light of present-day events, to be so inadequate that I will spare the time of this honourable body and mention only one or two things.

Being engaged in the grain business, I was aware of a serious situation that seemed to me to be a menace or a mounting calamity, namely, the existence of our tremendous supplies of grain. Now these look like a great blessing in disguise, which perhaps may be the deciding influence towards our eventual victory. Last year we had an abundant carry-over of wheat, and a crop amounting to 489,000,000 bushels for all Canada. Taking off home requirements and the quantity that has been exported to date, we find ourselves at present with a surplus of 330,000,000 bushels. In the next four or five months we shall be harvesting a new crop, which, from present

prospects, will be from a six to ten per cent larger acreage and, if all goes well, will be of generous proportions.

We are clearing from Canada approximately 4,000,000 bushels a week, which would be ample to fill all requirements of the British Isles, even if they took all their wheat from Canada. But we supply only a portion of their requirements, because they necessarily must take some grains from Australia and other countries; so our continued clearance of approximately 4,000,000 bushels a week will depend upon our ability to ship to other countries the portion of that 4,000,000 bushels which does not go to Great Britain. And it is questionable whether we shall be able to do this if further countries are involved in the war.

The Government are to be commended and congratulated on handling the 1939 crop in such a manner that the market has not been depressed, and embarrassing congestion has been avoided. The clearing of the quantity of wheat that has been cleared, at the prices that have prevailed, has been an enormous accomplishment, and one of great benefit to the whole Dominion.

The business of financing and storing the coming crop will require a steady hand and a clear brain and must be the deep concern of the House of Commons and this honourable body.

We in Canada are most fortunate in having abundance, as against the spectre of famine that may face our enemies and some of their victims through disruption of transportation and through prospective bad harvests.

Broomhall, under date of April 23, reports that England is increasing its crop acreage by 1,900,000 acres.

The New York Times reports from Broomhall's Corn Trade News on European trade conditions:

> The shortage of labour, with wet, stormy weather at seeding time, has reduced the acreage. The inadequate preparation of the soil, the severe frost during the winter months and the cold wet spring have all had their effects. Presuming that the Germans have been as much affected as their neighbours by these conditions, their supply position must be far from enviable. Without sea communications and with only small amounts available from Russia, the German reserves must be small when the present season ends.
>
> Great Britain and France, however, have large reserves of stock and Australia and Canada have substantial surpluses.

We must all seriously do our part in working to the one end of winning the war, even though it may involve great sacrifices. Those who are required to pay heavy taxes must deem themselves fortunate in being able to pay these taxes as their contribution to ultimate victory.

It is interesting at this time to read three items which I ran across in the London Times. The first is a quotation from a message sent by the Nobles and Commons of Scotland to the Pope in 1320:

> We fight not for glory, nor for wealth, nor for honour, but for that freedom which no good man will surrender but with his life.

The other is from a speech delivered by William Pitt in 1803:

> We ought to have a due sense of the magnitude of the danger with which we are threatened; we ought to meet it in that temper of mind which produces just confidence, which neither despises nor dreads the enemy; and while on the one side we accurately estimate the danger with which we are threatened at this awful crisis, we must recollect on the other hand what it is we have at stake, what it is we have to contend for. It is for our property, it is for our liberty, it is for our independence, nay, for our existence as a nation; it is for our character, it is for our very name as Englishmen, it is for everything dear and valuable to man on this side of the grave.

Finally, I quote Abraham Lincoln:

> The struggle of to-day is not altogether for to-day. It is for a vast future also.

May I express what I know to be the sentiment of this honourable Senate in our sincere regret at the passing of our beloved friend, the late Governor General, Lord Tweedsmuir. Canada little realizes what a friend she has lost; but the loss is to some extent made less severe by the appointment as his successor of His Excellency the Earl of Athlone, who comes to us ripe with experience, widely travelled and with very high traditions. We look forward to his influence with hope and pleasure.

Thomas à Kempis said:

> Count not of great importance who is for thee or against thee, but let this be thy aim and care—that God be with thee in everything thou doest.

May I close by pledging to the Government of Canada and our Allies the support of this honourable body to the last ditch in the immediate and most pressing prosecution of our war effort.

Hon. ARISTIDE BLAIS (Translation): Honourable senators, it is with deep emotion, mingled with a sense of pride, that after listening to the interesting speech of the honourable senator from Fort William (Hon. Mr. Paterson) I rise for the first time in this Senate Chamber to fulfil the perilous and delicate task of seconding the Address in reply to the Speech from the Throne. This great honour which has befallen me, you will readily understand, was not intended for my humble person. It is rather meant for the province from which I come and for the minority

which I represent. May I be permitted to tender to the honourable leader of this House (Hon. Mr. Dandurand) my sincere thanks for having thus honoured me.

I also wish to express to him my great admiration and regard for his high moral qualities, his noble character and the prestige which emanates from his kindly person. I am happy to see him at his post, looking so well and fit, and to congratulate him on the cheery and courteous manner with which he greets the new recruits, as well as on the masterly fashion in which he conducts the debates of this House.

In this Chamber, in which everything betokens majesty and serenity and where political passions have been dulled by age, I feel quite at ease in paying a personal tribute to the Right Honourable the Prime Minister of Canada and telling him what everyone thinks —that he deserves well of his country.

Indeed, his enlightened patriotism, his respect for the Constitution, that spirit of unity which is so dear to him and which he has succeeded in instilling throughout the whole of Canada, make of him one of the most eminent statesmen in the history of this country. His indomitable confidence in the underlying forces of the country and his determination to conquer the difficulties of the present hour have generated courage and strength everywhere. It is not surprising, therefore, that the entire country should have rallied to his support in the battle to be fought for the common good and the preservation of humanity. As my young friend the distinguished son of the Right Honourable the Minister of Justice said on Friday last in another place, "The collective spirit of the Canadian nation found its expression in the recent vote and the Prime Minister's victory was the triumph of common sense."

Honourable senators, the more and more tragic events which are occurring each day, the violent emotions which we feel when reading the war bulletins, especially those of us who took part in the last war, make us realize what holocausts of human lives and what enormous sacrifices the Allied nations are making at this moment for the defence of right and the preservation of the British institutions under which we are living. And I cannot help thinking that while we sit here the fate of Europe, nay, the fate of all mankind, is at stake in the fertile plains of France and Belgium.

During the dark days of the French Revolution, Mirabeau said to the representatives of the people: "Bankruptcy is at your door, and you deliberate!" At this moment it is not hideous bankruptcy that is at our door; it is the conscience of humanity which is at stake. It is all that we hold most dear and most sacred—our religious beliefs, our freedom, our homes, our country. All that is in the balance.

Will God permit such a terrible cataclysm to engulf the world? Will He allow victory to desert the camp of the Allied armies who are fighting for His glory and for the preservation of humanity? Will God permit brute strength to be exalted as a principle and to become predominant in future times? No, honourable senators. Saint George and Joan of Arc are now standing guard over the hallowed soil of France and they will not permit this modern Attila to advance with his Hunnish hosts and swoop down upon the ancient city of Lutetia. From her lofty tower, Saint Genevieve is watching and will once again shield Christian civilization from the assault of barbarians. Through the prayers of millions of Christians, the intercession of the Sovereign Pontiff, the gallantry and the heroic courage of the Allied armies, and the ability of their commanders, these blood-thirsty and butcherly Vandals will be halted on the shores of a new Marne and, once again, they will fail to pass.

You realize, honourable senators, that this is no time for speeches, or for bitter criticism; the hour has come for action, for a wholehearted union of all energies toward the complete mobilization of the nation's vital forces, and I know how anxious the Government are to act promptly and to leave nothing undone to make victory a certainty.

Above all, let us not be deluded by the positive assurance and the comforting thought that our neighbours will help us if we are attacked.

The best way of defending our coasts consists in making victory a certainty on the soil of France. Besides, the neighbouring republic would perhaps prove no obstacle to a victorious Germany, for we cannot forget that the United States are harbouring ten million Germans who would not fail to hail their deified leader.

Even now, on the other side of the boundary, uneasiness is becoming manifest, and it is realized in well informed circles that at certain times neutrality may mean complicity.

The indifference shown by some democracies about the present conflict is truly amazing and almost disheartening. They have permitted entire nations to be butchered under their very eyes and they did not have the faintest thought of going to their rescue. They went no farther than to authorize the exportation of a certain amount of capital in order to alleviate the sufferings of those nations, and this they did in the name of the strictest neutrality.

Two chivalrous nations only, England and France, each of them a champion of right and Christian civilization, fully aware of their duty—in spite of inadequate preparedness for war—did not hesitate to challenge the aggressors and to rush to the rescue of oppressed nations. They are now in danger of losing their ancient culture under the attacks of Vandals who have not the slightest respect for the principles on which life and liberty are based.

We, the sons of those gallant men, we who have inherited the two great cultures that stand as bright beacons in the world, have felt a deep thrill of patriotism and national pride, and instinctively we have been eager to join them in the defence of those essential principles that are the heritage of free nations. We have done so cheerfully, knowing that we were fighting for international morals, for the sanctity of treaties, and for the preservation of our racial characteristics and our respective cultures.

To us, Canadians, this close co-operation between England and France, in the military as well as in the economic sphere, and this spiritual and intellectual union of those two great nations, are auspicious. They will make still closer the bonds that unite us. They will bring us closer together by enhancing the mutual respect that is so essential to national unity, and they will be a pledge of future peace not only for Canada, but for the whole world.

Along with concentrating all their efforts on the prosecution of war, the Government are not unmindful of the measures which may consolidate and improve our economic position. Experts are working unceasingly on such reorganization so that our normal life may not be too much disrupted by the present difficulties. The Government are moreover quite anxious to plan for the after-war period.

Measures have already been taken to provide for the re-establishment in normal life of those who were not afraid to endanger their very future in order to serve the cause of justice and prevent subversive ideas from finding their way into their hearts and making them followers of rampant Communism.

This war has also put an end to that selfishness which has manifested itself, until now, in certain provinces and threatened the existence of Confederation. A spirit of closer solidarity has been established between them and the Government, and the recommendations of the Sirois commission, charged with the study of the relations and spheres of activity of this Parliament and the provincial legislatures, will have to be considered in a spirit of justice and equity.

Hon. Mr. BLAIS.

I should not like to conclude these few remarks without paying a tribute to a great man who has passed away, Lord Tweedsmuir. While he was visiting Edmonton, I had the pleasure of listening to him and of admiring his high culture, which was equalled only by his modesty. He loved our country and endeavoured to visit it with the spirit of the discoverer. He travelled over every bit of it, even reaching the Arctic Ocean, sharing in the life of the trappers, the Indians and the Eskimos, and studying every detail of their rude and adventurous life, devoid of all comfort. He loved the long, warm twilights of our majestic lakes of Northern Alberta. He admired the grandeur and beauty of the Mackenzie with its variegated waters, at times still and at times tumultuous, with its high, abrupt banks, painted by the sun in countless hues. He loved the calm of our great lakes, which induced him to reverie and opened up to him new horizons.

He wrote to Lord Bessborough, at the end of March, that he had decided not to prolong his stay in Canada, because his delicate state of health forced him to return to England, and that he was preparing to make a farewell trip to the Western Provinces, for which he had a particular affection.

"My roots have gone down pretty deep in this beautiful country of Canada," he wrote, "and I have a melancholy feeling when travelling through it that I shall be very sorry to leave it." In fact, he was not to leave it, and to-day Canada mourns for him as for one of her beloved sons.

Honourable senators, this country has always been fortunate in the choice of the representatives of His Majesty, and we have learned with joy and pride of the coming of His Excellency Lord Athlone and his gracious consort, Her Royal Highness Princess Alice. They may be sure of finding everywhere in Canada a most hearty and eager welcome. Their nobility and their great distinction are for us the most precious evidence of Their Majesties' love for our beautiful country.

(Text) Honourable senators, may I now utter a few words in the language of the majority in this House? Permit me to say how proud I am of the great leader of the Liberal party, and how pleased I am to offer him my most sincere congratulations upon the greatest political victory that was ever won by any party in the history of Canada. It is a pleasure to note how the people of all the provinces stood by our leader in his respect for the Constitution, in his attitude on the question of war, and in the prosecution of the war effort of this country.

I am equally happy to congratulate the honourable leader of the Government in this

House (Hon. Mr. Dandurand) on his long and useful career. His reputation, his abilities, his sterling qualities are known the world over, and there is no need for me to elaborate further, except to add the expression of my personal esteem and admiration for this great Liberal.

I am also proud to point out that after the heat and turmoil of the October elections in Quebec and of the federal elections last March, Quebec remained faithful to the ideal of Liberalism and to the policy of the Liberal Administration at Ottawa. This close union between Quebec and Ottawa is the result of the friendship between the two great leaders, the Right Hon. Mr. King and the Right Hon. Mr. Lapointe. The latter has won the esteem, respect and gratitude, not only of French Canada, but also of all other Canadians, because never in the past has a Quebec Minister contributed so much as he to the building of a strong and united country in peace and in war. Never has this country shown so fine a spirit of solidarity, determination and co-operation. In these dark and trying hours it is gratifying to see the nation united under the leadership of these two great statesmen.

It was also a pleasure for me, last Friday, to note the speech delivered in the other House by the son of the Right Hon. Minister of Justice, as he followed in the footsteps of his illustrious father. May he accept my congratulations, and at the same time my best wishes for a successful political career.

Before taking my seat, I should like to express my personal feelings of regret, which are, I am certain, those of every member of this honourable House, for the loss this country has suffered in the untimely death of His Excellency Lord Tweedsmuir, Governor General of Canada. We have been happy to learn that Lord Athlone has been named as his successor. All Canada has learned the news with pleasure, and I am glad to extend to the Earl of Athlone and Her Royal Highness the Princess Alice our most sincere welcome to this country.

Right Hon. ARTHUR MEIGHEN: Honourable members, it is proper that my first reference should be to the loss by death of our late Governor General, Lord Tweedsmuir. To him and to his memory I pay tribute for his devotion to duty as he understood it. He was a great and loyal Britisher, a student of distinction and a writer of lasting fame. His contribution to the world is embalmed in his books, which are among the finest productions in our language. Sad indeed it was that his last days should have been days of suffering, and his tenure of life so brief.

The news of the appointment of his successor is welcome to us all. I am sure the Earl of Athlone and Her Royal Highness will be heartily received in Canada, and that they will contribute much in this Dominion, as they have already done in another, to the establishment of close and helpful relations between our country and the Motherland and the world.

I congratulate the mover (Hon. Mr. Paterson) and the seconder (Hon. Mr. Blais) of the Address on the discharge of their duties. Both are from the West, one coming from the Middle West and the other from the farther West. The first has achieved marked success in the business world; the second has attained eminence in his profession and is universally esteemed. I commend the words, which I fully understood, of the mover of the Address. As to the seconder, I regret that I can only express the hope that when I am able to translate the first part of his remarks I shall find in them more with which I can agree than I could find in his remarks, save in their purely personal phases, in English.

The responsibility which one always feels in discharging one's duties as a member of the House, particularly when discharging them in times of crisis, is very specially present to my mind now. I am sure honourable members will all feel that they have never in the past arisen to do their work as parliamentarians with a greater sense of difficulty, with the pall of responsibility hanging over them more heavily, than in these rather tragic hours. But we must all remember that reverse, to the races from which we are so proud to spring, is usually only the starting point where their tenacity and qualities of courage and resiliency, so inspiring over the long years, come into play. Never can reverses daunt the British or the French, for the cause in which they are now engaged is a matter of death or victory and they have never yet bowed to the oppressor.

Here in Canada it is no pleasure to me to rise for the purpose of calling attention to what I feel to have been great errors on the part of this Dominion. There are those who will say you should get behind and cheer in the critical moment—you should not find fault. But the time has come when we must criticize, when we cannot hope to get what is vital, momentously vital, unless we do.

Reference has been made to the recent election. I do not know of any event in our history less creditable to our country than the late election, and I am not referring to the preponderance in favour of one party in the result. When I heard from His Excellency in this House words which dissolved Parliament the moment we met, I could scarcely believe my ears. I could not have thought it possible that any Prime Minister would put

into the mouth of the representative of the Throne in Canada words which embodied such insolence and rudeness to the Parliament of this Dominion. The dissolution of that Parliament was a breach of the solemn pledge given Parliament by the Prime Minister in the session of last fall—an open, defiant breach. To tell members of this House and of the House of Commons, immediately they set foot in this Chamber, that they had been brought here from the ends of Canada only to be sent home, is insolence unforgivable. The practical effects are even worse than the character of the deed.

An election on a party basis in war-time can be nothing but a catastrophe, no matter how it results. I well recall that when the last war broke out—it was not so near the end of the term of the then Government, but still it was fairly near—the cry went forth throughout Canada that there must be no party election, and the very purple was torn from the clouds by the Liberal press, one and all saying such an act would be the vilest of our history, because both sides supported the war effort and in that great issue both sides were one. The same demand prevailed after the term of Parliament was ended, and so long as there was anything like unanimity on the war issue; and only when it became essential in the view of one side and of many on the other that a very drastic and momentous step should be taken, in which all the other side could not concur, was there an election. Even then it was not on a party basis. The party basis was removed to the utmost within the power of men to remove it.

What has occurred now? While both sides were one behind the war, while the voice of every man on either side of either House supported the strongest possible prosecution of the war, the Prime Minister, suddenly and with affront, dissolved the Parliament of Canada and called upon the people to defeat supporters of the war because they had not the proper party label on their backs. That action split the war support of this Dominion down the centre; that action paralysed and benumbed this country in its support of the Government in this war. The Prime Minister of Canada has had a long and distinguished career, but to the last page of our history that arrogant dissolution of Parliament will blight and stain his entire record.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: I want to make some very earnest references to the progress of our war effort. As I make these references I ask the House to believe me when I say I know something of what a war effort means; I know something of its difficulties. There are those who think regiments fall from the clouds; there are some who think it takes only ardent desire to get more things done in quicker time; that it matters little whether you are prepared or not; that if you are just eager enough you can do everything in a moment. These miracles cannot be performed. Even with the utmost unanimity in our country it would have been difficult indeed to satisfy the nation with the progress of war effort. I think unanimity could have been secured. Parliament had lasted nearly five years, and had I been in the place of the Prime Minister I would have reorganized my Government on the widest possible basis at once. I would have had represented in it every considerable element of this Dominion which supported the war, and with that Government I would have gone to the country for a mandate and would have backed every man in Parliament who supported the war.

Hon. Mr. DANDURAND: We had a unanimous mandate.

Right Hon. Mr. MEIGHEN: And you split the Dominion to get it.

Hon. Mr. DANDURAND: We did not.

Right Hon. Mr. MEIGHEN: You proclaimed everywhere that the important thing was the triumph of the Liberal party.

Hon. Mr. DANDURAND: The country was split in two in 1917 by my right honourable friend.

Right Hon. Mr. MEIGHEN: I have shown how the best results could have been obtained. I know that, had the best results been obtained, it would have been difficult to satisfy people that all was being done that could be done. If, however, the Government had gone about it in a spirit of goodwill I should have had some sympathy with them under criticism.

I inquire now into what has been achieved. We have been nearly nine months at war. True, we have spent vast sums of money, and we contemplate the spending of more. What I have witnessed most until very recent days has been the total or almost total absence of a real war spirit in this Dominion. There is no honourable member who has not noted it. Many have noted it with despair. I have already stated one of the main causes for this situation, and I am going to state what I think is another equally important cause. Unless a war spirit permeates this country our utmost effort cannot be exerted.

The second important cause is that the occurrence of the conflict found this country without a proper appreciation of its Empire relationship. This country had been taught

for years, not that our defence rested in British strength, not that we could best serve our own security by adding to that strength, not that there was such a thing as the common defence of this Empire, but that our defence was a thing separate and apart, and that our money should be spent for defence separate and apart. That teaching was fathered and prosecuted down the years by none more than the present leaders of both our Houses of Parliament. So when the war began this country faced the great conflict without a sense of what in reality it depended upon for its life, and under the delusion of a false security.

I recall, only a year ago, in the 1939 session, listening to a Speech from the Throne which referred to expenditure for the defence of Canada, which asked support of Parliament for that expenditure, but made no reference at all to that cardinal and vital feature of our true defence which overwhelms all other features: the fact that our security necessarily rests upon the basis of co-operation with Britain and the other Dominions. There was no reference at all to co-operation, and on that ground I took exception to the Address. But I was ridiculed by the honourable leader of the House (Hon. Mr. Dandurand). I was told by him that we could not co-operate with a wobbling British Government, and he referred to a difference of policy in relation to some optional clause in the League of Nations Covenant, as if that had anything to do with the principle of co-operation in defence.

In upholding such a view the leader of this House has not been alone. Time and again the leader of the other House (Right Hon. Mr. King) has been a party to persuading Canadians that co-operation in defence with the Empire was not the principal or any necessary feature of our defence policy, and when estimates have been brought down he has been at pains to explain that those were for Canadian defence, not Empire defence—at pains to banish from the mind of our people any thought of such a thing as common Empire defence.

Anyone who wishes to do so can procure the Prime Minister's references to these estimates and their purpose. I should like, with the consent of the House, to read briefly from what were almost his latest words upon this subject. Speaking in the House of Commons on March 30, 1939, after calling attention to the great need in Canada for roads, and to our heavy burden of debt, and so forth, he followed with this language:

> There is no great margin of realizable wealth for this purpose; we must, to a greater or less extent, choose between keeping our own house in order, and trying to save Europe and Asia.

How well designed those words were to indicate where, as we all know now, our defence really lies!

Hon. Mr. DANDURAND: Not our defence.

Right Hon. Mr. MEIGHEN: The Prime Minister went on to say:

> The idea that every twenty years this country should automatically and as a matter of course take part in a war overseas for democracy or self-determination of other small nations, that a country which has all it can do to run itself should feel called upon to save, periodically, a continent that cannot run itself, and to these ends risk the lives of its people, risk bankruptcy and political disunion, seems to many a nightmare and sheer madness.

There is no difficulty in ascertaining the purpose, certainly no difficulty in ascertaining the effect, of language of that character on the Canadian people. Such language was not designed to bring us to the point where, if danger loomed in front of this Empire, we should be able to help in the common defence. The result was inevitably altogether in the other direction. All this has been supplemented by conduct of others, of too many others, throughout this Dominion. I am not estimating how many would agree with the two leaders, and how many would disagree. Others are better judges of public opinion than I. But the balance of public opinion matters little in the presence of life and death. Throughout this country dissemination of such views has been encouraged for years, and nowhere has it been given greater encouragement than under the ægis of the Canadian Broadcasting Corporation. A public man in Canada could not broadcast loyal words favouring defence for us and the Empire unless someone else, probably a semi-pink professor, was subsidized to traduce Great Britain, to tell the people of Canada that Britain was a traitor to democracy, and that the United States would soon be taking over leadership of democracy throughout the world.

Hon. Mr. DANDURAND: Where did my right honourable friend get that?

Right Hon. Mr. MEIGHEN: I heard it. One speaker uttered certain parts of what I have referred to, and I wrote the Broadcasting Corporation to find out about it, and was told that he was paid. The rest of what I have indicated was heard from other radio speakers. This kind of thing has been going on unchecked, certainly in no way resisted by Government members or by leadership from persons in authority in Canada. Two or three editors of this country have done their noble much to the same end. In consequence we faced this war as an Empire country

broken and benumbed, and in no spirit to rise immediately to the common defence. These things went on for a long time and one of the consequences is that our war effort has not been anything to be proud of. It is only lately, under pressure and impact of terrific events, that the people of Canada have risen to a sight of the reality. Now they are very much dissatisfied, now they are restive, now they are determined. Had the authorities of Canada long ago helped them to develop a spirit of that kind, we should have made a far greater war effort, and there would never have been the lethargy now complained of, nor some of the conduct which has been indulged in in the course of our recent history.

What is the sum of our war effort? Anyone speaking on this subject is apparently expected to utter the words of the Prime Minister; otherwise he may be charged with violating the Military Secrets Act, or something else, or with giving encouragement to the enemy. There is no man in this Dominion who wants to encourage the enemy less than I do. I speak with a depth of conviction born of many things which I am not particularly eager to expose to this House. It is my judgment, none the less, that we have now to realize just where we are, or we shall not get farther very soon.

After nearly nine months we have, I suppose, about 20,000 men in England. They have been there, or most of them, for about four to five months. We have a Second Division mobilized in Canada, but, as I am informed, not yet completely mobilized, not all the units being complete. We now have promise of a Third Division to be mobilized, and are told that at some time in the future a Canadian corps will be in France. It sounds well, but from the point of view of real immediate progress towards actual fighting I fear it is not much better than a façade of words and visions.

Our First Division had in it twelve infantry units, of whom nine were rifle units and three machine-gun units. It also had a complement of cavalry and artillery, and in personnel, so far as I know, was complete. That division went over with rifles, with machine guns, with artillery equipment. But when one has said that one has not told the whole truth. The rifles, I am ready to agree—I am no expert—are such that they can be used in the field. I hope that concession is not too great. The machine-guns could not be used. The artillery weapons were not modern, and only under bitter necessity could they be taken to the field at all, and they are used to-day only under the stern necessity of scarcity.

But had those rifles, those machine-guns, those artillery weapons been modern in every way, that division as it went over would have been very far from being equipped. We have to keep in mind that to-day, relatively speaking, rifles have not great importance. They still are important. Besides, every unit of the whole nine—I take the rifle units first—must have 22 anti-tank guns, 14 infantry mortars and 24 signal pistols, a total of 60, or 540 in all; and of these they had none at all. The rifles presumably they still have. The machine-guns and the artillery weapons are being replaced on the other side by Great Britain. Whether they are all replaced I cannot say; I do hope they are.

In addition to all these regiments, wheeled vehicles are vital. Every infantry division has to have 66 wheeled vehicles—lorries, trucks, Bren gun carriers—or a total of 594; and they had none at all. To go further, the artillery and cavalry and three machine-gun units, called infantry, must as well have those vital accessories and in large numbers. These thousands of vehicles apparently have to be supplied by the over-strained factories of Britain. These things we should have had done in Canada.

We have learned of late—I do not know how soon others learned—that in addition to all this mechanized infantry and cavalry there must be the fighting vehicles for the whole division, consisting of 86 anti-tank guns, 49 scout carrier cars and 38 other armoured cars. Those are big fighting vehicles the division had to have, and they had none of them.

I wonder now whether someone would undertake to question those figures—someone who listened before the election to assurances that the division went over equipped. It is only fair to say that in my opinion, in the state we were in when the war broke out, no Government could have supplied those vehicles at once, or all of them; but I do object to the dissemination over the radio and otherwise in this Dominion of assurances that the division went over equipped. I object to it with all the earnestness of which I am capable.

Now, the young men of this country have special adaptabilities. They showed it in the last war. In the air they were very, very distinguished and successful. They would be the same in this war. One air squadron has gone over, which would include, I should think, about 40 pilots and a number of ground men. As yet, to the fighting front in the field we, as Canada, have contributed nothing. We have air men there who went over and enlisted in the British Air Force, and it is those men we hear of in the casualty lists to-day.

Besides, this country is specially qualified to provide railway troops, forestry men, tun-

nellers, tank-drivers, and signallers. We have young men in our agriculture, indeed in all spheres of our activity, who are accustomed to driving over territory such as in tanks they would have to traverse. Where are we with tanks? We have some light tanks at Camp Borden. They are so light and so small in number that they are not even part of the equipment of our Second Division. They are used for training, it is true. There is no country in the world better equipped to make tanks than we are. We could make them in Hamilton alone in two factories, and one factory there could make 250 in a month, and do so right along. If there is a weapon that is essential in this mechanized conflict, it is the tank. We could provide tunnellers with our miners and signallers. I make this statement, that in signalling we have not equipment to train the men. We have no modern equipment with which to train them yet. I mentioned railway troops. A public man in Ontario made the statement some months ago that the British Government had requested railway troops, but these had never been sent. So far as I have been able to find, that statement has never been denied. I do not know whether the request from Britain took the form of an inquiry as to whether we should like to do so. If it did, this Government would not consider it a request at all. They would just say, "No, we had no request." It may have taken any form; I know not what. But personally I believe the statement. When the Prime Minister of Canada tells us that he is in constant consultation with the British Government, I believe him. But if he wants us to infer that he is meeting Britain's urgent requests for this war, then I cannot accept his statement. I do not think he himself has ever gone so far as to say that; but he has a Minister who did, and newspapers who do. One of them is in Brockville. They have assured us we were doing all we were asked to do. It is all right to talk about being in consultation, but it is not fair and it is not right to give the people of Canada the impression that consultation means practical and full co-operation on our part.

I do not know what other requests have been made; I may have no right to know; but in the last war I had experience sufficient to convince me that there are things Britain would have liked us to do that we were not always able to do. Nobody who was through the last war could be ignorant of that fact. Possibly we cannot do all we are asked to do, but we can do much more than we have done. I know that we could send railways troops and forestry troops. They did wonderful work in the last conflict. But, though we may not be able to do all we are asked, surely it is wrong to lead the people of Canada to think we are doing so; and this they have been led to believe to be the fact all through these months.

Now I make another complaint. Home defence is part of our work, though not the major one, for we defend ourselves best and most effectively by strengthening in our own appropriate way the arm of Britain and the Allies. If they go, we go. There are not very many in this country trying to find other sources of comfort now; there were months ago. To-day I cannot find any, no matter where I go. We know where the fortress is behind which we are going to live—or beneath which we are going to perish if it falls. There are some, even across the line, who are not of the view to-day which they held months ago. To-day they are not so confident that they could win after the great democracies of Europe have failed, and win after the might of those totalitarian powers is multiplied and they have come closer to our continent. There are, I know, some who so believe, but they are mostly confined over there to fifth columnists or to petted children of fortune. The United States people are coming to the view of their President, the mightiest and brainiest of their sons, who from the altitude of his high position and in the light of his luminous mind, unsurpassed in our day, sees the situation as it is. Over there is our defence. Over there is their defence. Let us act on that knowledge. Let us not live in a paradise that we know is false. Let us not invite the day when we shall have to stand beside our neighbours and fight the totalitarian world in possession of our home islands. Home defence, none the less, is still part of our duty.

According to a Government spokesman, we need for our home defence—I take no exception to his statement—six divisions. Have we them? We know we have not. What have we? I referred to the condition of those of our men who went overseas. I hope they are equipped with modern weapons of warfare now. I do not know. But I do know this, that, in order to get them over, our non-permanent units were largely stripped of their military clothing and training equipment. In that plight they are left.

Further, among the nine infantry battalions that went over, there were our only three permanent-force infantry battalions, the Royal Twenty-second of Quebec, the R.C.R. and the Princess Patricias. What was the purpose of maintaining our permanent force? The true

purpose was always stated to be that they should be an administration and instructional force in Canada for the training of our non-permanent militia when the day of trouble should come or be approaching. What has happened since those three have gone, the only three we had? The Second Division is without training personnel; not only the Second Division, but also the members of the non-permanent militia. Perhaps they are not wholly without it, for there was a percentage of those units left; but that percentage has been mostly absorbed in administration duties, and there is a complete dearth of instructional personnel in this Dominion. I suppose the reason those units were sent overseas was that they were the best trained. I presume they were sent in the belief that everything would be over soon; I do not know; but I cannot see any justification for stripping the Dominion of a force so vital, so essential to the prosecution of this conflict.

Such is the condition of our non-permanent units. They were stripped of clothing. Part of this deficiency, not all, has now been supplied. I have to-day a letter from a prominent Montrealer, a supporter of this Government, who tells me there was a parade the day before yesterday of all the non-permanent militia units in his city, and not one of them was completely equipped, the Webb equipment particularly being missing with many.

Even our oldest units, the Queen's Own Rifles and the Irish Regiment, are still without even clothing equipment. They have some of it, but important parts are still missing. This may not be of tremendous importance, but surely after nine and a half months there is no excuse in this Dominion, with its factories, for compelling men to train and march without appropriate dress.

Second Division men are going mainly to Camp Borden, but not all; they are spread all over the place. I should think they would have to train in one area. Otherwise how are the higher officers to gain experience of and train men in large formations and in the co-ordination of one branch of the service with another? It cannot be done unless they are together.

The Second Division cannot commence open-air training for a while yet, even though it is now past the middle of May. Why? Last September the Government started building huts for their accommodation, but they stopped. They commenced again lately, but it will be the end of this month before open-air training, which should have commenced on the first of April, can begin. After open-air exercising commences and after the men have equipment which they have not now, they cannot possibly be trained in less time than six months. That is the minimum. Two years is usually considered necessary, but under war conditions the aim is to have it done in six months. This means it will be near the end of the year, anyway, before the Second Division is trained. And we are asked to breathe happily because a Third Division is promised! What is going to happen them? Outside of the training at Aldershot, we have wasted about nine months in preparing our men for the front. This is the condition of affairs, and the people of Canada feel it. They did not feel it nearly as soon as they should have felt it, but they do now under the strain and the crash of the mightiest events this world has ever known.

What is to be done? I have read the programme which is now foreshadowed. Programmes we have had in plenty; it is in realization that we have failed—and we have failed tragically. Our effort is to-day the scorn of many in Canada, and I must say I am afraid it is the scorn of many outside our country. We have been no example to our friends to the south. Read their press. They are wanting to know why they should come in when we are simply going through the forms. We are no example, and yet there is no country which by example, rather than by precept or by teaching, can do more than we can to bring our great neighbours to the south into line and into step with us to save democracy on earth. For this purpose a greater effort was vital, but that effort has not been in evidence.

We are told an air training scheme is under way and is going to do great things. I hope this is so, but I know of nothing on which I feel more keenly than on the history of this air training scheme. I know of nothing that better reflects the principles of the men at the head of the Government than does the record of this affair. I was told in the session of 1938—not by anyone from the Department of External Affairs, not by any civil servant anywhere—that not once, but twice, approaches of the British Government, with the request to be permitted to train their airmen for a conflict which they feared, were repulsed by the Government of Canada. On the 14th of June, 1938, I rose on the Orders of the Day and asked this question:

> Honourable senators, at this point I should like to ask a question of the honourable leader of the Government. I have not given him notice of the question, and while I should be glad to have an answer to-day, I shall of course find no fault if it does not come until to-morrow.
>
> I have received information to the effect that within recent months the British Government has made a request to the Government of

Canada for permission to establish, wholly at the expense of the British Government, a training school in Canada for flyers. One can understand that on account of the large open spaces such a location might be desirable for the purpose of such training. The request, I am advised, has been made on two occasions and refused by the Government of Canada. I would ask whether the information has any truth in it, and, if so, why the request is refused.

To this the honourable leader of the House replied:

I am quite ready to confess to my right honourable friend that for several reasons I cannot at this moment answer his question. He occupied this position for a number of years and was sometimes unable to attend Council, so much was he engrossed with the work of the Senate and of its committees.

Right Hon. Mr. Meighen: Yes.

Hon. Mr. Dandurand: I am in the same position to-day. So I must ask my right honourable friend to give me twenty-four hours in which to furnish an answer to his question.

Next day, June 15, there was this:

Hon. Raoul Dandurand: Honourable senators, yesterday my right honourable friend opposite (Right Hon. Mr. Meighen) asked me whether "the British Government has made a request to the Government of Canada for permission to establish, wholly at the expense of the British Government, a training school in Canada for flyers." And he added:

"The request, I am advised, has been made on two occasions and refused by the Government of Canada. I would ask whether the information has any truth in it, and, if so, why the request is refused."

My answer is that no such request has been made to the Canadian Government.

A blank negative.

I then rose, and these were my words:

Would the honourable leader of the Government be sufficiently non-technical with the House to follow up his answer with some statement as to just what the facts are in this connection? It may be that exactly in the terms in which I have asked the question there has not been a request, but has there not been one on the same subject-matter and not very far unrelated to the very terms which I used? And if so, what has been the reply? And what is the policy of the Government of the day?

To which the leader of this House (Hon. Mr. Dandurand) replied:

I can perhaps enlarge upon the answer I have made. There has been no request to the Federal Government either in the terms in which my right honourable friend's question of yesterday was couched or in those he has just used to obtain further information. In a word, there has been no request from the British Government to the Canadian Government in any shape or form—

I ask the House to remember these words.

—concerning the matter mentioned in the query of the right honourable gentleman.

I then asked:

Will the honourable leader of the Government say there has been no inquiry—

Honourable members will note the word I used there, "inquiry."

—of the Canadian Government as to what its attitude would be with respect to the subject-matter?

My honourable friend replied:

That I am unable to answer.

This was on June 15. He went on to say:

I asked the department, "Has any request been made by the British Government to the Canadian Government?" The answer was in the negative.

I then added:

I have put the question in the broadest terms I can, and for the time being I shall have to accept the reply. I find it very difficult to conclude in my own mind that the information given to me is wholly unfounded.

The matter was closed on that day by these words from the honourable leader of the House:

I am unable to enlarge on the statement I have made to the right honourable gentleman.

It will be noted that I asked whether there had been an inquiry as to what our attitude would be. I was told there had been no request, and on the matter of the inquiry no answer was then or even later vouchsafed.

Six days after, on June 21, I again rose on the Orders of the Day, and asked this question:

Honourable members, last Tuesday, on information I then had, I addressed a question to the Government as to its attitude towards giving permission to the British Government to establish flying school facilities in Canada. On Wednesday I received an answer to the effect that no request had been made by the British Government for such permission. I then took the liberty of following up the question, my only purpose being to have it in such a general form as would enable the Administration to enlighten this House as to what, if any, conversations there had been on the subject. When I put my question in that general form the leader of the Government (Hon. Mr. Dandurand) answered as follows, as reported at page 503 of the Debates of the Senate:

"That I am unable to answer. I asked the department, 'Has any request been made by the British Government to the Canadian Government?' The answer was in the negative."

Then I went on:

I wish to-day to renew the question, emphasizing particularly the generality of its form. I earnestly hope the Government will see its way to take the House into its confidence in respect to a matter of such vital and perhaps permanent consequence, not only to the Empire, but to this country.

Then there was the following interchange:

Hon. Mr. Dandurand: Of course, I could at the time only give the right honourable gentleman the answer that I had received. Now he is asking whether there have been conversations. Is that the meat of the question?

Right Hon. Mr. Meighen: Yes.

Hon. Mr. Dandurand: I will get an answer for my right honourable friend.

The following day, June 22, the subject was discussed for the fourth time in this House, as follows:

Hon. Raoul Dandurand: My right honourable friend yesterday asked me whether I was in a position to answer a certain question. Last week he asked me whether the British Government had made a request to the Government of Canada to establish a training school for flyers here. I answered him that no such request had been made. Yesterday my right honourable friend asked whether any conversations on the subject had taken place.

Requests have been received from the British Government during the past year regarding short-service commissions for Canadians in the United Kingdom Air Force, and the Canadian Government has co-operated in making the arrangements proposed.

That, I suppose, was a kind of red herring. It had nothing to do with the question. My honourable friend went on:

No requests have been received from the British Government for the establishment in Canada of an air school or other agency of the United Kingdom Air Force. Some informal conversations have taken place with persons who did not indicate they had been authorized or instructed by the British Government to make any proposals.

I direct special attention to this statement he then made:

It is not customary or desirable to refer to inquiries of this description.

It was not "customary or desirable" that they should even be mentioned! In other words, it was none of our business! My honourable friend added:

Should any such proposals be made by the Government of the United Kingdom, the Canadian Government would of course be prepared to discuss them with that Government, and at the proper time to make its position known to the Canadian people.

I then asked:

Would the honourable leader of the Government state whether the persons with whom the Government had conversations were Canadians or citizens of the British Isles?

To this my honourable friend replied:

It seems to me that informal conversations can hardly form the basis of an inquiry in this Chamber or the other when they are not followed by some official action.

If the British Government's suggestion is declined, that is no business of the Canadian Parliament! My honourable friend added these words to his statement:

I simply submit that as my own answer to my right honourable friend; not as an answer from the Government.

The matter was pursued that day in the following manner:

Right Hon. Mr. Meighen: What I am getting at is this. Informal conversations may be just as important as if all the formalities in the world were attached. It depends on whom they were with. Will the honourable leader of the Government say whether the informal conversations were not with a person who might reasonably have been expected to be feeling out the position of this Government on behalf of the Government of Britain?

Hon. Mr. Dandurand: I cannot answer the query of my right honourable friend as to whom they were with. It would strike me as extraordinary that informal conversations should produce rumours which would reach this Chamber or the other and form the basis for a query as to the action of the Government on such conversations.

Right Hon. Mr. Meighen: I do not see anything extraordinary about that.

On July 1, 1938, the last day of that year's session, this subject came up again in a debate in the other Chamber, and with the permission of the House I should like to read briefly—but as much as anyone wants—from a statement of the Prime Minister. The subject having come up at the instance of the then Leader of the Opposition, the Prime Minister was, as will be seen from the report, incensed that any news of these conversations should have got out. Whether for the purpose of wreaking vengeance on an informant, I know not, but he did his utmost to find out where the news came from, and sought to pour abuse on anyone who would not disclose the source of his information—as if the source were important, and not the information itself. He said this:

Confidential and informal exploratory conversations with respect to training of British air pilots have taken place, but nothing has developed which it was felt warranted a statement of policy.

I will inquire in a moment whether policy had not already been determined and concealed from the people of Canada and their representatives.

Now I will quote something more. A radio speech was made by the Prime Minister on the eighth day of March this year. I have here the Globe and Mail's report of the next day, which says it was a fifteen-minute speech. The heading is, "King denies he delayed air scheme," and the report in part reads:

In May of 1938, the Prime Minister said, Sir Francis Floud, then British High Commissioner in Canada, told him the British Government "wished to explore the possibility of sending to Canada, for further training in Canada, some British air pilots who had already received training in the United Kingdom."

I hope honourable members have noted the language. The British Government "wished to explore the possibility" of getting done that which they desired done. Then the report goes on:

The British Government had wished to ascertain if there would be any objection to such training in Canada in establishments to be owned, maintained and controlled by Britain.

"I did not gather from him"—

Oh, this is characteristic:

—"that there was so much as a suggestion of any plan for the general training of British pilots in Canada."

What kind of training was it to be? But listen to this sentence:

"Partnership in the Empire was never mentioned," said Mr. King.

How amazing! Before he would know, I suppose, that we were partners in the Empire, it would have to be mentioned! Why that is inserted passes my comprehension. But listen further:

"I pointed out to the British High Commissioner that, apart from any possible controversy which might arise, for the Government of the United Kingdom to own, maintain, control and direct any air training establishment in Canada would involve certain questions of jurisdiction and administration.

"I explained that our position in the British Commonwealth demanded that all military establishments in Canada should be under control of the Canadian Government. With that stand I believe all true Canadians will agree."

Now I proceed to discuss the effect of all that I have quoted. The replies given to me in this Chamber are, I believe, not ultimately attributable to the leader of the Senate (Hon. Mr. Dandurand). They were given, I doubt not, at the direction of the Prime Minister of Canada. Obviously they should have been so given, because he is head of the department that has to do with this subject. Furthermore, on July 1, 1938, referring to the questions which had been asked here and the replies given, he confirmed the accuracy of those replies by saying he did not want to add anything at all to them. Therefore he is responsible.

Now, where does this place him? In May he was approached by the British Minister in Canada and asked what would be our attitude towards a wish of the British Government to establish air training facilities in this Dominion. I ask the honourable leader of the Government who sits in front of me: Does he think the Prime Minister of Canada gave us an honest answer when he told us no request had been made? Does he?

Hon. Mr. DANDURAND: It was not in the form of a request.

Right Hon. Mr. MEIGHEN: What is the distinction between a request and what the British Government did? I will tell you the distinction. In what they did they took care that no difference should arise between them and this country. That care they always take. Even at the price of flattery and extreme courtesy they will always take care to have no difference with Canada. If they had made a formal request and received a negative answer, there would have arisen a difference between them and this country, which might have been harmful to the Empire. No; their request takes another form. They inquire what our attitude would be, and say they would like to do certain things. We say, "No, you cannot." And the Government of Canada tells Parliament that no request at all was made. I ask, can we trust the Government of Canada again?

Never was there a more direct request. Yet, not only was Parliament informed that no request at all had been made, but when I followed the matter up I was told by the Prime Minister of Canada, through the honourable leader of this House, that it was none of the business of the Senate or Parliament what the Government's attitude was toward the British inquiry. We were told that policies going to the very root of our right to live can be determined by the Government and concealed from Parliament, and that conversations entered into for the purpose of finding out what we are ready to do are none of our business. We were told that by the Government which is in office to-day, the Government which is conducting this war. This is the Government which tells us it is in consultation with the British Government, and wants us to infer that it is doing what the British Government wants. This is the Government upon which, in the blackest hour we have ever faced, we are asked to depend. When I asked whom those conversations were with, I was told that the information could not be given. In Germany it is the custom to decide upon policies, no matter how vital they may be, without the knowledge of parliament and behind its back. Is that to be the case in Canada?

Now, what are the consequences of the refusal to give this information? The first consequence is to destroy trust in the Government of this country. No longer can we rely on its answers with respect to subjects the most vital to Parliament.

The next consequence is this: two years' delay in the provision of the most vital arm that is going to save the Allies and ourselves. In the name of the sovereignty of Canada! "Ah," we are told, "all they wanted were just a few men." I do not know how many they wanted, nor on how large a scale they desired to train, but I know the nature and the reasonableness of the request, and I know that the living up to the opportunity, if it had been given, would have been, or would have become, commensurate with the peril. But the gates of Canada were locked to our partner who desired to help in the defence of this country, as of their own, in the air. What a record! Who in this Dominion cares whether British officials or our own train our

men if they are properly trained and if our nationhood is saved? There is not a soul in Canada who does not know that we had not the facilities for training, and that it would take months, if not years, to get us the facilities. But peril meant nothing; national sovereignty meant all. There sits the Government of this Dominion. Ah, when the Allied effort failed in Norway because of the deficiency in planes, the man who should have resigned was not in Great Britain, he was right here in Canada.

An Hon. SENATOR: Shame.

Hon. Mr. HUGESSEN: Rubbish.

Right Hon. Mr. MEIGHEN: Oh, I thought something like that would come from the honourable member. I have watched him. There never was such a sin committed against our security as the sin committed there. No one knows the air strength we might have achieved had we met our partner in the spirit of partnership, and not in the spirit of a contention that it would oust the sovereignty of Canada.

Hon. Mr. DANDURAND: My right honourable friend is totally unfair in his conclusions, as I shall prove to him when I speak.

Right Hon. Mr. MEIGHEN: I hope you can, but I know you cannot.

Hon. Mr. DANDURAND: We shall see.

Right Hon. Mr. MEIGHEN: We are partners, or we are not. If we cannot trust Britain in matters of our common defence we might as well dissolve this Empire.

Hon. Mr. DANDURAND: My right honourable friend speaks of 1938?

Right Hon. Mr. MEIGHEN: Yes. I know I am mentioning only two years yet. I am by no means certain it is only two years we have lost.

Hon. Mr. DANDURAND: We have not lost three months.

Right Hon. Mr. MEIGHEN: We are told now we are going to have 169 pilots by November, and we have not lost three months.

Hon. Mr. DANDURAND: No.

Right Hon. Mr. MEIGHEN: Well, if that is the best we can do, it is better to depend on others.

Hon. Mr. DANDURAND: We shall discuss the negotiations of 1938.

Right Hon. Mr. MEIGHEN: I know what they have done over there in Britain. I know our limitations and I am very doubtful that we are going to get even what is foreshadowed by the Government to-day. Britain knew she had to get an organization in Canada to prepare for our common defence. If we cannot trust her, then the Empire had better be dissolved; and I would rather see it dissolved by ourselves than by somebody else. I feel strongly on this subject. There is not a doubt in my own mind that that was not the first approach, though perhaps it was the first official approach. How do we explain that the Vancouver Sun, a leading Liberal paper on the coast, announced in July, 1937, that there had already been a refusal to a request by the British Government to establish air training facilities here? I never read the announcement until a year after. Are we to be asked to believe that that was just based on a myth? Statements of that kind are not based on myths. What ground there was for the pronouncement I do not know, but I have every reason to feel that the approach, in whatever form it was made, was made a year before 1938.

Hon. Mr. DANDURAND: All we have here is the High Commissioner.

Right Hon. Mr. MEIGHEN: I do not know; there are other ways.

Hon. Mr. DANDURAND: That is hypothesis.

Right Hon. Mr. MEIGHEN: I know we have a Government who deny having a request unless it is put in writing—maybe under seal—and who say that an inquiry, whether printed or not, is not a request; and when we ask if there was anything more they tell us it is none of our business. I know that, and I should like my honourable friend to take that sentence and dispute it. Again I ask, is this to be the Government upon which this country is to rely for conduct of this crisis?

Now, I say this. Until this Government is reorganized—

Hon. Mr. DANDURAND: Until?

Right Hon. Mr. MEIGHEN: Until it is reorganized or changed, until it is placed on a basis best adapted to gain the following of every war element in this country, it cannot have the confidence of Canada. Until it is reorganized or changed—and I do not want it changed on a party basis, no matter what the party—it is not going to command that confidence. I ask the Government to move to bring about unity in Canada. You do not bring it about by trying to destroy your political foes while the nation's foes flourish. This Government can do something to bring it about. There is nobody in the Dominion more averse to office than I am; everyone knows that; but there is nothing, however subordinate, I would not do under any Govern-

ment in Canada to unite and help our nation—nothing; and there is nothing any Canadian who is properly built could refuse to do.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: But do not conduct things the way you have conducted them up to now. It will take a long time to bring us to real participation. How long a time we have, the leader of the Government does not know, and I do not know, but I ask him to move on the assumption that the time is brief. Do not be looking ahead for years. Try to get the utmost done in the next month, still more in two months, still more in three. Only in that way can any Government do its duty under present conditions for the people of our country.

Hon. RAOUL DANDURAND: Honourable senators, I must try to calm the storm raised by my right honourable friend (Right Hon. Mr. Meighen) by turning to the mover (Hon. Mr. Paterson) and the seconder (Hon. Mr. Blais) of the motion and congratulating them upon their addresses. I wish to say to the mover, who comes from the Upper Lakes, that this Chamber claims to be fairly representative of all elements that go to make up the nation, and I am sure that the contribution which my honourable friend will make to our deliberations will prove that the Government was right in calling him to our ranks.

The honourable senator who seconded this motion comes from Edmonton. I listened to him closely. I feel he was too kind in his references to the leader of the Senate, but apart from that I may say his address was very well prepared. We know that in his province he stands high in the medical fraternity and is looked up to by all the members of his profession. His reputation goes beyond the borders of Alberta, and I am sure that the Senate will be the better for his presence.

My right honourable friend (Right Hon. Mr. Meighen) has alluded to the demise of Lord Tweedsmuir and to the coming of the Earl of Athlone and Her Royal Highness the Princess Alice. I join with him in the encomiums that have fallen from his lips, and with the Government in the statement contained in the Speech from the Throne. I remember the day when my right honourable friend rose and stated that a commoner, John Buchan, had been appointed Governor General. I should have much preferred the Governor General's retention of that name, which he had made so illustrious. We found in him a wise statesman with the poise of a cultured gentleman, and with a clear understanding of the needs of Canada, and he soon endeared himself to the hearts of all Canadians.

I feel that we are honoured by the appointment of the Earl of Athlone, who will be accompanied here by his brilliant consort, the Princess Alice. We await their arrival, and we shall try to make them as happy among us as were Lord Tweedsmuir and his family.

Now, I confess that I was not much surprised at my right honourable friend's oration. He has shown in days past his strong dissatisfaction with the Administration, and I think his state of mind has become more and more pessimistic since grave news has been coming daily from Europe. I cannot for a moment believe that my right honourable friend represents any widespread sentiment in Canada when he utters the strictures that we have heard from him. A "National" Government was offered the people of this country on the 26th of March, and was rejected almost unanimously. The Conservative party disappeared even before the electors reached the polls. I do not know that half a dozen candidates presented themselves as Conservatives. Dr. Manion made a special effort to carry a majority of the electorate with him on his proposal to form a National Government such as my right honourable friend suggests to-day. The electors have been heard from, and they have rejected the proposal. They have decided that in comparison with that unknown National Government which was to contain the "best brains of the country," the men at the helm were the best men to continue in the conduct of affairs during the war, surrounded as they were by the best brains of the country, to be called into their councils. My right honourable friend will not deny that the present Government, in the formation of boards for the carrying on of war work from A to Z, has the support of the best men who could be selected. I could name such men, on various boards, and individually they would receive the commendation of my right honourable friend.

An Hon. SENATOR: Hear, hear.

Hon. Mr. DANDURAND: This is the Government that has been carrying on during the last six months.

My right honourable friend spent half an hour in trying to establish that the Government was false to the Parliament of Canada when it refused to state that conversations were going on, which did not ripen into decision, and in maintaining that these should now be rehearsed before this Chamber, in order to show that the Government is unworthy—

Right Hon. Mr. MEIGHEN: The Prime Minister said a refusal was given.

Hon. Mr. DANDURAND: The whole question discussed by my right honourable friend was put before the people of Canada in one or two broadcasts by the Prime Minister, and the people stood by the decision of the Government not to allow even the British Government to take possession of forty or fifty aerodromes for the purpose of establishing a system under its own laws while we had our own men, our own administration and our own system which could give it what it wanted. The Prime Minister, in the conversation he had with the High Commissioner, said it was preposterous that there should be two powers in Canada deciding on matters of importance such as that. He said what the people of Canada believe. I know that Imperialists like my right honourable friend—and Imperialist he is to the core—do not accept the idea that we should say this is an autonomous Canada with her own laws, and she is mistress in her own household. I know my right honourable friend's sentiment, but I tell him it is shared by but few. The people at large supported the Government, which said that Canada would furnish all the facilities required, but would furnish them under its own laws; that there could not be two Governments in this country at the same time. This was submitted to the people of Canada on the 26th of March last, and we know the result. I will refer to it again in a moment.

It would seem that my right honourable friend had fallen from Mars, and had come to this Chamber without any past, without any record, to tell us what should be done in this country. But he was in power from 1930 to 1935, and I would ask how the Federal Government—the Bennett-Meighen Government—administered the affairs of the country and provided for the defence of Canada and the British Empire. The answer is very simple. Nothing was done except to starve all the services and reduce our air force almost to the vanishing point.

When we came into power in October, 1935, what did we do? We hastened to attend to Canadian matters. Within three weeks the Prime Minister had obtained reciprocity with the United States, and a treaty was signed on the 11th of November, 1935. We then proceeded to prepare for the session of 1936; and in 1937, after looking around at the situation and making a survey of our various departments and finding that for five years our army, our militia, our air force and our navy had been practically starved by my right honourable friend's Government, we decided that something should be done. Throughout 1937, 1938 and 1939 the present Government felt the necessity of preparing, first, for the defence of Canada,

and it appealed to Parliament to vote money for that purpose. That was a sentiment to bring together all Canadians. As my right honourable friend knows, there is such a thing as preparing public opinion, and matters like the equipping and outfitting of soldiers attract the masses only when they see men marching in the streets with bands in the lead.

There was such a thing as preparing the country for the defence of Canada and inducing the people to think nationally. All the provinces did not feel alike on this matter, but the Government succeeded in securing increasingly large votes of money from year to year for the defence of Canada.

This showed courage. I am not sure that in this respect my right honourable friend (Right Hon. Mr. Meighen), who has crossed swords with the Prime Minister both in the Commons and before the people, would not think that at times he was weak and indecisive. Yet it required courage to vote millions for the defence of Canada. We had to educate the people to the needs of the day, so that public opinion would support the action of the Government. This is what has been done and is being done in every other country. We may ask why President Roosevelt, strong as he is, does not do certain things. The answer is that public opinion must be formed; the people must be educated. In order to get the people of Canada to work together in unity, the Government had to bring them to a realization of the necessity of doing something for this country first. But my right honourable friend says, "No, the Empire is first."

Well, the war came and we had to prepare the defence of our coasts. We spent large sums of money in trying to revivify our militia and our air force, and to enlarge our navy, to enable us to take our position by the side of Great Britain. Of course it is easy for critics—I am not speaking of honourable members of this Chamber—to say we should have done more, and that in 1938 we should have foreseen the threat to Great Britain and to France and what was coming in Europe. My answer to that is that Canada was not at the controls. London had its diplomatic service, which was covering the whole of Europe, and yet the day after Munich it was admitted that Great Britain was unprepared.

I will cite the speech delivered by the Right Hon. Winston Churchill, present Prime Minister of England, on the 8th of May. He said:

> In this war we are frequently asked why we do not take the initiative. The reason for this serious disadvantage of our not having the initiative is one which cannot be speedily

removed. It was our failure in the last five years to maintain or regain air parity with Germany. That is an old story, and it is a long story.

That statement carries with it Winston Churchill's criticism of the inaction of the British Government in preparing its defence.

The Opposition, and my right honourable friend, whom I call the leader of the Conservative party in this House despite the fact that that party ceased to appear before the people—for I still believe the old guard surrounding him can claim to form part of the Conservative party—have alleged that the Government lost two years in launching the British Commonwealth Air Training Plan. This, I think, can be disproved, and I intend to try to disprove it. Great Britain's offer of May, 1938, made through its High Commissioner, Sir Francis Floud, was to train British air pilots in Canada. The Canadian Government said: "We do not like the form in which you present this proposal, because you seem to desire to come into the country and to organize a whole department of British Government on Canadian soil and under your own laws. But there is one thing which is quite satisfactory to us. We will give you all the facilities available and will work with you."

Right Hon. Mr. MEIGHEN: When was that answer given? Will the honourable gentleman tell us?

Hon. Mr. DANDURAND: Yes. My right honourable friend cited from a newspaper. I will cite from the British Commonwealth Air Training Plan broadcast by the Right Hon. W. L. Mackenzie King on Sunday, December 17, 1939. We have the whole story there.

Right Hon. Mr. MEIGHEN: It does not say when the answer was given.

Hon. Mr. DANDURAND: I will see.

Right Hon. Mr. MEIGHEN: I have some proof, though, as to when it was given.

Hon. Mr. DANDURAND: For the satisfaction of my right honourable friend I will read from page 10 of the Prime Minister's address, one page ahead of where I had intended to read. He said:

It has been asserted that the air training plan would have been in existence before this had the present Government not declined to meet an earlier request of the United Kingdom Government for the training of British pilots in Canada. Within the past week or two, it has, for example, been said: "Had we agreed to the British proposal of two years ago for the establishment of air training facilities in Canada, to-day, Canada would be, in reality, the air training centre of the Empire."

Hon. Mr. GRIESBACH: Will the honourable gentleman allow me? He says the reply given to the British Government was that our facilities would be placed at their disposal, but I would draw his attention to the fact that we had no facilities to place at their disposal. That is proved by the delays that have taken place up to the present time.

Hon. Mr. DANDURAND: But we had as many facilities as Great Britain had, in Canada.

Hon. Mr. GRIESBACH: They had none here.

Hon. Mr. DANDURAND: And we were talking about Canada.

Right Hon. Mr. MEIGHEN: They had the personnel.

Hon. Mr. GRIESBACH: My honourable friend says the answer given them was that we would not permit them to make any establishment in Canada unless it was under the control of the Canadian Government, but our facilities would be placed at their disposal. The fact is, though, that we had no facilities.

Hon. Mr. KING: Oh, yes. What about Trenton?

Hon. Mr. DANDURAND: My honourable friend will find that we had a whole staff.

Hon. Mr. GRIESBACH: No. That is absolute nonsense.

Hon. Mr. DANDURAND: Will my honourable friend permit me to proceed? He can follow me.

The Prime Minister continued:

More recently it has been said that "so far as the Empire air training scheme is concerned this was proposed by the British nearly two years ago, but apparently discouraged by the King Government until after the outbreak of war."

I assume that what is referred to are certain informal, exploratory conversations concerning facilities for the training of British pilots in Canada which took place, not two years ago, but in May and June of last year.

It was in December, 1939, that the Prime Minister was speaking. He went on:

The facts were clearly set forth in a statement I subsequently made to Parliament.

The conversations did not relate to a joint air training plan.

That is what the Right Honourable the Prime Minister had alluded to earlier. He went on:

Their purpose was to ascertain whether it would be agreeable to the Canadian Government to have United Kingdom schools for the advanced training of pilots of the Royal Air Force established in Canada, under the authority and direction of the Air Ministry of the United Kingdom. It was represented that it was becoming increasingly difficult to secure in

the British Isles the open spaces needed for long distance flying and gunnery practice. What was contemplated was a British air training establishment in Canada, organized and controlled by the Air Ministry of the United Kingdom, in no way responsible to the Canadian Government, but responsible solely to the Government of the United Kingdom.

When the matter was broached, speaking on behalf of the Government, I immediately said I was sure the Canadian people would gladly have pilots of the Royal Air Force come to Canada for advanced training and would be prepared to provide the necessary facilities, but that I believed they would feel that the necessary establishments should, under terms to be agreed upon, be organized and controlled by the Royal Canadian Air Force, and that the responsibility for their administration should be that of the Government of Canada, rather than that of the Government of the United Kingdom. I added that I felt such a basis was indispensable to friendly and effective co-operation between the two Air Forces as well as between the two Governments.

Long ago the constitutional principle was accepted that military establishments in Canadian territory should be owned, maintained and controlled by the Government of Canada, responsible to the Canadian people. That principle has been acted upon ever since. British naval stations and British army garrisons have been withdrawn. Canada, herself, has assumed responsibility for all defence establishments in Canadian territory. It was felt by our Government that a reversal of the principle underlying this historical process was something which the Canadian people would not wish to entertain.

Right Hon. Mr. MEIGHEN: Would the honourable gentleman permit a question? If, as that statement sought to imply, the Canadian proposal was made immediately the British proposal was advanced, what is the explanation for the statement made in the British House on July 5?

Hon. Mr. DANDURAND: I will go into that.

Right Hon. Mr. MEIGHEN: The British Minister said that owing to the reception the proposal had received, the whole thing was dropped.

Hon. Mr. DANDURAND: We shall see about that. But first I will continue to read from the Prime Minister's speech:

> The attitude of the Canadian Government, in this matter, was, however, far from being a negative one. Our desire to co-operate in the most effective manner was made abundantly clear in the following statement which I made in Parliament with respect to Canada's position. "We ourselves," I said, "are prepared to have our own establishments here and to give in those establishments facilities to British pilots to come and train here, but they must come and train in establishments which are under the control of the Government of Canada and for which the Minister of National Defence will be able to answer in this Parliament, with respect to everything concerning them."

This declaration of Canadian policy was cordially welcomed by the Government of the United Kingdom. On July 7, 1938, in answer to a question in the British House of Commons as to whether his attention had been drawn to this statement by the Prime Minister of Canada, Sir Kingsley Wood, the Secretary of State for Air, replied: "Yes, sir. An offer in this sense has been communicated to His Majesty's Government in the United Kingdom, by the Canadian Prime Minister, through the Canadian High Commissioner. A reply has been sent expressing warm appreciation of the offer, and arrangements are being made in accordance with the suggestion of the Canadian Prime Minister for an officer to be sent immediately to Canada to explore, in co-operation with the Canadian Government, the possibility of working out a scheme for training facilities in Canada."

A few weeks later, an officer of the Royal Air Force was sent by the British Government to conduct the exploratory investigations referred to. During the stay in Canada of this expert from the Air Ministry, a careful survey was made of requirements and facilities available for joint advanced training of pilots for the Air Forces of the United Kingdom and of Canada. The survey was made in collaboration with officials of the Department of National Defence and senior officers of the Royal Canadian Air Force.

So we had senior officers in the Royal Canadian Air Force.

Right Hon. Mr. MEIGHEN: If the honourable gentleman would rather that I did not rise, I will not.

Hon. Mr. DANDURAND: It is all right.

Right Hon. Mr. MEIGHEN: He refers to a statement made in the British House of Commons on July 7, 1938. Two days earlier Lord Stanley, answering an inquiry by Sir Henry Croft as to whether conversations had taken place with the Canadian Government with regard to the possibility of establishing a British Government training school for air pilots in Canada, made this statement:

> Some informal exploratory discussions on the subject took place, in the light of which it was decided not to pursue the matter.

Hon. Mr. DANDURAND: But between the 5th and the 7th the British High Commissioner to Canada transmitted an offer to the Prime Minister, and that offer was accepted.

Right Hon. Mr. MEIGHEN: But that was in July, not May.

Hon. Mr. DANDURAND: That offer was made—

Right Hon. Mr. MEIGHEN: That offer was made after a row had been raised.

Hon. Mr. DANDURAND: There could be no row, when the Prime Minister stood on Canadian law, Canadian autonomy and the Canadian Constitution. And on that the Liberal party stood with him.

Right Hon. Mr. MEIGHEN: But the approach in May was met with a direct, naked negative.

Hon. Mr. HARMER: There was no formal approach.

Hon. Mr. DANDURAND: The British Secretary of State for Air said they were sending someone over right away to explore the situation. And someone did come.

Right Hon. Mr. MEIGHEN: That was later on.

Hon. Mr. DANDURAND: I would draw the attention of this Chamber to the fact that this was a peace-time proposal. This was in 1938. Great Britain was not suffering from any jitters; she was simply looking ahead and saying that there were fine young men in Canada who could be called to the colours as airmen. And I quite believe that the big scheme that is now under way will train Canadians, and that we shall see hardly one British air recruit coming here, because they have their own system in England. But they have succeeded in their suggestion for co-operation, because in Canada we have perhaps the greatest centre in the world for air development and recruiting. We have now a vast expansion of the scheme which in the spring of 1938 was already under way as the result of joint explorations by the Governments of Canada and the United Kingdom. This fact disposes of unjustifiable strictures on our supposed dilatoriness prior to the declaration of war.

I would point out to my right honourable friend this further fact, that in the session of 1939 all that could be done in peace-time by the two Governments, British and Canadian, by collaborating and exploring the situation, was done. The Canadian Government did not lose any time in making preparations for the smaller scheme, which has since developed into the large undertaking of to-day. At that session Parliament appropriated the sum of $6,000,000 for the joint training of pilots. As I have already pointed out, the British Secretary of State for Air said, as early as July 7, 1938, that his Government were warmly appreciative of the offer made by Canada and were sending a representative over here to explore, in co-operation with our Government, the possibility of working out a scheme for training facilities in Canada. That representative came, a scheme was agreed upon, and at the very next session, in 1939, the sum of $6,000,000 was voted for it.

It has been said in the press that at this session we should render an account of our stewardship, that we should state what we have done so far and what our programme is for the future. My right honourable friend opposite (Right Hon. Mr. Meighen) has impugned our whole organization; he thinks we have done nothing, and is not sure that we shall do anything. Well, I believe that if he will bear with me I shall show him that no group of men, even those super-brained men who were supposed to enter the shadow government of Dr. Manion, could have done better.

Before war was declared we had called out the militia to man our coastal defences and to protect vulnerable points. When Parliament authorized declaration of war we organized our active co-operation by the side of Great Britain. And I draw the attention of my right honourable friend to the fact that if one group in Canada was responsible for framing our policy and for drawing a united Canada to the support of Great Britain, it was the King-Lapointe combination.

Hon. Mr. FARRIS: Hear, hear.

Hon. Mr. DANDURAND: Our undertakings differed from those assumed in 1914, when our efforts were primarily directed towards providing man-power for our expeditionary forces and producing munitions and supplies. We then had no naval service, so to speak, and no Canadian air force.

Right Hon. Mr. MEIGHEN: In what year?

Hon. Mr. DANDURAND: That was in 1914. Our present commitments embrace three distinct services and cover operations on land, at sea and in the air. The improvement in weapons in modern warfare has compelled Canada to assume larger obligations for the defence of our coasts, our ports, our shipping, and our inland lines of communication. At the present time our coastal defences are fully manned by more than 10,000 men. Since the outbreak of the war more than 80,000 men have been enlisted in the Canadian Active Service Force.

Right Hon. Mr. MEIGHEN: How are these 10,000 men defending our coasts now?

Hon. Mr. DANDURAND: I can tell my right honourable friend the places where they are located. I do not know that it would be advisable to inform Parliament and the enemy as to where our men are stationed.

Right Hon. Mr. MEIGHEN: I do not ask that. Will the honourable leader tell us what they have to defend the coasts with? I do not want him to give information that he does not desire to give.

Hon. Mr. DANDURAND: My right honourable friend will be surprised to find what was spent on armaments at Vancouver.

Right Hon. Mr. MEIGHEN: I do not know what was spent, but I saw what was there.

Hon. Mr. DANDURAND: I am speaking of expenditure on the Pacific and Atlantic coasts for the defence of Canada, and I believe it was money well spent. I think the people of British Columbia would say it was money well spent. In fact, from what I hear, they said so at the last election.

The personnel of the Canadian Active Service Force on May 10 was as follows.

Troops overseas:	
First Division and ancillary troops	23,438
Canadian Military Headquarters	240
Total	23,678
Troops in training for overseas service:	
Second Division and ancillary troops	24,645
Other mobilized troops:	
Depots and training centres	16,282
Coastal defence and anti-aircraft	9,036
Vulnerable point guards	1,655
Other troops in Canada	6,223
Total	81,519
Non-Permanent Active Militia:	
11 territorial regiments organized to provide reinforcements for C.A.S.F. units overseas.	

At 6 p.m. the Senate took recess.

The Senate resumed at 8 o'clock.

Hon. Mr. DANDURAND (continuing): I believe I should fail in my duty if I did not give this Chamber the full information I have received from the various departments which have had to do with the war, in order that honourable members may know what has been going on. I am quite sure that thousands of people interested in the doings of the Government have never seen the picture as a whole, and I believe that if my right honourable friend (Right Hon. Mr. Meighen) had perused the record I have before me he would have been less discouraged than he seemed to be. Honourable members may find this somewhat tedious, but we have some time at our disposal, and I really think the Senate is entitled to have, perhaps in even greater detail than was given to the House of Commons, information as to the activities of important departments that have had to do with the war.

I have read the statement made yesterday by the Right Honourable the Prime Minister. It was a clear, terse statement, with some detail, but I think I have before me even more material in which the Senate would be interested. At all events, I shall place it before honourable members, because I believe it is my duty to do so, and I am convinced that my colleagues will find that I was right when I said to my right honourable friend that the Government had been doing its full duty in the best possible form since the war commenced in the early days of September.

Here is a statement concerning the position and war activities of the Royal Canadian Navy:

The outbreak of war in September at once imposed a heavy responsibility upon the Royal Canadian Navy. Not only had it to assume the guardianship of our two Canadian coast-lines, but, what was even more important, it became responsible for the control and protection of the merchant shipping using our ports, the ships that carry across the oceans of the world goods and material so essential to the successful prosecution of the war.

Before the war the permanent Royal Canadian Navy comprised 12 ships and 1,600 officers and men. To-day the numbers on active service, including the reserves, have already grown to 100 ships and 6,000 officers and men. The Royal Canadian Naval Reserve, which is made up of men who are seamen by profession, and who are therefore a valuable adjunct to the permanent service, has grown from 260 officers and men to 1,430 at the present time.

Finally, there is the Royal Canadian Naval Volunteer Reserve, which, as its name implies, is comprised of officers and men who voluntarily give up a proportion of their time in peace to training themselves in naval work in readiness for war. The numbers in this reserve force have grown from 1,600 to 2,850, while 100 officers and 1,000 men are maintained at the twenty Reserve Headquarters across the Dominion, ready to be mobilized for active service at a moment's notice.

Our main force of ships consists of destroyers—ships almost exactly similar to those which carried out the brilliant attack on Narvik Fjord not long ago. Our Canadian destroyers have been employed mainly in escorting convoys up to some 300 or 400 miles from our coast—a job that the North Atlantic winter has made strenuous indeed. But in spite of gales, fog, and extreme cold, the crews of these ships have carried out their unenviable task with cheerfulness and efficiency.

One of the principal jobs of the auxiliary craft is that of minesweeping. It is true that so far no mines have been laid on our coasts, but we know that submarines are perfectly capable of crossing the Atlantic and we know, too, that they can all carry mines. So Canadian minesweepers, in all sorts of wind and weather, steal out of our harbours in the cold light of dawn every day of the

year, and sweep thoroughly the channel that is to be used by ships during the next twenty-four hours. No more monotonous task can be imagined, unenlightened as yet by any sign of enemy action, but still these officers and men in their little ships carry on day after day, to make the approaches to our harbours safe for the ships that carry Empire trade across the seven seas. Other auxiliary craft are fitted with anti-submarine devices, and their task too is arduous and unexciting, for they must patiently await the possible appearance of enemy submarines.

I spoke of the control of merchant shipping. The convoy system was instituted at once upon the outbreak of war, and one of our eastern Canadian ports has become one of the most important convoy assembly ports, if not indeed the most important, in the British Empire. In the past eight months hundreds of ships have been assembled in this great natural harbour, organized into convoys, and sailed safely across the Atlantic ocean. In point of tonnage, some of the largest convoys ever to sail the seas, in this or any other war, left our eastern ports during the period when one of the enemy's so-called pocket battleships was known to be at large in the North Atlantic. The administrative side of the convoy system is carried out by the naval control service, and Canadian naval control service officers and staffs are functioning at all important ports in the Dominion. The unification of control of this vast, world-wide system is maintained by the Admiralty, with Naval Service Headquarters as its immediate liaison on the North American continent. Our Canadian Navy has received the highest commendation from the British naval authorities.

Although my description of naval activities has been so far confined to the east coast of Canada, to a large extent the same may be said for the Pacific coast, except that at present the convoy system is not in operation in the Pacific. But coast-lines must be patrolled, channels searched for mines, and anti-submarine patrols and all the many and varied tasks which the term "coast defence" implies must be carried out.

In order that our larger and more important harbours may be made safe and sure refuges, where ships and men may rest confident that they are, for a short while at least, free from the strain of watching and waiting for attack by an enemy that is so often unseen, it is necessary that such ports should be adequately defended from every possible form of enemy attack. This duty is carried out by means of close co-operation among the three services, all of whom have their part to play.

The Navy's share includes an examination service, by which every ship entering is carefully examined by officers experienced in this type of work; a port war signal station, which reports these ships as they arrive to the various units of the defensive arrangements; an anti-submarine net; sometimes anti-torpedo nets; and certain underwater defences. Plans for this widespread organization had been prepared long before the war, down to every last detail, and the whole system went into action and was functioning efficiently almost within the first week of war.

In telling you this story of the many and varied activities of our Navy, I must not omit mention of the many administrative problems which had to be solved when the sudden and unprecedented expansion took place in so short a period of time. The men must be fed and clothed; ships must be fuelled and repaired; ammunition in greatly increased quantities must be obtained and distributed; training establishments, barrack accommodation, storage facilities, office space—all these must be thought of, arranged and organized.

I have here a detailed statement showing the number of officers and ratings in the Royal Canadian Navy, but I will not take time to read it now.

Hon. Mr. DUFF: May I suggest that the honourable gentleman place it on Hansard?

Hon. Mr. DANDURAND: Yes, that will go on Hansard.

Royal Canadian Navy

Personnel at May 10:
952 officers
5,662 ratings

6,614 all ranks

(Includes 125 officers and 100 ratings serving in British Navy.)

The personnel is being increased as rapidly as ships come into service. There is provision in the current fiscal year for increase of personnel to 1,450 officers and 10,000 ratings by March 31, 1941.

Ships:
In commission:
7 destroyers
15 minesweepers
6 anti-submarine vessels
15 fishermen's reserve vessels
51 auxiliary vessels

Being converted:
3 high speed merchant ships to light cruisers (to be completed shortly).

Under construction:
90 vessels, including 54 patrol vessels and 18 minesweepers.

I come now to the Royal Canadian Air Force. We have air squadrons on each coast for patrol and reconnaissance duties. Squadrons from Calgary, Trenton and Ottawa were moved to the Atlantic seaboard when war

clouds appeared on the horizon. Since then these squadrons have patrolled our coastal waters from the Gulf of St. Lawrence and its two entrances, from the open sea to the southern tip of Nova Scotia. Twin-engined bombers of great flying range, fast single-seater fighters, flying boats and pontoon equipped machines cruise over the Atlantic sea lanes, ready for swift action against any enemy on surface or aloft and acting as the eyes of our convoys and shipping off our coasts. In the same way, on the Pacific, the Western Air Command is engaged in the constant protection of our shores and ships at sea. At all stations the Royal Canadian Air Force is performing its duties with skill and efficiency: as a fighting force, on the one hand, and as the eyes of the Navy, on the other. Its present strength, I may add, is over 12,000 officers and men, and is growing rapidly. The Force also protects Newfoundland and St. Pierre, Miquelon. The total personnel at May 10 was: 1,389 officers, 10,926 airmen; 12,315 all ranks. The disposition of this personnel was:

Army Co-operation:
One squadron overseas
One squadron completing training in Canada
Reinforcements trained continuously in Army Co-operation School.

Home Defence:
Present establishment 9 squadrons
Proposed establishment 12 squadrons.

Air Training Plan:
Canadian share of instructional staff provided by R.C.A.F.

I will now refer to the Army. The first Canadian Division, our first expeditionary force, reached Great Britain in December last. It had been splendidly organized, and crossed the sea surrounded by all due protection. Its Commanding Officer and various staffs, brigade and regimental appointments were selected solely by consideration of merit. It was judged necessary to dispatch the division at that time so that complementary training could be received in a milder climate.

I might add that a division, as at present organized, is not a fully self-contained and self-supporting organization. The approximate strength of the First Canadian Division is 16,000. In the field it will function as part of an army corps, a formation which contains two or more divisions and a number of supporting units which serve the corps as a whole. These extra divisional units are referred to as corps troops.

Then there are ancillary troops. In order that the First Canadian Division may carry its full weight in the army corps of which it will ultimately form a part, the Canadian Government decided, in consultation with the British Government, to dispatch overseas a due proportion of corps troops, in addition to the division itself. Further, to permit the First Canadian Division to be administered as a Canadian entity, certain administrative units have also been sent to Great Britain. The total of all these extra divisional units is between six and seven thousand men. They include medium and field artillery and an artillery survey unit; engineers, signal units, army service corps, ordnance corps, certain base details, and medical and dental units.

I should mention that in this war the country's existing militia formations have been used as the basis of recruiting men for active service. They are organized into eleven territorial regiments. Our battle units actually are the militia regiments, whose insignia they wear. What is more, units have been mobilized in such a way that representation has been given to all provinces. Every section of the country was given an opportunity to share the burden, and every section made a splendid response to the call.

Honourable members have been apprised of the selection for dispatch overseas of the first squadron of the Royal Canadian Air Force, which is now abroad. It will serve in the field with the First Canadian Division, and is in command of Squadron Leader Van Vliet, of Winnipeg. The unit selected for this honour is No. 110 (City of Toronto) Squadron, the oldest of the auxiliary or non-permanent arm of the Royal Canadian Air Force. Several other units are associated with this army co-operation squadron in order to give representation to both Western and Eastern Canada, and to provide for the inclusion of personnel from both the permanent and auxiliary branches of our Air Force. This army co-operation squadron of the Royal Canadian Air Force is in addition to the special Canadian Squadron of the Royal Air Force, which has been formed of Canadian pilots now serving with the Royal Air Force in England.

The Second Canadian Division has been organized for service abroad and is at present in training in Canada. It, too, will represent as fairly as possible our various provinces. There are also being recruited supporting elements for the First Canadian Division, which is now abroad, apart from the Second Canadian Division, which is still in this country.

I now come to the British Commonwealth Air Training Plan, which will represent, perhaps, the main effort of Canada in this war. When announcing agreement by the several governments interested on the principle of the proposal, the Prime Minister stated:

> The Government of the United Kingdom had indicated its opinion that with the facilities which Canada possesses, this co-operative effort may prove to be of the most essential and decisive character.

The Prime Minister further stated, on the 17th of December last:

The United Kingdom Government had informed us that, concerning present and future requirements, it feels that participation in an air training scheme would provide for more effective assistance towards an ultimate victory than any other form of military co-operation which Canada could give.

The Government has been fortunate in enlisting the services of a well-known industrialist, who volunteered to serve his country during the war as Acting Deputy Minister of National Defence for Air Services. I refer to Mr. James S. Duncan, who is General Manager of the Massey-Harris Company. With permission of the House I will quote some statements that were recently made by Mr. Duncan about the British Commonwealth Air Training Plan, as it appeared to him after a careful study. It seems to me his views should carry all the more weight because he is an outsider, a prominent industrial executive who, as Acting Deputy Minister of his department, has the duty of examining all the various elements under his command. My right honourable friend and others who are critical of the Government's actions may feel that statements emanating from members of the Government are less convincing than any made by an outsider, like Mr. Duncan. I feel that much of my right honourable friend's criticism has been based upon information that he has obtained from persons other than those who are, as we say, working on the job. He has apparently not seen fit to go for his information to the source of the facts, to question the actual officials concerned—some of whom, perhaps, were appointed by his Government—from whom he could get first-hand knowledge, which would no doubt completely satisfy him. So in the circumstances I think it would be well worth while for me to read what was said by Mr. Duncan after he had made a study of the British Commonwealth Air Training Plan. Speaking at Ottawa on May 3 to the executive of the Canadian Weekly Newspapers' Association, he said:

I am here to tell you about one of the greatest, perhaps the greatest task to which Canada has ever set her hand . . . the British Commonwealth Air Training Plan, with which it is my great privilege to have become recently associated. . . . It is essential that we attain not only air equality with our enemies, but air supremacy—supremacy in men, in aircraft, in equipment, in training and morale.

To attain this end, it was felt that superimposed upon the greatly expanded training effort of each of the countries concerned, a joint effort should be made by Great Britain, Australia, New Zealand and Canada to set up in this Dominion facilities to train, in the advanced stages, and in the most economic and efficient manner, the personnel of their respective air forces in order to fit them to take up service overseas in defence of our common heritage of freedom and democracy. It will provide our Empire with an ever-increasing flow of highly trained pilots, air observers, and air gunners.

Canada would have found it difficult indeed to set in motion a training plan of such vast proportions had it not been for the highly competent and experienced staff officers, mostly all of whom have graduated from the Royal Air Force Staff College in England and who were serving in the Royal Canadian Air Force at the outbreak of the war, and the quality of the officers carefully and intensively trained under their orders during the preceding twelve months. The close co-operation of Great Britain's Air Ministry, upon whose suggestions the Joint Air Training Plan has largely been moulded, and the guidance and co-operation of their officers have also proven to be of inestimable value.

The British Commonwealth Air Training Plan has been established upon a solid foundation. Aerodromes are being surveyed, developed, or are already in operation. Buildings of forty or more different types and designs are either in the process of being constructed or already terminated. Hangars are being erected. Sites are being selected. Public buildings or institutions are being taken over. Thousands upon thousands of men are at work. Every province of the Dominion is playing its part or will be called upon to do so. In a word, the greatest single enterprise Canada has ever known is launched and well under way.

To help you visualize the proportions of this organization, I shall outline briefly some of the principal units which go to make it up:

4 training commands, situated respectively at Montreal, Toronto, Winnipeg, and Regina,
2 manning depots,
20 R.C.A.F. recruiting centres,
3 initial training schools,
26 elementary flying training schools,
16 service flying training schools,
10 air observers' schools,
10 bombing and gunnery schools,
2 air navigation schools,
4 wireless schools,
4 repair depots,
4 equipment depots,

and several other important units, such as a technical training school and air armament school, a central flying school, etc.

In all, provision has been made for approximately 110 formations and units which will be established throughout the Dominion from Nova Scotia to British Columbia, and when the plan is in full operation, over 40,000 officers, airmen and civilians will be required to man the various schools, equipment depots, repair depots, and other units.

It is well to point out at this stage that the word "school" is far from representing what is generally accepted by this term in civilian life. Like most things connected with this enterprise, it represents something much more vast.

A service flying training school, for instance, comprises:

(a) 3 aerodromes, situated at a distance of between 5 and 25 miles from one another, with landing strips 3,000 feet long and 750 feet wide.
(b) 45 acres of building area.
(c) 38 buildings, including 5 hangars.
(d) A practice bombing range of a 660-yard radius.

Before taking up my official duties in Ottawa, I heard much talk concerning the fact that the British Commonwealth Air Training Plan was not progressing as it should. I am glad to be able to say to you, and this most emphatically, that, quite to the contrary, great progress has been made to date, and that the programme is being carried out entirely in accordance with the prescribed and pre-arranged schedule.

And I may add the pre-arranged schedule came from Great Britain.

Since the inception of the plan, the following units have been opened up and are in operation:

Training command headquarters, Toronto
Air armament school, Trenton
Central flying school, Trenton
Air navigation school, Trenton
Service flying training school, Camp Borden
Equipment and accounting training school, St. Thomas
Manning depot, Toronto
Technical training school, St. Thomas
Initial training school, Toronto
Equipment depot, Ottawa (being moved to Toronto)
Equipment depot, Winnipeg
Wireless school, Montreal
Training command headquarters, Montreal
School of aeronautical engineering, Montreal
Repair depot, Trenton
School of administration, Trenton
Training command headquarters, Winnipeg
Manning depot, Brandon
A.I.D. inspectors' school, Toronto.

In addition to which over 20 recruiting depots are actually functioning throughout the country.

The British Commonwealth Air Training Plan provides for the training of many thousands of pilots, air observers, and air gunners each year. Practically all air recruits in the United Kingdom will be trained at home.

I draw the attention of my right honourable friend to that statement.

Those from New Zealand and Australia will receive their preliminary training in their own country and will come to Canada to complete their courses in our service flying training schools, air observers' schools, bombing and gunnery schools, etc., in readiness to go overseas with our own Canadian airmen to join the Royal Air Force in Great Britain.

Estimates of the cost of this project are naturally subject to wide variations, but the total cost of the entire programme up to the expiration of the agreement on March 31, 1943, is expected to approximate $600,000,000, and Canada's share of the expenditure will be around $350,000,000.

Canada will, of course, bear the whole burden of the initial and elementary training because these services will be exclusively devoted to the training of her own men.

A supervisory board meets in Ottawa at frequent intervals under the chairmanship of the Minister of National Defence. The other members of the Board are the Minister of Finance, the Minister of Transport, the High Commissioner of Great Britain, the High Commissioner of Australia, a representative of New Zealand, the Deputy Minister of National Defence for Air Services, the Chief of the Air Staff, and the financial and technical advisers of the various governments concerned.

Among the many factors which have contributed to the successful planning and the remarkable progress made by the British Commonwealth Air Training Plan since its inception, one should especially mention the quality, ability, and experience of the splendid staff of officers of the Royal Canadian Air Force, of which we are all so justly proud.

There are these further remarks by Mr. Duncan:

We should mention the splendid co-operation of the Department of Transport, under the dynamic leadership of the Hon. C. D. Howe, who not only has placed at our disposal the facilities of the Trans-Canada Air Lines,—

I may say the Trans-Canada Air Lines are practically the creation of Mr. Howe.

—but the highly trained executives of his department, who have co-operated with us in the selection, surveying, and development of aerodrome sites throughout the Dominion.

As an outsider who has suddenly been interjected into this plan, I marvel at the work which has been accomplished, at the knowledge and resourcefulness displayed by the vast body of carefully selected officers, operating under the outstanding leadership of Air Vice-Marshal Croil, and above all, at the spirit of self-sacrifice and devotion to duty which exists amongst all those who are co-operating in the development of this tremendous enterprise.

I think this commendation by Mr. James S. Duncan is worth presenting to honourable members.

I will add these further details of the aeroplane work at present under way in Canada, giving the names of the companies to which contracts have been awarded. These contracts may be divided into three categories: Canadian Government contracts; British Government contracts; British Commonwealth Air Training Plan contracts.

The following tabulation shows, firm by firm, the orders on which Canadian plants are at present working, classified according to these subdivisions:

1. Boeing Aircraft Company of Canada, Vancouver, B.C.
   Canadian:
   17 Shark III near completion: $1,910,000.
   BCATP:
   700 sets Anson spars, ailerons. and flaps.
2. Canadian Car and Foundry Co. Ltd., Montreal, P.Q.
   Canadian:
   The overhaul of Rolls Royce engines.
   The overhaul of Hurricane aircraft.
   British:
   60 Hawker Hurricane fighter aircraft: $2,400,000.
   40 sets of wings for the Hampden aircraft (C.A.A.): $1,200,000.
   BCATP:
   Fort William:
   The assembly of approximately 352 Anson wings and aircraft.
   Amherst:
   The assembly of Anson wings and aircraft.
   The overhaul of Anson aircraft.

3. Canadian Vickers, Ltd., Montreal, P.Q.
Canadian:
18 Stranraer flying boats: $2,700,000.
9 Northrop Delta aircraft: $462,793.
The overhaul of Stranraer and Delta.
British:
40 Hampden fuselages: $1,200,000.

4. Fairchild Aircraft Limited, Longueuil, P.Q.
Canadian:
97 Bolingbroke aircraft: $7,760,000.
The overhaul of Bolingbroke aircraft.
British:
80 sets of tail units (C.A.A.): $1,200,000.

5. De Havilland Aircraft of Canada Ltd., Toronto, Ont.
BCATP:
404 Tiger Moth trainers: $2,000,000.
The assembly of 352 Anson aircraft.
The overhaul of Gipsy engines.
The overhaul of Tiger Moth aircraft.
The overhaul of Anson aircraft.

6. Fleet Aircraft Limited, Fort Erie, Ont.
British:
40 Hampden fuselages (C.A.A.): $1,200,000.
BCATP:
404 Fleet trainer aircraft: $2,000,000.
The overhaul of Fleet trainer aircraft.
The overhaul of Fairey Battle aircraft.
The overhaul of Kinner engines.

7. National Steel Car Corporation Ltd., Hamilton, Ont.
Canadian:
28 Lysander aircraft for R.C.A.F.: $1,120,000.
92 Lysander aircraft for R.C.A.F.: $2,634,800.
The overhaul of Lysander aircraft.
The repair of Hudson aircraft.
British:
150 Lysander aircraft for R.C.A.F.: $5,296,000.
BCATP:
The assembly of Anson aircraft.
In addition negotiations are under way for the manufacture of 110 or more North American Harvard aircraft.

8. Noorduyn Aviation Limited, Montreal, P.Q.
BCATP:
100 Harvard trainers: $3,000,000.
38 Norsemen: $1,140,000.

9. Ottawa Car and Aircraft Ltd., Ottawa, Ont.
British:
The manufacture of 80 Hampden undercarriages (C.A.A.): $1,200,000.
BCATP:
The manufacture of some 264 Anson wings and assembly of some 264 aircraft.
1,422 sets of Anson fittings.

10. Canadian Associated Aircraft, Ltd.
British:
80 Hampden aircraft: $10,000,000.
This company is comprised of six aircraft manufacturing companies, namely:
Canadian Car and Foundry Company Limited.
Fairchild Aircraft Limited.
Fleet Aircraft Limited.
National Steel Car Corporation Limited.
Ottawa Car and Aircraft Limited.
Canadian Vickers Limited.

The work on the 80 Hampdens is subcontracted to the six parent companies and the work at St. Hubert, P.Q., and Malton, Ontario, consists only of the assembly of the aircraft.

At the present time preliminary work is being carried out by these companies for the manufacture of 130 Stirling aircraft, a very large 4-engine bomber. This contract is expected to total between $30,000,000 and $40,000,000 and is expected to follow the Hampden contract. The component companies have begun the manufacture of tools for making Stirling aircraft.

Negotiations by the Canadian Associated Aircraft are carried on direct with the British Air Ministry and its operations are conducted solely in accord with British requirements.

The companies listed in the foregoing summary are the larger aircraft manufacturers in the Dominion. In addition there are a variety of industrial companies which are now producing aircraft parts and equipment in co-operation with the aircraft companies.

The following companies are solely engaged in assembly aircraft engines in Canada:
Canadian Pratt & Whitney Limited.
Canadian Wright Limited.

All the contracts on behalf of the Canadian Government and the B.C.A.T.P. have been awarded by the Department of Munitions and Supply and its predecessor purchasing organizations.

The production of planes in Canada since the outbreak of war has totalled approximately 128 aeroplanes. Production figures for Canadian, British and B.C.A.T.P. account are as follows:

September	3
October	2
November	5
December	4
January	4
February	5
March	6
April	35
May	64

The approximate production schedule planned for Canadian, British and B.C.A.T.P. is as follows:

Canadian Account		B.C.A.T.P. Account	
1940	114	1940	754
1941	114	1941	1,359
British Account		**Total**	
1940	160	1940	1,028
1941	110	1941	1,583

These details may be of interest to those who wish to know how this work is being carried on by our manufacturers.

I come now to Canada's war effort on the economic front. The Hon. Mr. Ralston, Minister of Finance, stated in a broadcast on the 24th of November last that Canada (1) must do the things that will count the most in winning the war; (2) its effort must be the utmost of its strength; and (3) its Allies must be consulted as to the needs which the strategy and tactics to be adopted call for. After stating what was our action towards the Canadian Army, the Canadian Navy, and the Canadian Air Force, he added:

Our programme is a heavy and constructive one. Most people do not realize what it will involve in the way of money, materials and

men. It was estimated that our programme would cost for the first year of the war, till September, 1940, at least $315,000,000.

It is now realized—in May, 1940—that the figure will be much higher. But this sum of $315,000,00 is about 50 per cent greater than the total of our war expenditures during the last war up to March, 1916, that is, between August, 1914, and March, 1916. This sum is almost as great as our expenditures for the fiscal year 1917-1918, when the Great War was at its height. The budgeting for 1940-1941 will disclose an expenditure of $700,000,000. This should certainly allay any fear of parsimoniousness on the part of the Government.

Hon. Mr. Ralston also said:

The Minister of Finance, with any sense of responsibility, must give constant attention to the cost of the war, both in money and materials, as this may be a long war. Our preparation must not be on a diminishing, but rather on an increasing scale. We must not cripple ourselves from the outset. We must keep in mind the supply of war materials and our financing of their purchases by our Allies, which will be an important part of our war effort.

Our programme does not involve the same appealing activity that characterized the opening of the last war, when marching men were embarking for overseas immediately, mostly without any training, one-fifth being rejected in England as misfits. Recognizing that modern mechanized warfare really is a grim and costly and long drawn out business, we demand that Canada's effort should be practical rather than spectacular.

The British Government intimated that Canada could be of most immediate assistance by facilitating the purchase by the United Kingdom of essential supplies in this country, which meant that Great Britain needed Canadian dollars for that object. We repatriated Canadian securities, and we shall continue to finance Great Britain in such or other manner. This has a three-fold effect: it assists the United Kingdom in the purchase of supplies; it opens a market for Canadian products; furthermore, the buying back of our bonds reduces our liabilities abroad and will strengthen our international financial position. But of course this means that money must be found in Canada to pay for those bonds. We cannot, as in 1914, borrow from the United States, because of the Neutrality Act, nor from Great Britain.

Another measure which we took to strengthen our financial ability to carry out the war was the establishment of the Foreign Exchange Control Board, whose object is to conserve for the prosecution of the war the financial resources which we have in this Dominion. I will not dilate on the importance of that policy, which is of tremendous help in protecting our capital resources and maintaining the stability of the Canadian dollar.

Before the war the Government had a survey made of Canadian industry and industrial capacity. The Defence Purchasing Board had been set up and gave splendid service up to the 1st of November last, when it was absorbed by the War Supply Board, which in turn was replaced by a Department of Munitions and Supply on April 9. That department has the benefit of the experience and organization built up by the board, and it has the services of most of the latter and of all its employees.

As we all know, Mr. Wallace R. Campbell rendered most valuable service as chairman of the board, with Messrs. Gravel, Woodward and Harrison as assistants. Mr. Campbell is still acting in an advisory capacity.

The British and French Governments appointed that board as their purchasing agents in Canada.

The Minister of Transport stated last January that the War Supply Board was a finely adjusted piece of machinery. It was placing some 500 orders a week, at a cost of about four million dollars. It attended to the outfitting of the men for service abroad and at home—the First and Second Divisions, and the ancillary troops, as well as the Navy and the Air Force. The food supply was bought in huge quantities.

In January last Mr. Howe made this solemn promise at the close of his statement:

I can offer you no message that will find a quicker response in your hearts than the promise that I and all those associated with me in the activities of the War Supply Board will spare neither personal effort nor any resource at our command to see to it, without any equivocation, without consideration, personal or political, that the armed forces of the Dominion are the best fed, the best clothed and the best equipped in the world. To that sole purpose we are dedicating all our thoughts and all our energies. In so far as it is possible for us to do so, within human limitations, we shall not allow the second front line to fail the first.

Here are some facts and figures relating to war contracts:

Total contracts let to May 15:
For Canadian Government over $200,000,000.
The Allied governments over $75,000,000.
All let in Canada except about $50,000,000.

Air Training Plan:
Deliveries of all materials ordered being made in time to proceed with work according to plan.

Air fields which are being constructed by the Department of Transport will all be completed this year. (Plan did not call for completion of all air fields in 1940.) Cost about $20,000,000
Work proceeding night and day.

Buildings being constructed as rapidly as possible. Contracts now being awarded without calling for tenders, on basis of prices set in earlier tenders. Prices being dictated to contractors.

Air fields and physical equipment will be in readiness for stepping up air training at any time.

Aircraft:

Deliveries of aircraft from all sources in last six weeks amount to 50 per cent of total deliveries in preceding seven months.

Estimate of military aircraft production in Canada for all purposes: 1940—1,028; 1941—1,583.

Shipbuilding:

Twenty shipyards engaged in production of 90 vessels, including minesweepers, anti-submarine craft and armed patrol boats. Production well in advance of schedule time.

Three high-speed merchant ships being converted to light cruisers for convoy duty will be in service shortly.

Some projects under way:

Construction of 82 aerodromes.

175 construction projects, including coastal fortifications, submarine defences, hangars, etc.

9,000 motor vehicles on order, costing $14,000,000. (3,000 already delivered overseas.)

War munitions being manufactured at a cost of $80,000,000.

One large explosive plant under construction; a second being organized.

Production of small arms ammunition being expanded as rapidly as equipment can be installed.

Ample supply of clothing, boots and personal equipment being procured. Industry producing at full speed to meet future requirements.

Safeguarding of raw materials:

Department of Munitions and Supply with assistance of Wartime Prices and Trade Board has taken steps to protect sources of outside supply to ensure against a shortage of raw materials.

Constant study given to the increased use of Canadian materials in the production of supplies.

On the very day when war was declared by Great Britain, the Government hastened to appoint a War-time Prices and Trade Board under the chairmanship of Hon. Mr. McLarty. It was composed of very able men from the Government service. It had to direct its energies towards the prevention of profiteering, of hoarding, and of any undue enhancement in the prices of the necessaries of life.

The board has now been functioning regularly since its appointment. In that time it has maintained the distribution of the necessaries of life at fair and reasonable prices. It has so far successfully checked hoarding and has effectively curbed those who might have been tempted to turn national needs and perils into profits. It has dealt with many thousands of complaints respecting half a hundred necessaries of life, and has investigated the proper distribution of a great many commodities, a few of the more important ones, by way of illustration, being wool, leather, coal, beans and sugar.

The work which this board has performed can perhaps be best illustrated by the action taken in the case of sugar. Before the board had been appointed the run on sugar had commenced. Housewives were protecting themselves against the anticipated rise. Between twenty-five and thirty million pounds of sugar were removed from circulation. Complaints came pouring in by the thousands. The board summoned the sugar refiners, who agreed to increase by 25 per cent their normal release in September, without any increase in price. The board made a wide inspection of the retail stores, which were selling the sugar as rapidly as they could receive it. Apprehensive housewives kept buying. In the Okanagan Valley sugar was wanted to save from rot two thousand cars of fruit. The sugar was furnished. Two hundred beekeepers threatened to destroy their colonies of bees if not supplied with sugar. They got the sugar. Manufacturers, large and small, would have had to close their doors if they had no sugar. They were furnished with sugar.

The board then appealed to the refiners and to several large industrial users of sugar, who made a generous response. September alone absorbed forty million pounds of sugar above normal consumption.

On the 3rd of October, 1939, the board appointed Mr. S. R. Noble as Sugar Administrator. To prevent a panic, Mr. Noble and the board recommended a temporary suspension of the dumping duty on refined sugar. This recommendation was carried out. The board appealed to the British Sugar Controller, who was then about to purchase all the raw sugar grown in the British Empire. Through the British Sugar Controller, Canada got in its raw sugar requirements of 450 tons a year, at practically pre-war prices. We can now look forward to a reasonable stabilization of sugar prices for the duration of the war.

At the same time the board has had to deal with other commodities, one of the most important being wool. It succeeded in that field as well as with sugar. Without the intervention of the board the price of wool would have risen to unprecedented heights. Sugar and wool are cited to illustrate the functioning of the Wartime Prices and Trade Board. Many other examples could be brought forward.

Hon. Mr. McLarty, in his broadcast statement in December last, touched upon an

aspect of the activities of the board, which is of considerable importance. He concluded his statement with the following remarks:

The experience of the last war clearly demonstrates that high prices, high wages, high costs —produced by the artificial stimulus of war— have a very definite and very painful reaction when we return to the normal and unstimulated economic levels.

One of the main purposes which this board will serve is this: by maintenance of fair and reasonable prices during the war-time period, we shall not wear the false face of false prosperity during that period on the one hand; on the other hand, we shall not have to endure the severe pains of economic contraction.

While the board may be fairly regarded as a board to protect consumers, its influence should be much wider than that. It will be of advantage to our wage-earners in maintaining a sound basis of the cost of living and in maintaining real as against nominal wages. It will be of advantage to our producers in the stabilizing of the prices of their products and in eliminating the unfortunate and precipitate fall which inevitably follows an unregulated advance. It will be of advantage to all our citizens in that its tendency is to bring order out of chaos and stability out of confusion.

Such interferences with normal life as have been set up are to the end that all of our resources may be marshalled and ordered and made available where and when they are needed the most, and such control is also for this purpose and to this end—that at a time when our enemies, who have sworn our destruction, stand in arms against us no one within our own gates shall be allowed to wax fat on his country's necessity; no one shall be permitted to make greedy gain out of our common need.

Apart from the important mandates given to the various boards and departments which I have mentioned, I must add that the Government was faced with the problem of maintaining and organizing the production and marketing of foodstuffs generally, and of solving the difficulties arising out of the dislocation of the markets for Canadian foodstuffs, due to the war. Three departments—Trade and Commerce, Agriculture, and Fisheries—have co-operated in this work. Existing agencies of the Government, such as the Canadian Wheat Board and the Salt Fish Board, have also assisted the Government, as has the Bacon Board, which administers the Bacon Agreement entered into with the United Kingdom.

In nearing the close of my remarks I may be permitted to give a summary of additional measures. In view of the critical turn of events in Europe during the past few days, and in the light of the information obtained by the Minister of National Defence on his recent visit to England, the Canadian Government have decided:

To advance the date of the dispatch overseas of the Second Division of the Canadian Active Service Force.

To advance the date of the dispatch of such further reinforcements of the First Division as have not already proceeded overseas.

To push forward the recruiting of reinforcements for the Second Division of the Canadian Active Service Force, who will follow the division overseas at the earliest possible date.

To form a Canadian Corps in the field, in accordance with arrangements which have been discussed with the British War Office. Besides the two divisions and their ancillary units, the corps will include the necessary additional corps troops and will involve the dispatch overseas of several thousand men, beyond those already mentioned.

To undertake the raising of a Third Division, to be available for such service as may be required in Canada, or overseas.

To assign, at the request of the Government of the United Kingdom, certain naval and military formations to active duty in the Caribbean and North Atlantic areas.

To dispatch overseas No. 112 Army Co-operation Squadron, to act as a reserve for No. 110 Co-operation Squadron, now overseas.

To adopt every feasible method of accelerating the output of pilots and air crews from Canada, for service in the field at the earliest possible date. Certain methods have already been formulated by the Canadian Government both to accelerate and to supplement the Joint Air Training Plan in Canada, in order that pilots, observers and air gunners may be made available more quickly for active service. Steps have been taken in order to expedite the preparation of aerodromes and hangers.

To confer upon the Ministry of Munitions and Supply certain special powers which would not be accorded in normal times, to enable it to expedite the provision of equipment and materials of war, for the armed forces.

These decisions are being translated into action.

The measures announced to-day are in addition to the vigorous conduct of the Canadian war effort, already under way, in the military, naval and air spheres, and on the economic front.

Inasmuch as the Minister of Finance will have to submit to Parliament the ways and means to finance this increased expenditure, I have obtained an estimate of expenditures for the fiscal year 1940-41, which I shall impart to the Senate. The total expenditure for all purposes is estimated at over $1,150,000,000, or more than $3,000,000 a day. Ordinary and special expenditure for other than war purposes is estimated at approximately $450,000,000. War expenditure is estimated at over $700,000,000, or almost $2,000,000 a day. This

is already revised upwards from $500,0000,000, as estimated by the Minister of Finance on February 19, and is subject to further upward revision. The actual war expenditure for 1915-1916 was $166,000,000.

I could perhaps continue with some further details. The actual cash disbursements for the first eight months of the war are more than double those in the last war. Some of the factors increasing Canada's war costs are the following: (1) No air force, no air training in the last war. (2) Increased naval expenditures: the estimate for 1940-1941 is more than thirty times the actual expenditure for 1915-1916, and more than three times the whole naval expenditure in the last war. (3) The cost per man of maintaining an army division has almost doubled since the last war.

Conditions have changed since 1914. There is now no United States borrowing, because of neutrality legislation. There is no United Kingdom borrowing. Instead, Canada is repaying the United Kingdom loan to provide Canadian dollars for British purchases in this country.

Now I revert to the remarks of my right honourable friend (Right Hon. Mr. Meighen), who vehemently condemned the dissolution of Parliament in January and the appeal to the people by the Government. He knew full well that the session beginning in January was to be followed by an election. The Prime Minister had announced that. And the Prime Minister stated, just before or at the time of dissolution, that he would have dissolved the House the day after the Ontario Legislature passed a condemnatory resolution, if he had not promised Hon. Dr. Manion that there would be no dissolution before Parliament met.

Right Hon. Mr. MEIGHEN: That was not his promise at all. I have it right here, and shall read it to my honourable friend:

> As to the question of a general election before another session, my honourable friend has been kind enough to say that I told him some time ago I would not think of anything of the kind or countenance it.

We had a session, had we?

Hon. Mr. DANDURAND: If my right honourable friend will allow me to add an explanation, he will understand why that statement was made. It was made because Hon. Dr. Manion was afraid there would be dissolution before he had time to visit Canada from the Atlantic to the Pacific. I speak whereof I know, for I was in daily contact with the Government and the Prime Minister. The Prime Minister had promised Dr. Manion that there should be no surprise dissolution, that there should be no dissolution before the House met. The House met—

Right Hon. Mr. MEIGHEN: He did not say "before the House met."

Hon. Mr. DANDURAND: No, but I am explaining that the reason for his statement was a conversation with Dr. Manion, wherein Dr. Manion said he was desirous of co-operating, but did not want to be taken by surprise, and asked whether he could be assured there should be no dissolution. And the Prime Minister said there should be no dissolution before a session. Then, a session having been called, and there having been no dissolution in the meantime, the Prime Minister's promise had been fulfilled. He then arranged for immediate dissolution. Hon. Dr. Manion was thereby given two extra months, from that time up to the 26th of March, to carry on his campaign throughout the country.

Right Hon. Mr. MEIGHEN: Surely the honourable gentleman does not think the rights of this House depend upon some private conversation between the Prime Minister and Dr. Manion. We have the word of the Prime Minister of Canada in Hansard, and that word he broke.

Hon. Mr. DANDURAND: I have told of the statement that was made between man and man. My right honourable friend says we had the word of the Prime Minister. But what harm did the Prime Minister do to the Senate of Canada, or to my right honourable friend?

Right Hon. Mr. MEIGHEN: He did more harm to himself, I admit. He broke his word to the House.

Hon. Mr. DANDURAND: It was not a word given to the Senate.

Right Hon. Mr. MEIGHEN: It was a promise to the country.

Hon. Mr. DANDURAND: My right honourable friend has a right to say, "As a member of Parliament I was called here, and shortly after the Speech from the Throne was delivered immediate dissolution was announced." He has a right to ask, "Why did you bring me here to listen to the Governor General, and then dissolve?" Well, it is the prerogative of the Prime Minister to do so, and he did so for a very good reason, a paramount reason.

Hon. Mr. HOWARD: Hear, hear.

Right Hon. Mr. MEIGHEN: He had nothing better than a poor excuse.

Hon. Mr. DANDURAND: He realized that Parliament and his colleagues would be held up in the House of Commons for three months, prevented from attending to their work, while the Opposition, who knew there would be an election—the Prime Minister having said so—were trying to find an issue upon which to go before the people. So the Prime Minister, having the full responsibility of carrying on the affairs of the country, decided it would not be in the best interest of Canada that this should happen. When the session was called I myself felt that Hon. Dr. Manion would be in a very difficult position: that, having nothing to complain of, and being satisfied with the work of the Government, he would be looking for some difference, some issue which he could present to the people. I knew he could not find any practical and serious point of dispute with the Government, and that he and his followers would try to keep the House in session for three months, during which time they would be franking their speeches through the mails. Had they got their way, the members of the Cabinet would have been kept away from important duties during all that time. Then there would have been an election campaign, lasting two months. That would have meant five months during which the Ministers responsible for carrying on the government of the country would have been hampered in their work. Well, the Prime Minister decided that three months' time could be saved by going before the people at once. And it was all the more important that he should do so while the military situation in Europe was comparatively quiet.

The Prime Minister went to the people, and I want to tell my right honourable friend that the election campaign did not in any way paralyse the Government. I asked the Clerk of the Privy Council how many sittings of the Council were held from dissolution to the 25th of March, and his answer was that we had had in that time eighteen Council meetings and passed 826 Orders in Council and 453 Treasury Board minutes. I know something of what I am talking about, because I had to come here to meetings. Not only did Council function efficiently, but all our war boards were working hard.

My right honourable friend says that the calling of the election killed the war spirit in this country. Well, I disagree with that statement. There are two ways in which the feeling of our people may be tested. In the first place, the call to our young men to serve was answered magnificently. I know there was a splendid answer from Montreal, where I live. And then Canadians at large showed they had the war spirit when, in response to a request from the Minister of Finance for $200,000,000, they subscribed $300,000,000. These two tests indicate that the war spirit in this country is alive.

My right honourable friend seems scandalized by the fact that the Liberal Government went to the people without calling into its ranks men belonging to various political parties. He suggests that as a result the country was split in twain. Well, I fail to see how the country was split in twain on the 26th of March. And my right honourable friend must have a very short memory if he forgets that the Borden-Meighen Government carried responsibility for conduct of the Great War from 1914 to 1917, without asking the co-operation of the Liberal party, which had an able man at its head.

Right Hon. Mr. MEIGHEN: Co-operation was asked for.

Hon. Mr. DANDURAND: But not to the extent of admitting Liberals into the Cabinet.

Right Hon. Mr. MEIGHEN: Co-operation was asked for, and it was many long months before we were able to get it. Liberals were invited to come right into the Cabinet, too.

Hon. Mr. DANDURAND: I will come to that. But from 1914 to 1917 the Conservative Government carried on without asking for the formation of a National Government.

Right Hon. Mr. MEIGHEN: I do not think my honourable friend has any authority for that statement.

Hon. Mr. DANDURAND: If my right honourable friend will read Sir Robert Borden's memoirs he will find that from 1914 to 1917 there was no demand for a National or Union Government. That came in 1917. And the Conservative Government did not think of that co-operation until it was about to face the people.

Right Hon. Mr. MEIGHEN: It did not go to the country as a party government.

Hon. Mr. DANDURAND: And it succeeded in forming a Union Government only after it had, through manipulation of the franchise, passed the most infamous legislation ever perpetrated upon a civilized country. The expression "infamous legislation" was used in the House of Commons by two Liberal members who later were brought into the Union Government.

Right Hon. Mr. MEIGHEN: Take care, for you may have to pass it too.

Hon. Mr. KING: A War-time Elections Act? No!

Hon. Mr. DANDURAND: There still is enough water in the canal to receive me before such legislation would have my support.

When the then Government had thus broken the morale of its opponents and held them at its mercy, it obtained some accessions to its ranks. Sir Wilfrid Laurier said to me: "With such legislation on the Statute Book, we need not go to the people. The election is settled. Ballot box stuffing and ballot switching are sanctioned."

Right Hon. Mr. MEIGHEN: Will my honourable friend allow me?

Hon. Mr. DANDURAND: Of course my right honourable friend benefited by that legislation, and he is surprised that I still feel the pinch.

Right Hon. Mr. MEIGHEN: I have no apology whatever for the legislation, notwithstanding the misrepresentations of it by my honourable friend.

Hon. Mr. DANDURAND: Well, I can say to my right honourable friend that if he thinks he was rejected three times by the province of Quebec because of conscription, he is wrong. He was rejected because of what was called that "infamous legislation," the War-time Elections Act and the Military Voters Act. If he had gone to the people with a referendum on conscription and the people had decided by a majority in favour of it, the province of Quebec would have obeyed the law. But he and his Government did not dare to rely upon a referendum, even in Ontario, because thousands and thousands of Ontario farmers did not want their sons to be conscripted.

My right honourable friend says, "You have extinguished the war spirit in the country by going to the people as one party, instead of doing as we did in 1917 and forming a Union Government." I have stated how the Conservative Government in 1917, after having broken the morale of its opponents and made it impossible for them to be returned unless they supported the Government, succeeded in attracting some members from the ranks of the Liberal party. But the so-called Union Government went to the people and split the country asunder. I said on the floor of the Senate in 1918 or 1919—my words may be found in Hansard—that on a proper franchise not one Tory would be returned from the province of Quebec. And in 1921 not a single member of my right honourable friend's party was returned in that province. The same was true in Nova Scotia and in the Western Provinces. And my right honourable friend's once proud party presented scarcely a candidate in my province in the last election, most of the Government's opponents having been known as National Government candidates.

I desire now to revert to a remark made by my right honourable friend. He said that the British Government never approached the Dominion with a straight proposal which might be rejected by a stern negative. I know that in the past the reputation of the British Government for diplomacy was of the highest. I am not speaking of the last years. They have a splendid civil service, and its members know that a direct question may entail a direct negative, and therefore they begin by sounding a Dominion. If there is virtue in such a proceeding—and I think there is—I ask my right honourable friend whether there is not like virtue in the method of the Prime Minister of a Dominion who, when approached under such circumstances, has to see that some alternative proposition may be made before he says no. Perhaps my right honourable friend will find that when he was pressing for an answer to the question, "Have there been approaches or conversations by the British Government on this matter?" the Prime Minister considered it good policy for the Dominion of Canada to adopt the method of the British Government: instead of heralding to the people and to Parliament perhaps a difference of opinion which could be ironed out, he was asking my right honourable friend to please stay his hand, as matters being discussed needed to be treated with some delicacy in order that a solution might be reached. The right honourable gentleman had the answers that came through me from the Prime Minister. He should realize, since he recognizes that the British Government never approach a Dominion with a blunt question which might call for a negative, that in adopting a similar policy the Dominion could and should have some leeway to open a discussion with the Imperial authorities. As a matter of fact, such was the case, and a few days afterwards, in the British House of Commons, the Minister said, "We are highly pleased with the proposal of the Prime Minister of Canada."

Right Hon. Mr. MEIGHEN: Does the leader of the Government say negotiations were going on during June?

Hon. Mr. DANDURAND: No.

Right Hon. Mr. MEIGHEN: They were over.

Hon. Mr. DANDURAND: They were over, by conversation with the British representative, but they were not closed.

Right Hon. Mr. MEIGHEN: Oh, yes, they were. They were resumed.

Hon. Mr. DANDURAND: My right honourable friend takes that stand because he is prejudiced and it pleases him to take it.

Right Hon. Mr. MEIGHEN: No; because a Minister of the Crown of Great Britain said they were over.

Hon. Mr. DANDURAND: It was not the Minister of Air. He, on the 7th of July, said, "I have received an offer from the Canadian Government." I think that offer was based on a statement made on the 1st of July by the Prime Minister in the House of Commons.

Right Hon. Mr. MEIGHEN: It was not. The statement I read was by Mr. Stanley. He said the negotiations were over.

Hon. Mr. DANDURAND: My right honourable friend devoted a half hour of his speech to an apparent difference of opinion with the British Government in June of 1938. It seems to me that in order to make some constructive proposition to this House he should have swept aside all these matters. They were discussed on every platform before the people—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: —and the people declared: "No. We are satisfied with the present Government." Now my right honourable friend says, "I am not looking for political preferment, I am not seeking responsibility, but I tell the leader of the Government that his Government must draw into their ranks men from all parties, so that the whole country will stand behind them." I tell him that most of those men, men of importance in the country, are working as dollar-a-year men on many of these boards, and that all the leading men in Canadian industry are at the disposal of the Government. When I look around the Council table, having myself no department to administer, I reflect that as an independent witness I am free to judge the actions of the heads of departments who form the Cabinet, and I am astounded at the amount of work which they regularly perform and which comes for examination before Council. I have described to you this evening a small part of their activities. It will be readily understood why I smile when I hear some self-appointed critics—of course, I am not thinking of my right honourable friend—in the press and elsewhere declare with an air of authority that the present Government is incapable of the task it is attempting. What marvellous leaders those self-appointed critics would be if the country only allowed them to settle all its problems and direct its war activities! Luckily for the country, the people have judged otherwise.

Hon. J. J. HUGHES: Honourable senators, the speech with which His Excellency the Administrator opened Parliament, and which we are now considering, naturally dwells at considerable length on the perturbed state of the world and the terrible wars now raging and threatened. As I stated in my brief remarks during the special session of Parliament in September last, this dreadful state of affairs did not come about by accident, for there is no such thing as blind chance. "Not a sparrow falls to the ground without your heavenly Father's knowledge and consent." Hence there is a cause, and the cause is in proportion to the results.

The last paragraph in the Speech from the Throne on the 25th of January last reads as follows:

> Honourable Members of the Senate:
> Members of the House of Commons:
> In all that pertains to the discharge of your responsible duties, may Divine Providence be your strength and guide.

And on the 16th of this month the Administrator says:

> I pray that Divine Providence may guide and bless your deliberations.

These are solemn, pregnant words, addressed directly to the members of Parliament, and indirectly to the people of Canada, and I must assume that the men who penned them and the men who read them fully realized their importance. Now, who and what is this Divine Providence that is asked to be our strength and guide, and to bless us in our deliberations? If Christianity be true, it is not blind, impersonal force. It is the supreme, infinite, eternal Intelligence: the Creator and Preserver of all things, Who was manifested in the person of one of our race, the Lord Jesus Christ. This same Christ declared, "I am the Way, the Truth and the Life"; and at another time and in another place, "Without Me you can do nothing." As I see it, it is the denial and the wilful misapprehension of these transcendental truths that are the cause of all our troubles. In my feeble way I shall try to explain, and if Christianity be true the effort cannot be wrong. In this connection plain speaking is surely desirable.

Two nations, notably Russia and Germany, led by Stalin and Hitler, have nationally and officially denied Christ and His teaching;

therefore they typify anti-Christ. Hence the war between Christ and anti-Christ is on as it never has been before, and its ground-work was not laid yesterday nor yesteryear. This is not merely a war between human beings as such; it is a war between powers and principalities, and many invisible agencies are at work. It is not confined to actual combat in the air and actual conflict on and under the land and the sea. It is being waged on a thousand other fronts, and by a thousand other forces as well. All this I shall try to explain.

A year or two ago every English-language newspaper in Canada that I saw—and I saw most of them—commended in the strongest terms a book that had been written by Dr. Thomas Mann, called "The Coming Victory of Democracy." The Ottawa Journal was most eulogistic of this book, and this caused me to read it. From my point of view, there were many defects in it, but its greatest defect was its practical ignoring of God in His dealings with mankind, and its studied elimination of all idea of Jesus Christ and His teaching in regard to the affairs of this world. Dr. Mann practically put the form of government called "Democracy" in God's place by saying in effect that if all nations adopted that form the troubles of the world would be solved.

A little later The Journal had a well written editorial under the caption, "Are We Losing the Essentials?" This caused me to write to that newspaper a letter saying that the eulogies which Dr. Mann's book had received from the English-language newspapers of Canada were the best possible proof that we had already, in large measure, lost the greatest of the essentials, namely, explicit belief in the Deity of the Lord Jesus Christ. The Journal published this letter, but deleted from it all reference to Jesus as God. I then wrote another letter, complaining of the deletion. This The Journal refused to publish, but courteously returned me the manuscript with the following written explanation:

Ottawa, Canada,
May 4, 1939.

Hon. J. J. Hughes,
The Senate,
Ottawa.

Dear Sir:

The Journal asks to be excused from printing the enclosed. It does not wish to get into a religious controversy. The reference made in your first letter to which you refer was deleted because Dr. Mann is a Jew.

So it amounts to this. In the opinion of The Ottawa Journal, reference to Jesus Christ as God would be likely to evoke opposition and start a religious controversy, and might offend Dr. Mann and others. If a choice had to be made between Jesus Christ and Dr. Mann, Jesus had to take second place. If this is not a fairly pronounced form of Hitlerism and Stalinism, I should like to know what it is. One thing I do know: if the Bible be true, this thing is not Christianity. Now, the Ottawa Journal is a sane, respectable, well-conducted secular newspaper, as newspapers go, and in my view is a good representative of the English-speaking secular press and of the public opinion of Canada in most non-political matters. And this is supposed to be a Christian country in the twentieth century!

The Bible and the Church are my authorities for saying that when Jesus Christ was bodily present on this earth He declared, "I am the Way, the Truth, and the Life," and in another place, "Without Me you can do nothing." If these words came from the lips of God Almighty we cannot ignore them without taking the risk of losing everything for which we were created. On the other hand, if they came from the lips of a mere human being like one of ourselves, he was a crazy man, and the Bible is worse than a book of fables. This would make of Christianity the greatest imposition that ever was foisted on mankind. Under such circumstances, Hitlerism and Stalinism might be right, and, if so, should not be opposed.

If Jesus Christ was and is God, any form of government with Him will give good results, and no form of government without Him will be either permanent or beneficial. Therefore, Dr. Mann's book, "The Coming Victory of Democracy," and all the newspapers that went into ecstasies over it are on the wrong track, and have some responsibility for the spread of Hitlerism, and particularly for the spread of Stalinism.

The Mann family are, however, still at work. In 1938 two of Dr. Mann's children, Erica and Klaus, wrote a book called "Escape To Life," which was published in 1939, a few months before the present war began in Poland. This book condemns in all the moods and tenses Hitler and Hitlerism, but commends in equally strong covert language free love, wholesale divorce, and the abolition of marriage, with all their evil consequences, and Russian Communism in all its branches. This book has been well received by the English-speaking world, notably the New York Times and other leading book reviews in the United States, and is held to be the last and best word on the principles of liberty and democracy. It has been highly praised by the exiles from Germany in the United States, many of whom hold chairs in the secular universities of that country, while others are film producers and actors at Hollywood and New York. They call themselves the intelli-

gentsia, and the claim is acknowledged by all who think as they do. Dr. Mann makes the book his own by writing as follows: "My dear children, you, my two eldest, have written a book after my own heart." And, by the way, Dr. Mann, sponsored by the "Tremblay Lectures Bureau," lectured in the Glebe Collegiate, Ottawa, on Wednesday, the 24th of January last, his subject being "The Coming Victory of Democracy," the title of his book. Under the circumstances, would it be out of place for me to ask Dr. Mann, and those sponsoring his lecture, to tell us whether he and his family have abjured their Russian Communism, and, if so, when, to what extent, and why? The book, "Escape To Life," is in all or most of the circulating libraries of Canada, and the librarians are diligent in commending it to their patrons.

Now, what does this kind of thing indicate? It surely indicates the loss of all practical faith in, and respect for, the teaching of the Bible, because the teaching of the Bible and this kind of thing are as far apart as the poles. And can Christendom or the democracies destroy Hitlerism and Stalinism while they themselves refuse to follow Christ in many things, or while they regard Him as a hypothesis or think they can get along very well without Him. It surely is time for stock-taking at home.

I will now try to view the field from another angle. On the eve of Right Hon. R. B. Bennett's departure from Canada he declared at a farewell banquet that it was his considered view that the Church had failed. This was tantamount to saying that God had failed, and showed that Mr. Bennett had no real conception of what the term "Church" means. If the Bible is the revealed, inspired word of God, or even a careful collection of authentic historical documents and wise admonitions, one of the outstanding things our Saviour did while bodily present on this earth was to establish an institution, an organization, or a teaching body, called a Church. With this Church He promised to remain till the consummation of the world. In addition, He promised to send it the Holy Ghost, the Spirit of Truth, to be its special guide and instructor, and to bring all things to its remembrance, while time should endure. Moreover, He commanded all men to hear this Church, saying, "He that hears you hears Me," and "He that refuses to hear the Church, let him be to thee as the heathen and the publican." thereby making Himself responsible for its teaching and thus ensuring its inerrancy. Therefore, to say that this Church had failed, in essentials, is to say that God had failed; is to say that Jesus Christ was unable or unwilling to keep His promises; is to explicitly deny the Deity of Jesus Christ and the Deity of the Holy Ghost. Now I feel sure that Mr. Bennett never intended to make such declarations, but I feel equally sure that he did not comprehend the full meaning and implications of his words; and in this respect he is like unto millions, yes, tens of millions of other befuddled Christians. This kind of thing may not in itself be Hitlerism or Stalinism, but it is Modernism, which is capable of becoming the parent of all the wandering anti-Christian "isms" in the world; and it indicates that at some time or other a large part of Christendom adopted some erroneous principle or committed some sin that prevents it from being able to reason logically in spiritual things. What Mr. Bennett probably thinks is that because there are and have been many bad lay members in the Church, particularly kings and princes, and because there are and have been unworthy ecclesiastics in the Church, some of them in high places, or even in the highest place in the visible Church, that meant the failure of the Church. But a moment's reflection would show the fallacy of such reasoning. If that reasoning were correct, it would prove that the bad men of this world were more powerful than God; that they could and did circumvent His plans and nullify His word; because Jesus Christ declared that the gates of hell should never prevail against the Church which He founded. Therefore, the presence of bad lay members and of some unworthy ecclesiastics in the Church, even granting for the moment that the many exaggerated statements of enemy historians are accurate, no more destroys its faith or nullifies the commission it received from Jesus than the betrayal of Judas and the denial of Peter, who afterwards became a saint, impaired the knowledge, the wisdom and the power of Christ, who called these men with others. In this connection Christ told His disciples what would happen: "Woe to the world because of scandals: For it must needs be that scandals come; but nevertheless woe to that man by whom the scandal cometh." Matthew, 14, 15.

I shall mention just one other important matter in connection with the idea which I am trying to convey. An Associated Press dispatch from London, England, in February, 1938, carried the news that the House of Bishops of the Convocation of Canterbury had, by a majority vote, declined to make a ruling on the question, which came to it from the Lower House, as to the meaning of the

Virgin Birth and the bodily Resurrection of our Saviour, thus declaring a fundamental doctrine of Christianity to be an open question —a mere opinion—in the Anglican Communion. I shall not attempt to comment on this. It is so serious a matter that, in my view, it need only be stated. Our Saviour said, "He that is not with Me is against Me, and he that gathereth not with Me, scattereth." If the Holy Ghost were guiding these bishops they would be in no doubt as to what to believe and to teach. And the Holy Ghost is, and has been since the first Pentecost Sunday, guiding the Church that Jesus Christ founded.

Now, it is surely apparent to every thinking mind that there must be a cause behind all this spiritual confusion which prevails in Christendom, and I think that cause is what is known as "private or personal interpretation." This principle has divided Christendom into a hundred and more denominations or sects, many of them strongly differing from one another even in essentials. A prominent clergyman in Great Britain, Dr. Oldham by name, writes that the intra-denominational differences are even greater than the inter-denominational disputes. And, by the way, Rev. Dr. Oldham did a great deal of preparatory work for the conference of the non-Catholic Christian and other churches of the world, which was held at Oxford, England, in the summer of 1937. He was one of its secretaries. He wrote a book in which he deplored the doctrinal differences among the denominations and expressed the hope that the then coming conference would heal them, but on another page of the same book he stated, "These differences are in many instances the result of the variety of finite minds, and are consequently an enrichment of the Christian fellowship, inasmuch as they add to the fullness of apprehended truth." So there you are; make what you like of that. According to Dr. Oldham, the intra- and inter-denominational differences are both bad things and good things at the same time. This state of spiritual confusion cannot be in conformity with God's will. It is not the result of Christ's earnest and beseeching prayer for the unity of spiritual belief among His followers.

This principle of "private or personal interpretation" has destroyed the Bible, so far as man can destroy it, and has injured the Church, so far as man can injure it. Many of the evangelical denominations, realizing the terrible confusion in the spiritual order, hold from time to time world-wide conventions of the non-Catholic Christian and other churches, to heal if possible these divisions. However, these well-meaning but bewildered men separate without doing anything more than passing a few pious, platitudinous recommendations and making a few confused reports. Nothing more can be done while the principle of "private interpretation" prevails. As already stated, one such conference was held at Oxford, England, in the summer of 1937. There was another at Edinburgh, Scotland, a month or two later, and still another at Madras, India, in 1939. These conventions might as well try to stop the turning of the earth on its axis as to stop the multiplication of new denominations, or to heal the differences in the old ones, while the principle I have alluded to remains. Man cannot accomplish what to him is impossible. Nevertheless, these conferences and these pious, platitudinous recommendations do some good. They serve to keep alive fragments of the beliefs which have come down to us from the centuries when Christendom was practically united, so far as the faith was concerned, and this is a contribution that is not to be despised.

Earlier in my remarks I ventured to inquire whether a large part of Christendom had not at some time or other committed some great fault, or adopted some erroneous principle that prevented it from reasoning logically in spiritual things. As I see it, only something of that kind would account for the present condition of Christendom, which is poorly equipped to meet what are called Stalinism and Hitlerism. If my reasonings and conclusions be correct, this spiritual darkness is a worse affliction and a greater menace than the dreadful wars now raging. In fact it may be the cause of these wars, because, in the last analysis, the spiritual dominates and controls the temporal. And if this idea be correct, only He who said, "Let there be light," and at whose command light was made, can bring peace to this distracted world.

Perhaps I should not close without referring to the leading article in the Atlantic Monthly for December last, entitled, "The Man Who Gave Us Christmas," by Winifred Kirkland. Mrs. or Miss Kirkland says in polished language that the man was Luke the Evangelist, and she thus relegates Jesus Christ to second, or third, or fourth place, and in the end to oblivion. This shows the determined efforts that are being made, in a large part of Christendom, to take Christ out of Christmas, and out of everything else, to reduce Him to the level of a mere man, and to convert the Day of Days into an ordinary secular holiday. If this kind of thing continues to grow, as it has grown during the last quadrennium in the English-speaking and the German-speaking worlds, Jesus Christ will soon have no place at all in the scheme

of things. And, God help us, it is the so-called intellectuals in both the spiritual and temporal spheres who are doing this work. In this connection every true Christian in the world must view with alarm the recent appointment of that shameless, immoral pagan, Bertrand Russell, to the chair of philosophy in the City College of New York, and the atheistical action of "The American Civil Liberties Union" in regard thereto. This appointment and the support it has received in the name of civil liberty, together with his more recent appointment to a chair of philosophy in Harvard, are most disturbing indications of the trend of the times, and are a terrible warning to western civilization, both spiritual and material.

One other thing, which arrested my attention a few months ago. An editorial in the Montreal Daily Star of December 6 last was headed, "Federation as Europe's Best Post-War Way of Escape." My comment on that is this. If we had not lost the true Christian conception of life and its meaning, or if we fully realized God's purpose in making this planet our habitation for a little while, surely we should say that a return to Jesus Christ, as Creator and Sovereign Lord of Heaven and earth and of all things, would be Europe's and the world's best post-war way of escape. But whether we say it or not, time will tell at least the few that it is the only way. Will these few ever become the majority of mankind? Is it a dream to think so? Will the time ever come, even in North America, when the influential writers, readers, publishers, preachers and teachers, will know that belief in the Deity of Jesus Christ is the foundation of everything that matters in the realms of faith and morals? Let us at least cherish the hope that that day will come. Otherwise there is no such thing as peace for this weary world.

I will now draw to a close by repeating some of the words spoken by the King in his Christmas broadcast:

> I said to a man who stood at the gate of the year, "Give me a light that I may tread safely into the unknown," and he replied, "Go out into the darkness and put your hand into the hand of God. That shall be to you better than light and safer than the known way."

The last sentence, I think, should read as follows: "That shall be to you better than any artificial light and safer than any known human way." The sentence as it was broadcast by His Majesty, and as it has been published in the newspapers, is bad theology, but is a good illustration of the bewildered spiritual thought of the age, the thought of millions of professing Christians in large parts of Christendom. We may well say that the night is dark and long. Also we are far from home, much farther than the Prodigal ever was, and far from the end of this Armageddon, which is a manifestation of God's just wrath upon a sinful earth. I do not know when this war will end, but, being a Christian, I know how it will end. God will not be dispossessed of the world which He created, by anything that man, prompted by Satan, can do. And a whole-hearted return to Jesus Christ by the professing Christians of even the democratic countries would hasten the war's end, because it would mean a whole-hearted effort to destroy the forces of evil in the world.

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

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

THE SENATE

Wednesday, May 22, 1940.

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

Prayers and routine proceedings.

IMMIGRATION FROM BRITAIN AND FRANCE

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN: Honourable members, there is a matter which may be worth while mentioning. I should think it not impossible that from now on there will be numbers of young people of Great Britain and France who desire to come to this Dominion. I just wish to express the hope, in which I have not the least reason to think the Government would not concur, that our gates will be thrown open without reservation to such persons if they have the approval of their respective governments.

Hon. RAOUL DANDURAND: I will make it my duty to convey that statement, with the hope expressed by my right honourable friend, to the Ministers concerned.

THE ADMINISTRATOR'S SPEECH

ADDRESS IN REPLY

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

Hon. JOHN T. HAIG: Honourable members, in rising to take part in this debate, I can assure you that I shall not be long.

Mr. Speaker, will you first allow me to congratulate you upon your elevation from the ranks to the first office of this House?

Let me also congratulate the mover of the motion (Hon. Mr. Paterson). In the part of the country that I come from, if you know anybody at all you know N. M. Paterson, because you see his name well advertised all over Manitoba, indeed from Western Ontario to the borders of the Rocky Mountains, in large letters which everybody can see.

I have not had the pleasure and honour of meeting the seconder of the motion (Hon. Mr. Blais), but I congratulate him also on his speech. If a senator in his sophomore term—following university custom, I am calling myself a sophomore, as we are now beginning the second Parliament since my appointment to the Senate—if I may, in all humility, say a word to a new member, it would be this: I do not think he should indulge in such laudatory references to the two gentlemen whom he mentioned, because I am one of those who are persuaded that before the treaty of peace is signed a considerable quantity of water will have run under the bridge.

I am delighted, as I think all honourable members are, at the clear thinking of the right honourable leader of the Opposition in this House (Right Hon. Mr. Meighen). Also, we are always delighted to hear one who seems to typify a gentleman of France speak on behalf of the Government (Hon. Mr. Dandurand). I do not know what a gentleman of France is like, but from what I have read in the pages of French history I think the honourable gentleman would qualify for that category.

I do not intend to discuss at this time the late election. If I did, I might be able to suggest—again in all humility—what was the motive power behind the flood of votes in one direction. Time alone will reveal the inside story. I may be in a minority in the view I am about to express, but I am persuaded that the avalanche of votes in favour of the Government was not due to the cause stated in the press, the desire to get on with the war. When peace is restored Canada will take stock of what the present Government did in this great crisis, and at the next election the people will deliver judgment.

In my opinion, the issue uppermost in the mind of every thinking Canadian, whether he dwell on the Prairies, on our Atlantic or Pacific coast, or on the banks of the St. Lawrence, is: What are we as a nation doing to-day when the Hun is hammering at our gates? Have we in the front lines in France any men, any tanks, any aeroplanes to help stay the German hordes and so protect Canada? Some of us go so far as to picture the day when we may have to rely on the American nation to the south for the preservation of our national life. It may be said that I am pessimistic. Well, if a week ago anyone had told us that in about a fortnight the Hun would be at the Channel ports, we should have regarded him as crazy. To-day the people of Canada are worrying about what this Parliament is doing to meet that menace, and I am convinced that they will hold not only the Government, but, worse luck, the members of both Houses, responsible for any failure to throw the full weight of Canada into this momentous struggle.

The Government, according to the speech which the honourable leader of the House delivered to us yesterday, have planned for a long war, a war in which finance and aviation and other factors would play a great part. That plan may become effective in 1941 or 1942 or 1943, but by that time the Hun may be on the St. Lawrence river.

Hon. Mr. DANDURAND: Will my honourable friend allow me to point out that he is slightly in error in stating that the present Government had planned for a three-year war according to the schedule prepared for the Commonwealth or British air plan. I may tell him officially that that plan and schedule came from Great Britain. We have gone somewhat in advance of the schedule. My honourable friend will therefore understand that the plan visualizing a long war comes from London.

Hon. Mr. HAIG: May I remind my honourable friend that in 1938 his Government did not take dictation from London or from any other source, and I am surprised at the sudden change of front for the purpose of evading responsibility. No, the Government must take full responsibility and stand by their programme for a long war. It makes no difference what the British Government suggested should be done.

In 1938 the Government of Canada refused to accept certain suggestions of the British Government, and that decision will be reviewed by future generations. This Government must take full responsibility for the present war plans, which apparently are based on the probability of a long war. I should like some member of the Government to tell me when, under the air training scheme, we shall be ready to send trained aviators to France. I am credibly informed that the Government have made arrangements with the University of Manitoba for the use of part of its buildings, but that they do not desire to take them over until January, 1941. This simply means that men who may be trained there cannot be ready for active service before September, 1941—a year and three months from now. There is the very

thing which is causing anxiety throughout this country—the fact that the programme is based upon a long war. The Government may be right in this, but if the struggle be short and adverse to the Allies, what would be the use of planning for a long war?

When, about two years ago, the right honourable leader of the Opposition (Right Hon. Mr. Meighen) asked the honourable leader of the Government about a request from the British to the Canadian Government for the establishment of air training schools in this country, I listened very carefully to the answers, and was convinced that some communication along the lines mentioned had come from the British Government. I received confirmation of this when, in December last, the right honourable Prime Minister addressed the people of Canada over the radio. The British Government desired at their own expense to establish air training schools in Canada pretty much according to the present air training scheme; but the Canadian Government said: "No, that would be a surrender of part of our sovereignty." The decision, I admit, rested with our Government, but the facts should have been presented to the country during the recent election. I go further: the Government should, in May or June of 1938, have disclosed their policy to Parliament and to the country. I say to honourable members that when the history of our contribution to this war is recorded the attitude taken by the Government on that occasion will be strictly examined.

We have been told that Canada will spend about $350,000,000 on the air scheme. I suggest that the cost will be nearer $500,000,000 before the scheme is completed. Had this Government complied with the request of the British Government in 1938, the Imperial authorities would have spent this money in Canada. To-day where do we stand? Are we depending on our own endeavours, or praying nightly that the British and French armies may stop the German forces? Everybody in this country is down on his knees these nights praying that this shortage of aeroplanes and tanks, equipment which we could have manufactured in this country, may not be fatal to the Allied cause. For the making of tanks the facilities which we have in Canada are not equalled by those of any country with similar industrial development. In the city of Winnipeg we have four large factories that could turn out these monsters of war, and yet, after nine months' hostilities, not a single tank has been made in this country. I may be too pro-British, as perhaps the people in my province are, but I was persuaded in 1938, yes, and I am convinced now, that when the British Government proposed the establishment of air training schools in Canada, the attitude taken by our Administration lost us the opportunity to build up in this country an aeroplane industry which would have been second only to that of the United States.

Hon. Mr. DANDURAND: We are doing it.

Hon. Mr. HAIG: Oh, no. How many Canadian aeroplanes have we in Canada to-day? None. Where are we buying aeroplanes? In the United States. Machines from the American factories are every day coming across the line into our province. Where are our Canadian tanks? We have none. Yet in my city there are unemployed men looking for jobs in local factories where tanks might well be turned out.

This state of affairs makes our people uneasy. I care nothing about the sovereignty of Canada in such a crisis as we are facing to-day. Our sovereignty is bound up with the sovereignty of the other democratic nations. I agree with the honourable gentleman who said that if the United States Government asked us to allow their fleet to manoeuvre in Canadian waters we should say, "Come and manoeuvre to your heart's content." When the British Government asked for permission to establish air training schools in this country our Government should have granted the request immediately. We have paid dearly for their refusal.

As honourable members will recall, in 1914 the cry was for men, more men, and still more men. In this war, apparently, the cry is for more and more tanks and aeroplanes as well as for more men. I think the Government should not say, "We are going to recruit a Third Division," for the First Division went over ill-equipped—

Hon. Mr. DANDURAND: Oh, no.

Hon. Mr. HAIG: I speak with some authority on the point. My brother is in that division, and I know how he was equipped. The Second Division also is ill-equipped and not ready for service in France. A Third Division is now promised. I beseech the Government to take the people fully into their confidence and tell the whole story. During the late campaign the only speech from the Government side that impressed me as containing the absolute truth was that made by the Hon. Minister of Finance at Kingston. This country can stand the truth. Just tell us the facts and we shall reach our own conclusions. If you have no aeroplanes, no tanks, no equipment in Canada, say so. Tell us where we stand and we shall know what to do. I pledge myself to support every effective endeavour by the Government to carry on this war. Labour leaders in Great

Britain have in clear terms stated what is at stake. Our people also—the fisherman, the farmer, the artisan—know full well that the future of everybody in this country is wrapped up in this struggle. Let the Government so act that the people can feel they are doing their full share to ensure victory. This morning a young man came to me and said, "Mr. Haig, what can I do to help in this war?" He is 33 years of age, married, and has a family. When I am at home dozens of men, some a little older than the one I saw to-day, ask me what they can do to help with the war. I have had young men ask me whether, through friendship with somebody, I cannot get them into the Air Service, but I have to tell them I am powerless to assist them. A feeling is growing that we are not up and doing, that we are merely planning to accomplish something in the future, not now. I plead with the honourable leader opposite and his supporters in this House to urge the Government to tell the people of Canada what is being done towards making our full contribution to the Allied cause. He will never be able to convince me by simply reading manuscript as he did yesterday, that a real worthwhile war endeavour is being made. I would advise him to tell the people in simple language what is actually being accomplished. Tell them that we have only one division in Britain, that it arrived there with obsolete guns and without full equipment, but that now it is fully equipped. Tell them that a second division has been formed and that a third division will be organized. The men should have been in training for the last six months in order to be physically fit to carry on the work.

I feel very keenly on this subject. I think our people want to do something to help, but up to date they have lacked leadership. There is no community of will between the Government and the people. Some honourable gentlemen may say, "Well, we got the votes of the people." I will not discuss that matter. I could do so, and could tell my honourable friends what the issues were; but that is of no use to-day. We must pledge our support to the Government. The Government must trust the people, and if the Government do so they will get a great response from all parts of this great country.

Hon. F. B. BLACK: Honourable senators, I have a profound conviction that the people of Canada are not at present satisfied with the efforts being made by this country in the conduct of the war. I listened with a great deal of interest and care to the remarks which fell from the lips of the Prime Minister in another place. He made an excellent speech and told an excellent story, but, although I was impressed with his sincerity, I was not impressed with what his remarks conveyed to me; and I am satisfied that the people of Canada did not hear what they wanted to hear, namely, that we were making a real effort to do our share in this war. Before I go on with the very brief address which I intend to make, I wish to reiterate the congratulatory remarks made with regard to our Speaker, and the mover (Hon. Mr. Paterson) and the seconder (Hon. Mr. Blais) of the Address in reply to the Speech from the Throne. I shall content myself with endorsing what has been said to them, for it is useless at this time to repeat what others have expressed much better than I could.

Yesterday I heard a remark by the honourable gentleman opposite (Hon. Mr. Dandurand) in which he accused the leader on this side of the House (Right Hon. Mr. Meighen) of being an Imperialist. I fancy the leader of this side is proud of the charge that he is an Imperialist. All I have to say in this respect is that up to the present time Canada has been a part of the British Empire, and that every good Canadian must be or ought to be an Imperialist as long as Canada remains within the boundaries of the Empire. It is all very well in time of peace to boast of belonging to the greatest Empire the world has ever known, but if we do not back up that boast in time of war, when the very life of the Empire is assailed, we are not true Canadians and should get out of the Empire. If we were to do that, where should we go? Our first line of defence is in the might of that great Empire, and the living emblem of that line of defence to-day is the British Navy.

It seems to me that a fair question for the people of this country to ask is what we, as legislators representing the people of this country, have done towards performing our part, first, in preparation for the war, and, second, in action. After the speeches of the right honourable leader on this side (Right Hon. Mr. Meighen) and my honourable friend who has just taken his seat (Hon. Mr. Haig) I can scarcely discuss these matters without repeating what they have said, but I would call attention to a few things in regard to which I think we have fallen down or have failed to measure up to the required standard.

Two years ago I was told by a competent authority that we had in Canada facilities for making battleships. I questioned that statement. I was then told that we in Canada could build just as good submarines as can be built in any other part of the world, and could build minesweepers and light cruisers, and even moderately heavy cruisers. We have the shipyards, the machinery, and the men

ready and awaiting the opportunity to do the work.

That being so, it is fair to ask what we have done in that respect. We were told in the speech of the Prime Minister that we had a number of light vessels under construction, but so far as I can ascertain by inquiry from informed sources, not one light cruiser has been constructed in Canada up to the present time. Just now we are wanting two new cruisers, and we have ordered them from Great Britain at a time when she has all she can do to replace her losses and keep her own strength up to that measure which will be required for the winning of the war.

Right Hon. Mr. MEIGHEN: Does the honourable gentleman not mean destroyers?

Hon. Mr. BLACK: No; I mean destroyers and cruisers. I was told that we had facilities for the building of light cruisers in this country.

Right Hon. Mr. MEIGHEN: I was referring to the statement that they have been ordered.

Hon. Mr. BLACK: Oh, yes. I thank you for the correction.

If we had realized two years ago what the situation was—and it was so plain that he who ran might read—we could have laid down some of these ships in our own shipyards and they would now be ready for launching, because two years is a sufficient length of time for the building of cruisers, and we should be in a much better position to assist the Empire.

Every person in Canada who knows anything about the manufacturing industries of this country knows well that in proportion to our population, our facilities for the building of tanks are equal to the facilities of any other country. The Canada Car Company could build tanks; the manufacturers of locomotives could build them; the factories which produce our tractors and other magnificent farm machinery could build them. I am informed by the heads of two or three companies in Canada that they are able and eager to build tanks. But as far as I can learn not one tank has yet been produced in this country. If I am wrong in this I should like to be corrected. Such is the situation as I understand it. The only reason that I could get for this condition of affairs came from a person who said that in connection with the building of tanks there were certain patents which were not available for use. Imagine a statement of that kind being made in Germany. Do you suppose that patents on some particular feature of a piece of war machinery would hold up manufacture in that country? All I can say is that had I been the Minister of Munitions and Supply I should have built the tanks first and talked about the patents afterwards. If we are going to win the war, we have to adopt that principle. Such formalities as patents may be all right in time of peace, but in time of war they should be cast aside. We should be making tanks to-day, and we are not doing so. We sent our First Division overseas without any equipment of that kind, and we are going to send the Second Division over in the same condition. I doubt very much whether any tanks or big guns will be built in this country before the war is over.

When the war broke out, the ports of Halifax and Saint John, and possibly the port of Vancouver, did not have a big gun that was worth a bawbee; and those they have to-day were not built in this country. Yet we can build big guns in Canada, and ought to be building them. Furthermore, I have been told that we have not yet built any anti-aircraft guns in Canada. I hope this is not so, but I fear it is.

Aeroplanes have been mentioned, and we have heard a great deal about the scheme for creating an air force in this country. I believe the scheme which has been formulated is a good one, but it needs speeding up. I wonder if any honourable gentlemen have read an article appearing in this morning's Ottawa Journal which mentioned something I know to be a fact. Under the air training scheme certain buildings were to be erected. As yet they have not been built, and there is no evidence of any real energy being put into the project. I am told the same sort of thing is characteristic of the whole scheme throughout Canada. I am told further that the original plans made for the buildings in Ottawa, in the Maritimes and at other places, including Vancouver, British Columbia, were so defective that they have had to be completely rearranged. I could give particulars of this, but as it might compromise someone to do so, I shall refrain.

We have overseas at the present time one flight squadron which, if I am correctly informed, consists of sixteen planes and personnel. Where did those planes come from? We did not build them. Another flight squadron which is ready to go over comprises, I understand, fourteen planes. Where did those planes come from? We did not build them in Canada. When are we going to start building planes in Canada? That is what I want to know, and that is what the people of Canada want to know. Lack of information on such subjects is just one of the many reasons why the people of Canada to-day are not at ease. There is a disturbed

feeling from coast to coast. No man who looks can fail to see signs of that restiveness which prevails among the people because they feel that our legislators are not on the job. Long ago we should have been producing planes for our own flyers who are now in Canada, and by this time we should have been stepping up our production so as to be able to help the British replace some of the machines they lose.

Considerable comment has been made about the election. Well, the people voted, as they have a right to do, and I for one accept their judgment. But, unfortunately, a large body of Canadians apparently think one war was won on the 26th day of March, and that now it is not necessary to exert themselves over the other war, which is raging in Europe. With the mandate that they received at the polls the Government should have come back here full of vim and vigour, determined to do their utmost. But if they have done their utmost, the people of Canada do not believe it. We have been and still are told that everything possible is being done. My own comment on that is, that a half-truth is often worse than a lie, because it deceives more generally and more insidiously than a lie does. I repeat, the people of Canada believe that the country's utmost is not being done. So strong is this feeling that it is being expressed in almost every newspaper, regardless of its political affiliation, throughout the land. Before our people will be convinced that Canada is doing its utmost to help win the war, that it is participating to the fullest possible extent as a member of the Empire, the Government will have to give a more effective demonstration of action than they have given up to the present time.

I am quite aware that prior to the outbreak of the conflict there was in Canada a very strong sentiment in favour of keeping out of war. I do not want to malign any particular part of the country, but this sentiment was said to have been pretty general in the Middle West. To-day, however, those of our people who a year ago would have held up their hands in horror at the idea of sending Canadians overseas to fight have a different view. It reminds me of the old saying:

> When the devil was sick, the devil a saint would be;
> When the devil got well, the devil a saint was he.

I do not know whether the Government have been in any way guided by the anti-war sentiment of the past, but if so it is time for them to realize the change that has come about in our people's outlook. The Allied armies in France are being driven back day by day, hour by hour, minute by minute. Thank God, the report is a bit better to-day, but the facts are about as bad as they could be. In my opinion, the situation in Europe at present is more serious than it was at any time between 1914 and 1918, and that is saying a great deal.

I want to ask one question about production of the Bren gun. I will not enter into any controversy about the gun itself, which I am told is an excellent weapon. Last session we were informed in this House that a number of these guns had already been produced in Canada, and what I should like to know is whether any of these Canadian-made guns were sent overseas with our First Division. If not, have any been sent over since to equip the First Division? I asked that question of the military authorities, but got no answer. Whether the question was embarrassing or not, I had to draw my own inference.

Hon. Mr. DANDURAND: Of course, I have not the contract before me, but I am under the impression that the date fixed for the first delivery has not yet been reached. In that impression I am corroborated by one of my honourable friends who knows a little more about the matter than I do.

Hon. Mr. BLACK: Then I should say the contract is a very poor one. One would have expected the contract to be speeded up when the war began.

Hon. Mr. DANDURAND: The contract was signed by Great Britain.

Hon. Mr. BLACK: The contract is being performed in Canada, and it was up to this Government to see that it was revised and production speeded up.

I want to call attention to one more point which I believe is considered important by many of our people. We have in Canada a large number of veterans of the last war. Many of them are not nearly as old as I, or as my honourable friend from Edmonton (Hon. Mr. Griesbach), but I dare say that in case of necessity both of us could still be of some use in a war. Among the veterans there is a large number of men in their forties, just in the prime of life. Anyone who has been in an army, and especially one who has been through a war, even if only for a short time, knows that an experienced soldier is very useful. Not only has he a steadying influence upon the young men when they go into the front line for the first time, but his general experience, which can be obtained only under fire, is invaluable. Every man upon going into his first battle has a feeling of uncertainty and dread, and suffers from the thought that he is going into something about which he knows nothing. But the man

who has previously been under fire has a more confident bearing. Now, I know it to be a fact in New Brunswick and Nova Scotia that a man who served overseas in the last war is pretty well debarred from service in this war. I say that is unfortunate.

Hon. Mr. DANDURAND: Many of the younger veterans have volunteered and been accepted.

Hon. Mr. BLACK: They represent a very small percentage, I will tell my honourable friend. My point is that veterans of the last war should be used to the utmost. Those who are not physically fit to go overseas, but still are comparatively young, should be employed in Canada for home defence. They should be appointed to every job for which a soldier is required in this country, thereby releasing for overseas service those younger men whom we shall need for replacements in our First Division, as well as for completing our Second Division, which is by no means ready to go overseas yet, and for recruiting the Third Division, which is in process of being organized.

Honourable members, I do not desire to take up more of your time. What I have said expresses my own opinion, an opinion which I am firmly convinced is shared by an overwhelmingly large number of people throughout Canada. I do ask the Government to get on with the war and with preparations for continuing the war. It is high time that we began in earnest the manufacture of war materials here. Why are our factories not turning out big guns, aeroplanes, anti-aircraft guns, anti-tank guns, and more munitions of every kind? We have not yet touched the fringe of our manufacturing possibilities. And if it is necessary to reorganize the Government, do not be satisfied with merely shifting a man from one Cabinet position to another, unless you are sure he is the best possible man for the job. Instead, go outside the Government ranks and bring in the most capable person that can be got. My reason for making this suggestion is that the Government do not seem to have put their shoulders under the load, and they do not seem to be pulling together as the country would like to see them do. Continuation of present complaints can be avoided only by prompt and vigorous action on the part of the Government. Unless such action is forthcoming, the people will see to it that a new Government is brought in to do the work as it should be done.

The Address was adopted.

Hon. Mr. BLACK.

ORGANIZATION OF COMMITTEES

Hon. Mr. DANDURAND: Honourable senators, I move that the Senate adjourn during pleasure. That will give an opportunity for honourable members nominated by the Committee of Selection to meet right away and organize their respective committees.

The Senate adjourned during pleasure.

The sitting of the Senate was resumed.

DEPARTMENT OF NATIONAL DEFENCE BILL

FIRST READING

A message was received from the House of Commons with Bill 15, an Act to amend the Department of National Defence Act.

The Bill was read the first time.

SECOND READING

Hon. Mr. DANDURAND, with the leave of the Senate, moved the second reading of the Bill.

He said: The purpose of this Bill is to divide the work of the Department of National Defence by the appointment of a Minister of National Defence for Air to take charge of that part of the work which has to do with the air service. I think the proposed change will be helpful to the Minister of National Defence, for at the present time he has to shoulder a very heavy burden.

In England the Government at first placed the War Office, the Admiralty and the Ministry of Air under a Minister of Defence, and later under a Minister of Co-ordination to co-ordinate those departments. I hope we shall not have to follow that pyramidal policy, but shall be satisfied to see how under this arrangement the two Ministers discharge their duties. This I hope they will do not only to the satisfaction of the Commons, but of the Senate as well.

Hon. Mr. GRIESBACH: Has there been any suggestion that co-ordination may be necessary? At the present time the senior air officer is a member of the Defence Council, on which he sits on terms of equality with the Chief of the General Staff and the senior naval officer, all being under the jurisdiction of the Department of National Defence, presided over by the Minister. Am I to understand that with the creation of a new Minister the senior air officer will withdraw from the Defence Council, and the Air Ministry will not carry on in co-ordination with the Defence Council? Will the honourable leader inquire as to this?

Hon. Mr. DANDURAND: Yes. I take it for granted that the Ministry for Air which is to be created under this Bill will act independently in all matters affecting the air service, and there will be no other change in the conditions which prevail to-day in the Department of National Defence. The Minister for Air will be able to draw upon the pay, engineering and other sections, but they will remain under the Minister of National Defence. If any situation should arise which called for prompt action in relation to those various sections, and even the air service, the Minister of National Defence would be supreme; but for the carrying on of the work of the air service he has as his associate a Minister specially detailed for that service. Otherwise, I think, nothing is changed.

Hon. Mr. GRIESBACH: That implies the Minister for Air will be subordinate to the Minister of National Defence.

Hon. Mr. DANDURAND: I should not like to use that expression. I term him an associate.

Hon. Mr. GRIESBACH: Perhaps the honourable leader will inquire whether after the creation of the proposed Air Ministry the senior air officer will be withdrawn from the Defence Council. I think he will.

Hon. Mr. DANDURAND: I doubt it very much.

Hon. Mr. GRIESBACH: I cannot see how he can sit there after the creation of the Air Ministry.

Hon. Mr. DANDURAND: It is a moot question in the mind of my gallant friend. In order to satisfy him I will get the information independently of this Bill.

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

THIRD READING

Hon. Mr. DANDURAND, with the leave of the Senate, moved the third reading of the Bill.

Right Hon. Mr. MEIGHEN: It will be observed in sections 2 and 3 that the proposed change takes effect on the passing of some regulation under the War Measures Act. Does it mean that the creation of the Air Ministry rests upon the continuance of the regulation so passed, and therefore disappears with the repeal of the regulation?

Hon. Mr. DANDURAND: That is, this Bill replaces the regulation.

Right Hon. Mr. MEIGHEN: No, it does not.

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Hon. Mr. DANDURAND: We could have made the change by Order in Council, but we are doing so by Act of Parliament.

Right Hon. Mr. MEIGHEN: That is so. Parliament by this Bill authorizes the creation of the new Ministry. But section 2 reads:

> The said Act is further amended by inserting therein, as section four A thereof, the following section:—
>
> 4A. (1) When such a proclamation as is first mentioned in section two of the War Measures Act has been issued under the said section, an additional Minister of National Defence may be appointed. . . .

That is to say, the Government must first, utilizing its powers under the War Measures Act, pass an Order in Council, and when that is passed an amendment is automatically made to the Department of National Defence Act, which amendment has the effect of erecting a Department of Air. Is not the effect this, that the Department of Air necessarily is temporary, because the amendment to the Act takes its root and being in a regulation passed under the War Measures Act? And does it not follow that upon the repeal of that regulation the amendment disappears and the Act stands as it did before, and there is no longer a Department of Air Defence?

Hon. Mr. DANDURAND: The proposed appointment of this Minister for Air is simply for the duration of the war.

Right Hon. Mr. MEIGHEN: That is the way it is done?

Hon. Mr. DANDURAND: Yes.

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

ADJOURNMENT OF THE SENATE

Hon. Mr. DANDURAND: Honourable senators, I move that when the Senate adjourns this evening it do stand adjourned until Monday, May 27, at 8 p.m.

The motion was agreed to.

The Senate adjourned during pleasure.

The sitting was resumed.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General informing him that the Honourable Oswald Smith Crocket, acting as Deputy of His Excellency the Administrator, would proceed to the Senate Chamber this day at 6 p.m. for the purpose of giving the Royal Assent to a certain Bill.

The Senate adjourned during pleasure.

The Honourable Oswald Smith Crocket, acting as Deputy Administrator, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Speaker, the Honourable the Deputy Administrator was pleased to give the Royal Assent to the following Bill:

An Act to amend the Department of National Defence Act.

The House of Commons withdrew.

The Honourable the Deputy Administrator was pleased to retire.

The sitting was resumed.

The Senate adjourned until Monday, May 27, at 8 p.m.

THE SENATE

Monday, May 27, 1940.

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

Prayers and routine proceedings.

BREN GUN MANUFACTURE

NOTICE OF INQUIRY

On the notice by Hon. Mr. Griesbach:

That he will inquire of the Government:

1. How many completed Bren guns have been turned out by the Inglis Company's factory in Toronto?
2. Where are they now, and to what use are they being put?
3. Have fair quantities of the guns so produced been subjected to the test of continuous fire?
4. If so, what is the report on the tests as to continuous fire and interruptions thereof?
5. What are the name, rank and unit of the component and responsible military officers charged with the supervision of the above-mentioned tests?
6. Do these tests, if any, disclose faulty tempering of component parts or the necessity of tempering component parts at varying temperatures to provide uniform reaction to heat when firing continuous practice?

Hon. Mr. GRIESBACH: Honourable members, I desire to call attention to a couple of errors in the fifth paragraph: "component" should be "competent," and "officers" should be in the singular. I would ask that the necessary amendments be made.

Hon. Mr. DANDURAND: There is no need for a motion. All that is required is for my honourable friend to amend his inquiry accordingly.

Hon. Mr. GRIESBACH: That is all I am doing.

The Hon. the SPEAKER.

PRODUCTION OF MUNITIONS

NOTICE OF INQUIRY AND DISCUSSION

On the Orders of the Day:

Hon. THOMAS CANTLEY: Honourable senators, on Wednesday of last week Hon. C. D. Howe, Minister of Transport, made some statements in another place with respect to the production of munitions, to which I desire to refer.

Hon. Mr. DANDURAND: I doubt whether, on the Orders of the Day being called, my honourable friend can proceed to discuss a statement made in the House of Commons. He can give notice of a substantive motion and later discuss the matter.

Right Hon. Mr. MEIGHEN: The honourable member might give notice now and, by consent, discuss his motion to-morrow.

Hon. Mr. DANDURAND: He may, with the help of the Clerk of the Senate, or the Law Clerk, draft the question which he intends to put.

Hon. Mr. CANTLEY: With the leave of the Senate, I shall discuss the matter to-morrow.

Right Hon. Mr. MEIGHEN: Perhaps, on behalf of the honourable senator from New Glasgow (Hon. Mr. Cantley), I may give notice that to-morrow he will make inquiry as to shell production in Canada, and will discuss that matter.

CANADA'S AIR SERVICE

NOTICE OF DISCUSSION

On the motion to adjourn:

Hon. Mr. McRAE: Honourable senators, I should like to give notice that to-morrow I shall discuss a question of national importance, namely, the Air Service of Canada.

Hon. Mr. DANDURAND: My honourable friend, of course, will put his question in writing.

Right Hon. Mr. MEIGHEN: It is quite impossible for us to give two days' notice unless we remain here pretty constantly through the week, which means losing certain days entirely. I suggest that the Senate should unanimously agree to one day's notice for the discussion of any subject connected with the war. Surely that is all that is needed. I should think an hour's notice would be sufficient in these times.

Hon. Mr. DANDURAND: I am not asking for anything else.

Hon. Mr. McRAE: Honourable senators, in order to get my motion properly before the House, I give notice that at the next sitting of the House I shall call the attention of honourable members to a question of national importance, the Air Force of Canada. We have all received a supplement on the Air Force agreement between Great Britain, Canada, Australia and New Zealand.

Hon. Mr. DANDURAND: The Commonwealth agreement.

Hon. Mr. McRAE: The Commonwealth agreement. I must say, however, it is not very clear just what that agreement, carried to its full extent, would mean. I intend, with the consent of the House, to deal with this matter at some length. I am sure that nothing in my remarks will give information to the enemy or be unduly critical of what has been so far accomplished by the Government. It seems to me that in this trying period, in view of the catastrophe confronting us, this honourable House can do a great deal not only to enlighten honourable senators, but also to provide the country with information that would allay much of the uneasiness which, as we all must recognize, is very general throughout Canada.

We must not deceive ourselves into the belief that we should sit here like men who are speechless, or that we have not a function to perform. I should certainly feel embarrassed if this honourable House were to adjourn from time to time without discussing the great emergency that lies before us. Our effort should be constructive, and surely from among the membership of this honourable body there will arise some helpful suggestions. Rules or no rules, I cannot see why there should be any hesitancy in discussing issues which are worrying our citizens almost into nervous prostration. In my opinion, rules should not prevent us from considering these things in a proper manner. As the right honourable the leader of the Opposition (Right Hon. Mr. Meighen) has said, there is a simple way of accomplishing what we desire. I do not wish the honourable the leader of the House (Hon. Mr. Dandurand) to feel that in my remarks I shall transgress in any respect, or that the matters I shall deal with will not be proper subjects of discussion. Whether what I have to say will be helpful to the Government I do not know.

Hon. Mr. DANDURAND: I hope so.

Hon. Mr. McRAE: I hope so too. There are numerous subjects we ought to discuss, such as the fifth column, home defence and many other matters which are causing the people of Canada considerable worry, much of which, I believe, can be removed by the application of the wealth of wisdom which is to be found in this Chamber.

Hon. Mr. DANDURAND: I should like to tell my honourable friend that this Chamber is entitled to obtain all the information the House of Commons is entitled to receive. The information may be a little slower in coming to us, because I shall have to rely for my information upon my colleagues in the other Chamber. But any question that can properly be raised in the other House concerning the situation can be debated here.

THE SITUATION IN EUROPE

INQUIRY

Right Hon. Mr. MEIGHEN: Before we adjourn, is there any statement the honourable leader of the House can make to us? I find it impossible at this time to discuss matters in the usual atmosphere, and I am wondering if the leader of the House can give honourable members any information regarding the progress of the crucial conflict to which all our minds are turned.

Hon. Mr. DANDURAND: I am in hopes of being able to make a statement to the Senate to-morrow.

IMMIGRATION FROM BRITAIN AND FRANCE

INQUIRY

Right Hon. Mr. MEIGHEN: May I refer again to a suggestion I made last week, in an inquiry I put to the Government, namely: what is the Government's attitude towards welcoming to Canada from Britain or France any people who desire to come here and who can do so with the approval of their respective governments? I am quite sure that in this regard, unless a suggestion first came from Canada, there would be no request from the British authorities, or, for that matter, from the French authorities. There certainly would be none from the French except through the British. Under the strain of the present hour, if such a suggestion has not already been offered, I would beg of the Government to make known at once to the British Government that arrangements will be made here in some way to receive the people who are able to come to our shores from those two countries.

Hon. Mr. DANDURAND: I know that some little time ago the question was raised somewhat informally of receiving children on certain conditions from Finland, or Norway,

or perhaps Denmark. Divers opinions were expressed as to the wisdom of such action, inasmuch as the children would, perforce, be separated from their mothers and families. I shall try to obtain the view of the Cabinet before the House meets to-morrow at three o'clock.

Right Hon. Mr. MEIGHEN: The honourable leader has perhaps misunderstood me. I am not referring to the general refugee question at all, or to the children of Norway, or Denmark, or Finland. I have in mind only those people who may wish to come here from Great Britain or from France and who can do so with the approval of their respective governments. I think our relationship with Britain and France is distinctly different from our relationship with any other country.

Hon. Mr. DANDURAND: I meant refugees from those countries. My right honourable friend limits his question to refugees coming from France and Britain.

Right Hon. Mr. MEIGHEN: I do not call them refugees. I refer to those people who might desire to come here and who would be permitted to do so by their governments.

As to the motion of which notice has been given by the honourable senator from Vancouver (Hon. Mr. McRae), I suggest that the most general discussion of Canada's war effort should be permitted, and that all kinds of suggestions as to what may be done now should be allowed.

Hon. Mr. DANDURAND: My right honourable friend will understand that the ministers in charge of the various activities of the Government are not sitting in this Chamber, and at the least I should expect to have some indication of the questions to be raised under various heads, so that I might bring correct information regarding them before this House.

Right Hon. Mr. MEIGHEN: That is quite reasonable. I know we cannot expect the leader of the House to give detailed answers, except on the most important phases, already well known to all members of the Government. But the discussion should proceed.

Hon. Mr. DANDURAND: I refer especially to technical questions.

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND: In the speech of Hon. Mr. Howe in the House of Commons, in explanation of the activities of his department, I have found a number of answers to questions raised on which I had no special technical information. I think these answers would be of interest to the honourable senator from Westmorland (Hon. Mr. Black) and the honourable senator from Winnipeg (Hon. Mr. Haig).

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

THE SENATE

Tuesday, May 28, 1940.

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

Prayers and routine proceedings.

CANADA'S AIR SERVICE

NOTICE WITHDRAWN

Hon. Mr. McRAE: Honourable senators, last evening I gave notice that I would call the attention of the House to a matter of national importance, the Air Service of Canada. Developments in the interval would appear to make this unwise, and I have neither the spirit nor the heart to initiate discussion on such a matter at this moment. I therefore ask honourable members to consent to my withdrawal of the notice.

While I am on my feet I would suggest to the honourable leader of the House (Hon. Mr. Dandurand) that at some early date we might have a meeting of senators, behind closed doors, for the purpose of receiving a little more detailed information than we now have as to the situation confronting the country.

Hon. Mr. DANDURAND: I may inform my honourable friend that I had it in mind we could have a meeting of senators in one of our committee rooms, and the Ministers in charge of the departments concerned might be asked to attend for the purpose of giving us the required details. In that way honourable members would get information at first hand. If the idea is agreeable to my right honourable friend (Right Hon. Mr. Meighen) and his colleagues, I shall gladly pursue it.

Hon. Mr. CALDER: That would be a confidential meeting?

Hon. Mr. DANDURAND: I do not know whether or not it would be confidential. My idea was simply that Cabinet Ministers who have responsibility for the war work could attend such a meeting and give honourable members all the information that members of the other House can obtain through answers to questions, or more than that, if desired.

The notice was withdrawn.

THE SITUATION IN EUROPE

DISCUSSION

Right Hon. Mr. MEIGHEN: I understand the leader of the Government (Hon. Mr. Dandurand) has asked that there be no discussion to-day on the matter uppermost in all our minds. Is it the intention of the Government that we sit to-morrow?

Hon. Mr. DANDURAND: My right honourable friend was not, I think, present at the opening of the House. As a matter of fact, I did not initiate that suggestion; it came from my honourable friend from Vancouver (Hon. Mr. McRae).

Right Hon. Mr. MEIGHEN: I was here and heard what he said.

Hon. Mr. DANDURAND: He said he thought that this was not a propitious moment to enter into a debate which would perhaps be contentious, and he asked leave to withdraw his notice. I thought that probably we should be sitting to-morrow. I intend, when we reach the Orders of the Day, as there is no further business before us, to move that the Senate adjourn during pleasure, because about half-past four we may receive a Supply Bill for a vote of one-sixth of the annual supply.

Right Hon. Mr. MEIGHEN: But there is no reason why questions and motions may not be placed before the Senate in the ordinary way now. I believe the honourable senator from Edmonton (Hon. Mr. Griesbach) is about to give notice of an inquiry. I should not like to encourage any spirit of schism or even embarrassment at this time, but I do not think this is the time to abandon our functions. If we are to meet again at half-past four in order to vote supply, the Bill foreshadowed can then be made the occasion of such discussion as honourable members feel would be useful and appropriate at this hour.

Hon. Mr. DANDURAND: I did not suggest to the honourable gentleman from Edmonton that he withdraw or suspend his inquiry. I merely asked that it stand, as I had not the answer before me.

Hon. Mr. GRIESBACH: That is all right; but I have another inquiry.

While I am on my feet I may say that I do not share the gloom and downheartedness of many of the persons whom I have met to-day. I have great faith that in the end everything will come out all right.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. GRIESBACH: This is no time for members of the Government to lose their grip and to run around as distracted as chickens with their heads off, seeking help from outside sources. We have within our own country the men and the material to build up an adequate defence if we undertake it along the proper lines. What is needed now is to put some buck under the tails of members of the Government, and that I shall be pleased to do out of the plenitude of it that I myself have at the present moment. I believe the French army has a strong and powerful attack still to deliver from the region of the Maginot line; I believe the British army should not be moved out of Belgium, but should be reinforced there; and I believe that in the end it will be found that Germany has shot her bolt and that we shall win the war.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. GRIESBACH: But now is the time to keep our heads up and our tails over our backs rather than between our legs.

Right Hon. Mr. MEIGHEN: Hear, hear.

Hon. Mr. GRIESBACH: In order to sweeten everybody, I desire to give notice, for Friday next, of the following inquiry:

1. Has the Government of Canada, either on its own behalf or for the British Government, let contracts in Canada for the manufacture in Canada of:
   a. machine guns?
   b. 3-inch mortars?
   c. smaller mortars?
   d. revolvers?
   e. pistols?
   f. rifles?
   g. 25-pounder gun howitzers?
   h. other calibres of guns?
   i. anti-aircraft guns?
   j. anti-tank guns?

2. If so, will the Government identify said contracts in the books recording the activities of the Defence Purchasing Board and the War Supply Board?

That is, will the Government in answering this question give the pages in its books where these contracts are set out?

3. In what quantities or numbers have such contracts been let, and how many of such articles above enumerated have been completed and issued?

4. Has the Government of Canada, either on its own behalf or for the British Government, let contracts in Canada for the manufacture in Canada of:
   a. heavy tanks?
   b. medium tanks?
   c. light tanks?
   d. Bren gun carriers?
   e. tractors or dragons?
   f. lorries or trucks of patterns standardized with those in use in the British Army?

5. What is being done in the manufacture of ammunition?
   a. ·303 calibre?
   b. revolver ammunition?
   c. ·50 calibre ammunition?
   d. ammunition for field guns of various calibres?

CANADIAN ACTIVE SERVICE FORCE—DIVISION AND CORPS TROOPS

ORDER FOR RETURN

Hon. Mr. TANNER moved:

That an Order of the House do issue for a return showing:

1. The establishment in personnel of a division of the Canadian Active Service Force.

2. The establishment in personnel of the extra troops known as "corps troops" for a Canadian corps.

3. The number of officers and other ranks in the units which constitute: (a) a division of the Canadian Active Service Force; (b) the extra troops known as "corps troops."

The motion was agreed to.

THE SITUATION IN EUROPE

DISCUSSION

On the Orders of the Day:

Hon. J. A. CALDER: Honourable members, I have a suggestion to offer. We all, I am sure, realize the situation at the present time. As to that, I may say that I thoroughly agree with the remarks that have fallen from the lips of the honourable senator from Edmonton (Hon. Mr. Griesbach). This is no time to be downhearted.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: I can well remember the feeling that existed in London in 1918, particularly in official quarters. At that time, as I have often said, the only man I met who had a smile on his face was Lloyd George. He never lost his belief that in the end the Allies would win. When I passed over to France and for many days mingled with the soldiers there, I met not a single man who was downhearted in any degree. This was in absolute contrast to the situation which existed in official quarters in London. When I left the shores of England defeat was in sight—well in sight; the Germans had broken through again and had crossed the Marne; but within three weeks Foch said, "Now we have got them," and he struck, and there was no doubt about the result.

War is a tremendous game. Little successes do not count for much. What really counts is the strength to meet a situation that arises out of the application of what I suppose you would call the science of strategy. In 1918 Foch saw his chance and took it, and within a matter of two weeks the Allied drive was on and was succeeding.

However, I rose to make a suggestion. This is probably not the time to urge it, and I shall not do so. I am sure the Government to-day have information that members of Parliament cannot possibly have. In Great Britain already two secret sessions of Parliament have been held, at which there must have been very frank discussion and many helpful suggestions. In France a private session was held for two days; all the members were called in, and hour after hour they were made thoroughly acquainted with the situation. Now, I would ask members of both Houses of this Parliament what knowledge we have of the situation—what practical information we possess—and I suggest that the leader of the House confer with his colleagues to see if an appropriate time cannot be arranged for members of Parliament to get some real knowledge of the true situation and of what is occurring. I think that would be helpful to us all. Nobody desires to play politics in this matter, and no one should have the slightest desire to embarrass the Government now. But for goodness sake let us know, as far as can be told, what the situation is.

Hon. Mr. DANDURAND: My honourable friend's suggestion will be very sympathetically conveyed by me to my colleagues. At the present time the situation is somewhat difficult and we are working on important problems, but with stout hearts. I should be happy to see that there is given to the Senate, or, if necessary, to a Senate committee, whatever information can be imparted to members of both Houses.

The Senate adjourned during pleasure.

The sitting of the Senate was resumed.

Hon. Mr. DANDURAND: Honourable senators, it is unlikely that the interim Supply Bill will reach us this afternoon. I would therefore suggest that His Honour the Speaker call it six o'clock, with the understanding that we shall meet this evening at 8.30.

At 6 o'clock the Senate took recess.

The Senate resume at 8 p.m.

APPROPRIATION BILL NO. 1

FIRST READING

A message was received from the House of Commons with Bill 21, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1941.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of the Bill.

He said: Honourable senators, this is the customary Bill which is presented to us yearly, generally after the 1st of April, in order that the affairs of state may be carried on.

In virtue of clause 2 a request is made to Parliament for the vote of—

a sum not exceeding in the whole $41,455,066.47 towards defraying the several charges and expenses of the public service, from April 1, 1940, to March 31, 1941, not otherwise provided for, and being one-sixth of the amount of each of the several items to be voted, set forth in the estimates for the fiscal year ending March 31, 1941, as laid before the House of Commons at the present session of Parliament.

As my honourable friends are aware, although the total expenditure is $448,055,804.63, the expenditure which must be voted yearly is limited to the sum of $248,274,210.79. A sixth of that is asked for under clause 2.

Under clause 3 there is an additional interim vote of $2,318,646.13 towards defraying certain charges and expenses of the public service from April 1, 1940, to March 31, 1941, being one-twelfth of the amount set forth in Schedule A.

The fourth clause asks for an additional interim vote of $507,316.67, on certain items.

Hon. Mr. HAIG: Honourable gentlemen, we on this side of the House have no copies of the Bill, and cannot follow the references.

Hon. Mr. DANDURAND: My honourable friend has—

Hon. Mr. HAIG: No, I have not.

Hon. Mr. DANDURAND: I see that my honourable friend now has a copy. I was going to say that according to practice and custom he would have to confide in and follow his leader. Honourable members on this side of the House must rely on the statements which I now read, because the Bill just passed the House of Commons at six o'clock. It might be otherwise, but it is the general practice to accept the statement of the leader of the Government, under the control —I was going to use a French expression, which also may be English—under the surveillance of my right honourable friend.

An additional interim vote of $5,543,071 is asked for 1940-1941 on certain items. This covers four months of the year. The reason for this treatment is that the item represents sums which are seasonal, and which must be paid out early in the fiscal year. This is under Schedule C.

The amount granted under Schedule B, $507,316.67, is one-sixth of the amount of the items and represents sums that must be spent by the Department of Agriculture during the period covered. The schedule provides for compensation for animals slaughtered, $543,900, and for the Prairie Farm Rehabilitation Act, $2,500,000. This second item relates to rehabilitation mostly in Saskatchewan and Alberta, and includes irrigation schemes to permit of corrals for the animals in certain regions.

Schedule C is based on the main estimates. The amount granted is $5,543,071.67, "being one-third of the amount of each item in the said estimates as contained in this schedule." The total amounts to be voted include $65,000 for grants to fairs and exhibitions. I had thought all grants to fairs had been eliminated. These must be grants already made, which must be met. For salaries and expenses of the office of the Chief Electoral Officer there is a total of $18,665. Under Justice there is an annual contribution of $500 to the Canadian Law Library. Under Mines and Resources there is an item of $1,144,215 for National Parks and Historic Sites. For Surveys and Engineering Branch the vote is $8,000. For National Parks there is $171,125; for Historic Sites $500, and for Forest Conservation $40,000. Under Indian Affairs there is a sum of $146,210 to provide for the completion, equipment and furnishings of Indian residential day schools, which must be carried on during the summer. For canal improvements there is a sum of $35,000. I am happy to see that all that is asked for the Canadian National Railways' deficit is $15,000,000. I hope they will have a surplus next year.

Right Hon. ARTHUR MEIGHEN: I hasten to explain to the honourable leader that members on this side of the House do not at all depend upon my judgment or capacity for review of this Bill. They have independent minds and are of course entitled to receive a copy of the measure, so as to be able to come to their own conclusions.

As to my honourable friend's last remark, that he hoped the Canadian National would have a surplus next year, I am afraid the implication is something he did not intend. The reason for the current reduction in deficit is the war. I hope and pray the same reason will not prevail next year.

Hon. Mr. DANDURAND: But the Canadian National may carry on under acquired momentum.

Right Hon. Mr. MEIGHEN: I see they are carrying on construction of the Montreal terminals.

Hon. Mr. DANDURAND: I hope my right honourable friend and I may visit that undertaking together and see what it means.

Right Hon. Mr. MEIGHEN: I see what it means here. I do not think any Government can ever mention the word "economy" while engaged in that construction.

Hon. Mr. DANDURAND: Well, we have crossed swords on that question.

Right Hon. Mr. MEIGHEN: But the Bill is still in front of us.

I notice the steady growth of the Department of External Affairs' expenses in respect of representation abroad. In my judgment these, in the main, are just moneys we are paying out for our vanity. We had to assume all the trappings and the suits of nationhood, no matter whether we had any of the real essence of nationhood, and so we are running up this annual account, which this year totals $626,575.

Hon. Mr. GRIESBACH: Our Belgian and Netherlands offices have been discontinued, of course.

Right Hon. Mr. MEIGHEN: According to the figures in front of me, our representation abroad now costs about three-quarters as much as the legislative branches of the Government of Canada. Really, it is absurd.

Hon. Mr. DANDURAND: Where are these figures?

Right Hon. Mr. MEIGHEN: Schedule A, page 3 of the Bill.

I know that our representation abroad was begun when we sent a Minister to Washington—without any enthusiastic cheers from me. But in the meantime the scheme has grown until it nearly encircles the globe.

What will our Minister to Australia, for instance, find to do? We have some trade with that country, and we certainly ought to increase its volume if we can. But, so far as I could observe, our trade representatives there were none too busy: I could not see any sign of overwork on their part. In fact, good as they were, and eager to do their part, they seemed to me to be rather lacking in reasons for industry. Yet we had to increase our representation by establishing a full-fledged ministry in Australia. We did the same, I think, in New Zealand. I have no objection to the man sent to Australia. Up to now he has been one who liked work, and how he is going to live under the conditions he will find in his new post I do not know. In my judgment it is utterly absurd to keep multiplying these representatives abroad.

Hon. Mr. DANDURAND: I see my right honourable friend hesitates to admit that our representatives abroad may do useful work.

Right Hon. Mr. MEIGHEN: Have we improved our relationship with Japan?

Hon. Mr. DANDURAND: My right honourable friend should know that there is such a thing as intimate correspondence between governments, and that it can be carried on only through those who are in contact with the governments to which they are accredited.

Right Hon. Mr. MEIGHEN: We got along perfectly well before.

Hon. Mr. DANDURAND: Perhaps my right honourable friend or his party would not have carried the elections in 1930 if the Government of Canada had had representatives in New Zealand to protect this country from the avalanche of New Zealand butter.

Right Hon. Mr. MEIGHEN: That is what they are for, are they, to prevent exports to Canada?

An Hon. SENATOR: Without adequate imports.

Hon. Mr. DANDURAND: It would perhaps have hampered that movement of butter at that time. But my right honourable friend, who was born a free-trader and grew up in the West as a free-trader, knows thoroughly well that you cannot expect to sell if you do not buy.

Hon. Mr. GRIESBACH: This is, I think, the first time that a Bill of this sort has contained such schedules, is it not?

Hon. Mr. DANDURAND: No.

Hon. Mr. GRIESBACH: It has always carried such schedules?

Right Hon. Mr. MEIGHEN: Oh, yes.

Hon. Mr. GRIESBACH: I had not noticed it before. What puzzles me is the absence of any reference to war expenditure. Are any certificates to be attached to the Bill with respect to war expenditure, which must have been made and is still continuing?

Hon. Mr. DANDURAND: If my honourable friend will be patient for twenty-four hours, he will see a Bill that deals with war expenditure.

Hon. Mr. GRIESBACH: That is the reason why I am asking. I have heard something of the discussion in the other House, and I was wondering whether there would be another Bill, or whether all the expenditure was covered in this measure.

Hon. Mr. DANDURAND: The other Bill will probably come to us to-morrow.

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

THIRD READING

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

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

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

THE SENATE

Wednesday, May 29, 1940.

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

Prayers and routine proceedings.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Secretary of the Administrator informing him that the Honourable Oswald Smith Crocket, acting as Deputy of His Excellency the Administrator, would proceed to the Senate Chamber this day at 5.30 p.m. for the purpose of giving the Royal Assent to certain Bills.

CANADA GRAIN BILL

FIRST READING

A message was received from the House of Commons with Bill No. 7, an Act to amend the Canada Grain Act.

The Bill was read the first time.

DAIRY INDUSTRY BILL

FIRST READING

A message was received from the House of Commons with Bill No. 13, an Act to amend the Dairy Industry Act.

The Bill was read the first time.

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PRIVATE BILL

FIRST READING

Bill B, an Act to incorporate Pool Insurance. —Hon. Mr. Haig.

SECOND READING POSTPONED

Hon. JOHN T. HAIG: Honourable senators, I should like to have the House consent to the second reading of this Bill to-day. It is a standard Bill, and complies with the Canadian and British Insurance Companies Act, except that the stock, instead of being under the names of the directors, will be owned by the constituting pool. The Superintendent of Insurance has approved of the Bill with the exception of that provision.

Hon. Mr. DANDURAND: Is it a new company?

Hon. Mr. HAIG: No, sir; it is incorporated in Manitoba and insures the grain of the pool. The new Bill covers the pools of Alberta, Saskatchewan and Manitoba. The directors are the president, the vice-president, the secretary and the treasurer in each province. As operations are being carried on in the three provinces, it is deemed better to have Dominion incorporation.

Hon. Mr. EULER: Has the Bill the approval of the Superintendent of Insurance?

Hon. Mr. HAIG: Yes, it has. The solicitor from Regina who asked me to introduce the Bill informed me to that effect, and I took the trouble to see the Superintendent of Insurance for myself.

Right Hon. Mr. MEIGHEN: I understand that it complies with the Insurance Act in all respects except that it deals with the ownership of stock by the directors. The stock in this case, instead of being owned by the directors, as provided by the Insurance Act, is really owned by the pool.

Hon. Mr. HAIG: Correct.

Right Hon. Mr. MEIGHEN: That is an important divergence, but in my opinion it has much merit. I think our present Insurance Act needs amendment in that respect. In the Insurance Act we provide that directors must hold, in their own right, quite a large amount of stock. This sounds well, but what is the practical result? If a company like this one is formed by an organization which has business for it to do, the directors have to buy the stock. Why should they have to do that? The stock may not be worth par or near it. They must hold it in their own right, and cannot hold it as proxies for the owners. Five directors own, let us say, $10,000 worth

out of $1,000,000 of stock. The result is that directors having an investment of $10,000 run a company into which the real owners have put $1,000,000, and whatever the directors want done they tell those real owners to do. All sorts of devices have to be resorted to in getting around the law as it is to-day. Under the present law a company, owned by perhaps 5,000 persons throughout the Dominion, may itself own an insurance company, but it cannot run that insurance company; it must put in directors, who themselves are required to purchase stock, and they then run the insurance company and are able to snap their fingers at the real owners. I favour the Bill all the more because of its divergence from the Act as it now stands.

Hon. Mr. DANDURAND: I quite realize that my right honourable friend would feel the need for an amendment to the Insurance Act.

Right Hon. Mr. MEIGHEN: I certainly do.

Hon. Mr. DANDURAND: Within the last two or three years my right honourable friend and I tried to find some means whereby the company could function in spite of the letter of the law, and we concluded that this was not possible; that a bill would have to be passed to permit the company to operate.

I may say that in the Senate, at the beginning of a session, it is unusual to move second reading of a bill the very day the bill is presented. If my honourable friend from Winnipeg South-Centre (Hon. Mr. Haig) can give a special reason for changing our procedure in this case, the House may agree to his suggestion.

Hon. Mr. HAIG: The reason I desire to move second reading to-day, honourable senators, is that I feared I could not be here on Tuesday next. And I wanted to move second reading myself so as to explain the divergence from the Act with respect to stock ownership.

Hon. Mr. DANDURAND: Then the motion for second reading could stand until Tuesday next, when, I am sure, someone else will make the motion for my honourable friend.

Hon. Mr. HAIG: I am agreeable to that.

Hon. Mr. DANDURAND: So the Bill is given only first reading to-day.

PRIVATE BILL

FIRST READING

Bill C, an Act to incorporate The Stanstead and Sherbrooke Insurance Company.—Hon. Mr. Howard.

PRODUCTION OF MUNITIONS

DISCUSSION

Hon. THOMAS CANTLEY rose in accordance with the following notice:

That he will call attention to the production of munitions in Canada.

He said: Honourable senators, on Wednesday of last week a statement was made in a very important place, by a high-ranking public man, on the subject of munitions, to which I desire to refer. Among other things he said:

> Eight Canadian plants are at present engaged in the manufacture of 2,250,000 shells, and in a few days an additional 2,250,000 shell order will be placed, and within a few days twelve or more Canadian firms will be engaged in the manufacture of 4,500,000 shells.

He went on to say, by way of comparison, that in the seventeenth month of the Great War Canadians shipped to England 5,380,000 shells—a very excellent record at that time—and that up to the present he had placed orders for about the same quantity, and this would mean that if they were completed in a similar period the output would equal our deliveries in the last war.

May I now refer to some facts in connection with shell manufacturing in Canada? Shortly after the outbreak of the Great War, when Major-General Sir Sam Hughes, Minister of Militia for Canada, was superintending training at Valcartier, he wired me to meet him there; which I did, accompanied by the late Sir Alex. Bertram and George W. Watts, of Toronto. He then informed us that the British Government were desirous of obtaining 200,000 shells from Canada, and stipulated these were to be made of acid steel. I informed him that no acid steel was made in Canada, and that I was satisfied basic steel was equally suitable for the manufacture of shells, either high explosive or shrapnel, and that all German shells were manufactured of basic steel.

I at once wired the Nova Scotia Steel Company, New Glasgow, to prepare a charge of suitable steel. This was done and reduced to three-inch bullets, which I at once expressed to the Dominion Arsenal at Quebec. The arsenal was then under the control of Lieutenant Lafferty and was turning out about 200 18-pounder shells a day. The blocks were forged into 18-pounder shells. Test pieces taken from the side walls were subjected to the usual ordnance tests, and all passed satisfactorily. Then we were ordered to make the 200,000 shells. Later we made in all, at the New Glasgow works of the Nova Scotia Company of which I was then in control, 25,000,000 shells, and finished about ten per cent of these forgings, including 18-pounder, 4, 5, 6, 8, 9 and 12-inch. We were the only people in the

British Empire, outside of the two big armament firms in Great Britain, who ever produced a 12-inch shell. This shell, in the rough, weighed nearly a ton and stood about four feet high. We also shipped a considerable tonnage of shell steel to Great Britain.

In the public statement to which I have referred, the speaker went on to say that if there are other factories in the Maritimes capable of doing this work, the doors of the Department of Munitions and Supply are wide open to them, and he would be glad to help them place themselves in a position to manufacture the type of equipment that is going. With reference to this I may state that the works of the Nova Scotia Steel Company, New Glasgow, are equipped now, as they were during the last war, to supply large quantities of all types of shells, but so far not a single order has been placed there. New Glasgow is within one hundred miles of Halifax, where a protected convoy of shipping is leaving every week for the other side. I am told that cast steel shells, not forged shells, are now called for. If that is so, two concerns in New Glasgow could provide them. Why orders for munitions have not been placed with the New Glasgow companies I fail to understand, and an explanation of the prevailing attitude or lack of action is, I submit, due from those in authority, and should be given promptly.

Hon. RAOUL DANDURAND: I should like to repeat the information given in another place, that the reason why shells have not been manufactured in as large a quantity as our manufacturers could have turned them out is that no orders came from Great Britain. I am not prepared to say that orders will not be forthcoming, and I am quite sure that, if they are, Nova Scotia will not be neglected.

Hon. C. E. TANNER: Honourable members, so far as I know, there is on this side of the House, and, I presume, also on the other side, only one desire in our hearts and minds, and that is to be of service in furthering our war effort. But in order to be of service we must know what is and what is not going on. A few weeks ago, from his seat in the British House of Commons, Mr. Lloyd George said that the last war was won by criticism; meaning, I presume, that the criticism of the Asquith Government, which resulted in the establishment of a National Union Government, was the prime cause of the Allied victory. I think everybody who has read the history of those days is familiar with the fact that Mr. Asquith was one of the most highly cultured men in English public life, but as a war Minister he was a total failure, and it was not until a man of wider knowledge, better judgment and outstanding vigour became Prime Minister that the situation in England was cleared up.

My honourable friend from New Glasgow (Hon. Mr. Cantley) has been modest indeed about his firm's contribution to Canada's shell production during the last war. As I recall the facts, the Nova Scotia Steel and Coal Company, which at great expense provided its own machinery, produced millions of shells. It seems to me that in contrast with what was done then, all the talk about eight factories somewhere or other in this province being under a stupendous strain to produce 2,000,000 shells is almost a joke. At the rate of rapid fire in action at the front these shells would last, I suppose, about two days. But, it must be borne in mind, they are not nearly completed yet, notwithstanding that some of the contracts have been under way since 1937.

Although the Nova Scotia Steel and Coal Company has a magnificent plant under capable management all ready to undertake shell production, what does the Government do? It goes down to Montreal and picks up a building contractor—the man who built the post office here—and gives him a contract to make shells. It outfits his plant, provides him with everything necessary for the production of shells, pays his rent, his interest, his taxes, his insurance, pays for his telephone, his light, his water—in short, everything down to the shovelling of snow off the sidings at his plant. I pointed out these facts last session.

Personally, I am getting heartily sick and tired of reading excuses. I read the statements of the Minister of Transport, I listen to the radio, I read the newspapers. To-day the newspapers are full of excuses by Cabinet Ministers excusing this, that, and the other thing, and offering these excuses on the ground, if you please, that we in this country are apparently, in their judgment, a lot of morons. If we are to believe what these Ministers tell us, we cannot make implements of war, we cannot make munitions—the devil only knows what we can do, unless it be to make gun fodder of ourselves. I repeat, I am sick and tired of hearing excuses all the time. Take the statement made by the honourable Minister of Transport not very long since: fifty per cent of it consists of excuses. What do we find to-day? The Minister of National Defence issues a long rigmarole of excuses about the manufacture of tanks. He says they are not wanted in England. Well, what did I hear on the radio at noon to-day? A Cabinet Minister in London, England, calling for tanks, more tanks, and still more tanks. And yet this Minister of National Defence tells us they

do not want tanks over there. "We cannot make tanks, anyway," says Mr. Howe.

Hon. Mr. CANTLEY: Why not?

Hon. Mr. TANNER: Honourable members, I do not believe that statement at all. I am one of those who believe that so far as fighting is concerned, a Canadian soldier is as good as any soldier in the world, and better than many.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. TANNER: In my opinion our Canadian seaman takes rank below no one in the world; the Canadian aviator is as good as any man who ever went up into the air; and the Canadian mechanic or engineer can stand up beside his rival in any nation. The Canadian mechanic can make anything. Indeed, there is not one thing needed in this war that he cannot make. Yet it has been dinned into our ears by Mr. Howe and by other members of the Government that Canadian factories cannot make this and cannot make that. We are told it is necessary to go to the United States or some other place to get war implements. Well, honourable members, if I were a betting man, I would bet $100 to $1 that, so far as the United States is concerned, it is very likely that the men who are doing very fine work there, and whom the Minister of Transport admires so much, are Canadians or the sons of Canadians.

Hon. Mr. CANTLEY: Bluenoses.

Hon. Mr. TANNER: Yes. I warrant that Canadians and the sons of Canadians are doing over there the very work that we are told cannot be done in Canada. I protest as vigorously as I can against this state of affairs. The honourable Minister of National Defence, I think it was, said something yesterday to the effect that we should not ask questions or say things that might depress the people. The people of Canada are not depressed; they are indignant. They are indignant because there is so little being done. The people who are depressed are the members of the Government, and they have good reason to be depressed.

Hon. Mr. DANDURAND: My honourable friend is now on the stump, and thinks the elections are not over.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. TANNER: We do not want them to be depressed; we want them to get to work and accomplish something. I never had any opinion about the elections but that they were a criminal waste of time. While Hitler was sharpening his swords and getting his guns and his tanks ready, we were frittering away three or four months in running elections that were not at all necessary. Then there was the aftermath—the holidays spent down in Virginia while Mr. Hitler was putting on the finishing touches. Here we are, with not a Canadian at the fighting front.

Hon. Mr. DANDURAND: My honourable friend knows why the Canadian Division is not at the front. That is because the War Office has not desired it to be.

Hon. Mr. TANNER: That is another thing. I am sick and tired of the excuse that the War Office has said so and so. Bring the War Office statements down here and let us read them. I do not believe the excuses.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. TANNER: That is not the proper attitude for Canada. The attitude for Canada to take is not to wait until we are asked to do something, but to do it and keep on doing it. We should not wait until we are kicked in the backside and told to get ahead.

Some Hon. SENATORS: Order!

Hon. Mr. TANNER: We do not want to do that.

Hon. Mr. LITTLE: That is on a par with the rest of your speech.

Hon. Mr. TANNER: We want to get ahead. The three months spent on elections were a waste of time that should have been devoted to the work that has now begun. We should have had a Minister of Munitions four months ago; we should have had a Minister of Air four months ago; but these four months have been allowed to go by for the benefit of Hitler and his German barbarians.

Now, honourable senators, I hope we shall hear no more of these excuses. As I see it, one of the greatest industries we have in Canada to-day is the excuse industry on Parliament Hill. It is working at maximum speed.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. TANNER: That is the way I look at it.

My honourable friend from New Glasgow (Hon. Mr. Cantley) is a modest man, and in talking about munitions he did not tell you that when the Nova Scotia Steel plant was making shells he was sent to England by the Department of National Defence. He got into touch with the Master General of Ordnance of the British Government, who sent him up to see the plants in England that were making shells. What did he find? He found plants whose managers thought they were doing a

tremendous business in turning out fifty nine-inch shells a day, and who asked him, "What are you doing?" "Oh," said my honourable friend, "we are turning out between three hundred and five hundred a day." The Englishmen did not quite believe him, and when they asked, "How do you do it?" he explained how it was being done. They then asked him to show them how to do it, and he sent the plans and specifications of his plant over to England to enable them to come up to the record made by the Nova Scotia Steel and Coal plant in the little province of Nova Scotia. So there, I say, is another illustration of what Canadian initiative, ability and vigour can do as compared with what is done by experienced engineers and mechanicians in old England. Let us hear no more about Canada not being able to do these things. Let us close up this excuse factory and get to work. I am sure every honourable member on this side of the House will be found ready to co-operate and help in every way possible to see that this country does its duty.

Hon. JAMES MURDOCK: Honourable senators, I am quite sure that all honourable members on both sides of this Chamber are sympathetically disposed towards the suggestions of the last two speakers, who want to press forward as much as possible Canada's war effort. But I rather think that my honourable friend who has just taken his seat (Hon. Mr. Tanner) has somewhat twisted the record we have received and read of what was said in another place. It might not be improper to put two or three paragraphs on record here, so as to preserve the continuity.

May I first say, though, that my honourable friend who has just sat down is surely not going to try to convince any of us that the Nova Scotia Steel and Coal Company did such wonderful things during the last war at their own expense.

Hon. Mr. POPE: Yes.

Hon. Mr. MURDOCK: He knows that we know better. He knows that we know that they were substantially paid for all they did in getting ready to conduct the business of making war supplies. I am sure, therefore, my honourable friend would not want to "kid" either us or the people outside into the belief that the Nova Scotia Steel and Coal Company were so magnanimous, or so desirous of extending Canada's war effort, that they made enormous outlays at their own expense.

The two distinguished gentlemen who have just spoken seemed to be greatly concerned over the fact that the Maritimes have not got their full share.

Hon. Mr. TANNER: Not at all.

Hon. Mr. MURDOCK: Perhaps my honourable friend (Hon. Mr. Tanner) did not read the statement given in another place; so I shall read one item, which is to be found at page 145 of the House of Commons Hansard of May 22. The Minister of Munitions and Supply, speaking in that House, said:

> Possibly one reason why not so many orders have gone to the Maritime Provinces is that the principal steel industry there is shipping direct to Great Britain on orders secured well before the war. I think some seventy-five to eighty per cent of the output of the Dominion Iron and Steel Company is being shipped direct from Sydney to Great Britain without passing through the War Supply Board. If there are other factories in the Maritimes capable of doing this work, the doors of the Department of Munitions and Supply are wide open to them, and we shall be very glad to help them place themselves in a position to manufacture the type of equipment that is going.

And further:

> I may say that the textile mills in the Maritimes are, to my knowledge, operating at full blast; I have yet to recall any manufacturer in the Maritimes who has called on me for assistance since I have been associated with this board in the last several months.

Hon. Mr. TANNER: That has nothing to do with shells. The Dominion Iron and Steel Company at Sydney has been shipping to England for years. If my honourable friend knew anything about the matter he would know what I am telling him.

Hon. Mr. MURDOCK: Of course I cannot know as much as my honourable friend does. His chief cause of complaint is that a short while ago, in accordance with the laws of Canada, we had a general election, and it did not go as he wished. That is his chief objection to what is going on now.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. QUINN: Keep politics out of it.

Hon. Mr. MURDOCK: I may tell my honourable friend from Bedford-Halifax (Hon. Mr. Quinn) that I will leave politics out of it if the gentlemen who have been giving us such a tale of woe and resentment about what happened a couple of months ago will also leave politics out of it.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MURDOCK: There will not be a word of politics from me if you just get down to brass tacks and help the Government of Canada in dealing with the war.

Hon. Mr. TANNER: I am different from my honourable friend. While he was out campaigning I was at home, taking no part at all in the elections, because I thought they should not be held.

Hon. Mr. MURDOCK: My honourable friend is right. After great insistence I made one speech. I did not come up to the efforts of my honourable friend from Winnipeg.

Hon. Mr. McMEANS: Who? Me?

Hon. Mr. MURDOCK: The honourable the junior member from Winnipeg (Hon. Mr. Haig).

Now let us come to the point my two honourable friends touched upon, and give the record as it was given in another place. I listened attentively to my honourable friends and I thought neither of them gave the actual facts or information brought out in another place. I have here what the Minister of Munitions and Supply said on this question. If we analyse it we shall find that Canada's record on this occasion is as good as it was in the last war, when the Nova Scotia Steel and Coal Company, according to my honourable friend's statement, went to such enormous expense.

Hon. Mr. CANTLEY: Yes, sir. May I inform my honourable friend that we did not receive a dollar from the Government towards fitting out the plant.

Hon. Mr. MURDOCK: Will my honourable friend tell me that the Nova Scotia Steel and Coal Company was not handsomely reimbursed for all the moneys it laid out?

Hon. Mr. McMEANS: We won the war, did we not?

Hon. Mr. MURDOCK: Yes, we surely did, and we hope and expect to win this war if honourable gentlemen can only forget the last election and get down to brass tacks.

Some Hon. SENATORS: Hear, hear.

An Hon. SENATOR: Forget it.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HORNER: If your war strategy were as good as your political strategy we should win the war very quickly.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MURDOCK: Let us hope for the best, as we did before.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Go on. Finish it.

Hon. Mr. MURDOCK: Thank you.

In another place information was given by the Minister in charge of these matters which my two distinguished friends have been discussing on the question now before us. Here is what the Minister said on this particular question:

Hon. Mr. TANNER.

Eight Canadian plants are at present engaged in the manufacture of 2,250,000 shells. These plants have been equipped with modern shell-making equipment. Within a few days an additional 2,250,000 shell order will be placed. Thus within a few days twelve or more Canadian firms will be engaged in the manufacture of 4,500,000 shells.

I might say by way of comparison that in the seventeenth month of the Great War Canada shipped 5,380,000 shells to England—which was a very excellent record at that time. We have placed orders up to the present time for only about the same quantity, which will mean that when that time is reached, based on present orders we shall have delivered about the same amount as had been delivered in the last war. The difference is, of course, that we have installed much more modern machinery, we have larger plants engaged in the business, and the business is not distributed to anything like the extent that it was in the last war.

In other words, Tom, Dick and Harry are not being made millionaires overnight in this war.

Right Hon. Mr. MEIGHEN: Does the honourable gentleman mean that the more you distribute the business the more millionaires you make?

Hon. Mr. MURDOCK: Not this time; that is not being done this time.

Right Hon. Mr. MEIGHEN: My meagre knowledge of arithmetic would suggest that the wider the distribution of orders the less likelihood there would be of making millionaires.

Hon. Mr. EULER: Costs are higher that way, though.

Hon. Mr. MURDOCK: In the last war payments and allowances were so magnanimous that all and sundry could become fairly well off.

Hon. Mr. TANNER: Whom do you mean by "Tom, Dick and Harry"?

Hon. Mr. MURDOCK: Well, my honourable friend himself, and the honourable gentleman who spoke earlier, and myself—anyone who arranges the business.

Hon. Mr. McMEANS: Will the honourable gentleman confine his remarks to the speech of the honourable senator from New Glasgow (Hon. Mr. Cantley) and explain why so many excuses have been made and no results have followed?

Hon. Mr. MURDOCK: I do not understand that any excuses are being made, except as to the withholding of certain information. During the past few months I personally have resented the fact that I could not ascertain just what was going on. But I think now, as a member of the Senate, I know the reason,

and, as a good Canadian, I am satisfied. Let me say that Tom, Dick and Harry cannot be told all the underlying causes for everything that is being done by the Canadian Government in conjunction and co-operation with the British Government. I think that was proven here yesterday, when a few of the distinguished members of this House and of the other House discussed, I am sure, matters that some of us, including myself, know nothing about. They were, no doubt, given information that I do not expect to receive, for if I received it many others would have an equal right to it.

Now, may I continue with a direct quotation from a speech made by the Minister of Munitions and Supply in another place? I am reading from page 145 of the House of Commons Debates. The Minister went on to say:

> If we had the business to place, relative to our productive capacity, that we had in the last war, we could, of course, supply Britain with many times the quantities of shells that we supplied in the last war.
>
> The shells which Canada now makes or will make in the immediate future include 40 millimetre, 18-pounder, 25-pounder, 3·7 inch, 4·5 inch, 6 inch, and 9·2 inch shells. In order to make the shells complete, Canadian plants are at present engaged in the manufacture of corresponding quantities of cartridge cases, fuses, primers and other requisites. Some sixty different Canadian companies are engaged in this work. The Dominion arsenals are also engaged in certain special munition work for the United Kingdom.
>
> Excluding certain explosives orders, for which the capacity of the Dominion is being rapidly increased, contracts totalling more than $40,000,000 have been placed for these munitions, including 100,000,000 rounds of small arms ammunition, individual gun barrels, anti-tank carriages, and other items. I might say that that item of 100,000,000 rounds of small arms ammunition has been very greatly increased since these notes were prepared.

And then came an interjection by a Maritimer, eager to get jobs in the Maritimes, more concerned perhaps with "whether we are going to get our share" than whether the war is being conducted to the best possible advantage of all Canadians in all provinces.

Hon. Mr. QUINN: The Maritimes are just to lie down and take it, then? Is that the idea?

Hon. Mr. MURDOCK: Not at all.

Hon. Mr. QUINN: They are not going to do it. You needn't worry.

Hon. Mr. TANNER: What is wrong with the Maritimes?

Hon. Mr. MURDOCK: Nothing at all.

Hon. Mr. TANNER: The Minister of Finance and the Minister of National Defence come from the Maritimes.

Hon. Mr. MURDOCK: That is one of the best parts of Canada, bar none.

Hon. Mr. McMEANS: What about Manitoba?

Hon. Mr. MURDOCK: Good. But I was going to quote an interjection by one of our Maritimers. They are always looking for what is rightfully theirs. I do not blame them at all.

Hon. Mr. McMEANS: They need the money.

Hon. Mr. MURDOCK: Here is the interjection, by Mr. Brooks:

> How many of these plants for the manufacture of munitions, shells, cases, and boxes are located in the Maritime Provinces?

Hon. Mr. HAIG: Mr. Speaker, I rise to a point of order. Is it permissible to read verbatim in this House a speech delivered in the other House?

Hon. Mr. DANDURAND: Honourable members, I should like to intervene, to suggest that my honourable friend from Parkdale (Hon. Mr. Murdock) abstain from reading any questions asked or comment made by private members in the other House, and that he limit himself, as I would limit myself, to reading the official statement by the Minister. Official statements by members of the Cabinet are, in essence, memoranda from their respective departments, and could be produced here by me. In beginning his speech, Hon. Mr. Howe made it clear that he would rely upon departmental notes or memoranda, and these belong to the Senate as well as to the House of Commons.

Hon. Mr. MURDOCK: I am sorry, and I apologize.

Hon. Mr. GRIESBACH: Honourable senators, may I interject a remark? Last year, as I could soon show by reference to our Hansard, the honourable leader of the Government (Hon. Mr. Dandurand) objected to my making any reference at all to a speech delivered by a Minister in the other House, on the ground that the Minister was not here to reply. To that objection I responded that neither was I present in the other House to reply to the Minister. Then the honourable gentleman from Saltcoats (Hon. Mr. Calder) rose and asked how public business in this country could be transacted if we were prohibited from discussing in the Senate a speech made in another place. The honourable leader is in danger of reversing himself.

Hon. Mr. DANDURAND: I admit the difficulty. But would honourable members not be agreeable to the reading here of an official statement presented by a Minister in the other House—a statement which I myself could produce here?

Hon. Mr. GRIESBACH: That is exactly what I wanted to do last year. I was criticizing a statement presented in another place by the Minister of National Defence; a statement that was in statement form. Now the honourable gentleman from Parkdale is discussing something that was said by a Minister in speech form, not in statement form at all. I warn the honourable leader (Hon. Mr. Dandurand) to be careful. He has many years to live yet, and he may find himself confronted with his own precedents before he gets much older.

Hon. Mr. TANNER: It would please me better if the honourable gentleman from Parkdale (Hon. Mr. Murdock) placed the whole of the Minister's speech on Hansard, without reading it.

I want to say, incidentally, that I do not at all agree with the idea that, in an emergency like this, we cannot refer to statements made by Cabinet Ministers in the House of Commons. In England the practice is that when the Prime Minister makes a statement to the Commons, a similar statement is made in the House of Lords by its leader.

Hon. Mr. HAIG: That is the correct method.

Hon. Mr. TANNER: In that way both Houses are simultaneously informed. However, I do not want to suggest any additional burdens for the honourable leader of this House. When any statement with reference to the war is made in the other House by the Prime Minister or any other Minister, we should be at liberty, I think, to discuss it here. We should regard it as a statement, not to the House of Commons alone, but to Parliament as a whole.

Hon. Mr. QUINN: Honourable members, I want to take exception to the statement of the honourable senator from Parkdale (Hon. Mr. Murdock) about Maritimers looking for jobs.

Hon. Mr. DANDURAND: The honourable gentleman from Parkdale has not finished his speech.

Hon. Mr. QUINN: I can tell him of some others, not Maritimers, who went looking for jobs.

Hon. Mr. HAIG: Mr. Speaker, I raised a point of order, and I am still speaking to it. Under our Rules it is not permissible to read here a statement made in another place. If the honourable gentleman from Parkdale (Hon. Mr. Murdock) or the honourable leader of the House (Hon. Mr. Dandurand) wishes to present to us facts and figures given by a Minister in another place, he can get them off by heart and deliver them to us in a statement of his own. Then we are free to ask questions about the statement, and to criticize it. I submit it is not proper to read us a Minister's speech. My objection is in accordance with the point taken last year on the occasion referred to by the honourable gentleman from Edmonton (Hon. Mr. Griesbach).

Mr. Speaker, I press for a ruling that a speech made elsewhere cannot be quoted verbatim here.

Some Hon. SENATORS: Question!

Hon. J. A. CALDER: I well remember the incident that occurred last session, as referred to by my honourable friend from Edmonton (Hon. Mr. Griesbach), and the position then taken by the leader of the Government. Quite frankly, I think the question involved in the point of order is a difficult one to decide, but it seems to me that if every senator is not at liberty at any time to refer to an official statement made by a Minister in the other Chamber, this House cannot properly carry on its business unless the leader of this House presents that statement here as soon as possible.

However, since it would be inconvenient, at least, that the leader of the Senate should have to do that on every occasion, I think a committee of this House should diligently consider the advisability of amending the rule prohibiting our referring to statements of fact (I am not speaking of mere opinions) which Ministers of the Crown have given in the other place. In my opinion it would be better to deal with the matter in this way than to attempt on this occasion anything in the nature of a final ruling.

Hon. Mr. DANDURAND: I am of the same opinion, and I suggest that His Honour the Speaker suspend his ruling on the point. I would draw the attention of the House to the fact that the address of the honourable gentleman from New Glasgow (Hon. Mr. Cantley) is based on the very statement which Mr. Howe made in the House of Commons and which the honourable senator quoted.

Hon. Mr. MURDOCK: And read in part. I understand that the rule as to reading has often been ignored.

Right Hon. Mr. MEIGHEN: According to our rule, I do not think we are allowed even to refer to a statement made in the other House. I cannot say that I myself have strictly lived up to the rule.

An Hon. SENATOR: Why should there be such a rule?

Right Hon. Mr. MEIGHEN: That may be open for reconsideration, but in the absence of such a rule I can see great danger of this House becoming a sort of counter-debating complement of the other House.

Hon. Mr. EULER: It is one Parliament.

Right Hon. Mr. MEIGHEN: Yes; but the matter is not as readily decided as the honourable member thinks. If the rule were abrogated, cross-firing would become the order of the day, and each House would not be a separate branch of Parliament, as was intended by the Constitution. I quite agree with the honourable member from Parkdale (Hon. Mr. Murdock) that there have been other offences, but it seems to me that when the rule is invoked it should be applied and a decision given. We have not always invoked the rule, nor have the Commons always observed a similar rule. I can give the name of the offender who stood up in the other House and made a violent reply to me—and he was not a minor figure in the Parliament of Canada.

Hon. Mr. EULER: The leader.

Right Hon. Mr. MEIGHEN: The leader himself. I knew he would be identified by the senator from Kitchener, as very likely he heard the reply made.

Hon. Mr. EULER: It was not the leader of the Government either.

Right Hon. Mr. MEIGHEN: The leader of the Government?

Hon. Mr. EULER: I was thinking of the Leader of the Opposition.

Right Hon. Mr. MEIGHEN: Then the offence is aggravated; it is worse than I thought it was. According to the rule we cannot refer to a statement made in the other House. If the rule is invoked, let us observe it. If we are to reconsider our rules, I am willing to sit down and do so. It may be, as the honourable senator from Saltcoats (Hon. Mr. Calder) has said, that an official statement should be distinguished from remarks made in the course of debate. That is a matter for later consideration. While the rule continues anyone has the right to invoke it and ask for a decision.

Hon. Mr. DANDURAND: I may say that during my long career in this Chamber I have observed the rule. When dealing with a speech delivered in the other House, instead of quoting it from Hansard, I have said, "I have read such and such a statement as reported in the press."

Hon. Mr. MURDOCK: I deeply regret it if I have in any way trespassed against the rules of this House, but I do not think I have undertaken to do anything that has not been done on other occasions.

Right Hon. Mr. MEIGHEN: Would it not be well to have the rule stated by the Speaker and his decision on the point of order? I think the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig) is right.

The Hon. the SPEAKER: I was wondering whether the honourable senator had concluded his remarks on the point of order. Generally speaking, in the Senate the rule has been as stated. If the honourable gentleman insists on his point of order, I shall have to render a decision.

Hon. Mr. HAIG: Mr. Speaker, if the rules are to be reviewed and the rule in question is to be amended, I will not press my point of order. I raised it for the reason that last session the honourable member from Edmonton (Hon. Mr. Griesbach) did not, in my opinion, get what I may term a "square deal." In view of the ruling then given, I do not think the honourable member from Parkdale should now be allowed to do precisely what my honourable friend from Edmonton was then prevented from doing. In other words, what is sauce for the goose should be sauce for the gander. If the general opinion is that we should not have such a rule, I have no objection to its cancellation. I have no personal feeling against the honourable senator from Parkdale. I always enjoy his speeches. In fact, when he rises he usually puts me in mind of my old fighting arena in the Legislature of Manitoba. Still, I think the rules should be enforced.

Hon. Mr. MURDOCK: Again I wish to express my sorrow if I have trespassed against the rules of this House. I certainly would not have spoken at all but for the fact that I understood my honourable friend from New Glasgow (Hon. Mr. Cantley) repeatedly to—what shall I say?—pervert or misquote statements made on the subject of munitions by the competent Minister in the other House, and I was only trying to place on the record, immediately after my honourable friend's speech, the actual statements of the Minister in respect of munitions. I refrain from read-

ing another short paragraph, because I think I have quoted all the important facts that, in my opinion, my honourable friend from New Glasgow tried to pervert.

It seems to me that my honourable friend the junior senator from Winnipeg referred the other day with great enthusiasm to the fact that we were not building tanks and anti-aircraft guns. Who, might I ask, is handling this war on behalf of the British Empire? The other day I received a copy of a telegram from a barrister in Toronto expressing extreme dudgeon because there were no Canadian troops on Vimy Ridge to protect the fine monument placed there to commemorate members of the Expeditionary Force who made the supreme sacrifice in the last war. Who has authority to dispose of our Canadian troops after they reach England? Who has the ordering of tanks and anti-aircraft guns? Is some picayune barrister in Toronto to decide where the First, Second, or Third Division of our overseas forces should be stationed? Is he running the show? If so, I am all out of gait in my understanding. In the last war we equipped and sent our sons to help the Mother Country in the war against Germany. My understanding is—and let someone get down to brass tacks and correct me if I am wrong—that the same condition applies now. I am sure that during the last week Goebbels in his propaganda has referred to the fact stated by my honourable friend the senator from Winnipeg—

Hon. Mr. McMEANS: No, no. I am the senator from Winnipeg. I never made any such statement.

Hon. Mr. MURDOCK: I said the junior senator from Winnipeg.

Hon. Mr. McMEANS: Excuse me, you did not. You said "the senator from Winnipeg."

Hon. Mr. MURDOCK: I beg my honourable friend's pardon. I am referring to Senator John Haig, from Winnipeg.

Hon. Mr. McMEANS: Do not blame me for his sins.

Hon. Mr. HAIG: Mr. Speaker, I rise to a point of order. Has the honourable senator from Parkdale the right to refer to a senator by name? I submit his reference should be stricken from the record.

The Hon. the SPEAKER: If the honourable senator from Winnipeg South-Centre insists, no doubt the honourable senator from Parkdale will withdraw.

Hon. Mr. MURDOCK: I am sorry if I have hurt anybody's sensibilities, but I was grieved and distressed the other day when I heard my honourable friend the junior senator from Winnipeg make his statement, because I believed Goebbels and his propaganda ministry would get it first-hand and broadcast it throughout Germany to show his countrymen what Canada was not doing. My honourable friend, I am sure, knows as well as I do that there are substantial reasons why no tanks and no anti-aircraft guns are being built in Canada, and his judgment is just as good as mine.

Hon. Mr. GRIESBACH: Tell us the reason.

Hon. Mr. MURDOCK: The reason is that Great Britain has not asked for them.

Hon. Mr. QUINN: Poor excuses.

Hon. Mr. MURDOCK: Somebody says, "poor excuses." In other words, while Great Britain is handling this war, and Canada, New Zealand, Australia and South Africa are co-operating and sending the supplies and the men needed, it is a poor excuse to say that we should hold the view that the British authorities would request the things most needed for the proper conduct of the war.

Hon. Mr. QUINN: What about the air training scheme, the other request of the British Government?

Hon. Mr. MURDOCK: The air training scheme, as my honourable friend from Bedford-Halifax (Hon. Mr. Quinn) knows, is in an entirely different position. He knows that the scheme was initiated and has since been dominated and controlled by the British Government. I think, regardless of how some gentlemen would like to disparage Canada's connection therewith, this country has been doing a fairly good job in going forward with the desired work in connection with the Empire air training scheme.

Hon. Mr. QUINN: Two years late.

Hon. A. C. HARDY: I rise to a point of order. The air training scheme has nothing to do with the question under discussion, introduced by the honourable senator from New Glasgow (Hon. Mr. Cantley), which deals with munitions. I think if all members would during these critical times try to make themselves as little offensive as possible in debate we should get along very much better.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HARDY: "All members," I say.

Hon. Mr. MURDOCK: I judge that includes me as well.

Hon. Mr. HARDY: Yes.

Hon. Mr. MURDOCK: Thanks. I do not think it is necessary for me to take up much more time. I would not have said a word in this debate—

An Hon. SENATOR: You should not have.

Hon. Mr. MURDOCK: I am quite sure the honourable gentleman would hold that view. I would not have said a word except for the fact that in my judgment my honourable friend was undertaking to disparage, misquote and misrepresent the activities of the Canadian Government in rallying Canada as best they can to the assistance of the Mother Country and the Empire carrying forward this war.

Hon. A. D. McRAE: Honourable senators—

Hon. Mr. DANDURAND: How wise my honourable friend opposite (Hon. Mr. McRae) was in deciding not to start the ball rolling yesterday!

Hon. Mr. McRAE: And I am not going to start any ball rolling to-day.

The speech of the honourable gentleman from Parkdale (Hon. Mr. Murdock) has afforded me an opportunity to smile, a facial exercise I have not enjoyed during the last two days. I would summarize his remarks by saying he would appear to be quite satisfied with fighting next year's war, if I may so express it.

Hon. Mr. MURDOCK: May I correct my honourable friend as to that? He is entirely wrong. I am satisfied that to date we have done as much as we could do, and as well as we did before.

Hon. Mr. POPE: Oh, oh.

Hon. Mr. McRAE: I do not wish to start any argument. I regret that the debate has taken the form it has.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. McRAE: Let us forget the election. Let us refrain from raising the question which brings that back to the minds of many honourable senators, and let us approach matters in the calm atmosphere which makes for useful deliberation.

I rise only to speak with respect to tanks. I do so for the reason that I have had perhaps more experience in that line than most honourable members. I well remember the time, in the later stages of the last war, when Sir Albert Stern, as he became later—for he was knighted because of his work in that regard—came to me to have a man taken on my staff—an American, afterwards assigned to the British for pay and allowances. I remember him very well as he came into the office to register. He was a tall, lanky Yankee who gave his address as Peoria, Illinois, and he was an expert mechanic of the Caterpillar Tractor Company. That was the beginning of tanks in warfare. The caterpillar tractor was undoubtedly the ancestor of the tank.

The first caterpillar tractor I can remember was one that was used for hauling logs on icy roads into Prince Albert, Saskatchewan, thirty-seven years ago. It was a wood-burner. Since then there has been a great transformation in the caterpillar tractor. To-day we have in our forests 120-horsepower caterpillar tractors which are pushing their way through dense forests and up mountain-sides on an economic basis which would be impossible by any other method. I happen to have in the Yukon Territory two 90-horsepower caterpillar tractors building roads, and when I tell you that in less than two months I was able to build twenty miles of road you will get some idea of the power of those machines.

The modern caterpillar tractor burns Diesel oil. It cannot be operated on gasoline, the reason being that when you stall a gasoline engine it stops, and you have to start it again. The Diesel engine, which is now used, operates much like a steam engine and does not stall, even when overloaded. In a country like that in which I am operating, thirty miles from the Arctic Circle, I would not use gasoline if you gave it to me for nothing, for it is an accepted fact that in such work a gasoline engine is from four to five times as costly as a Diesel engine.

In a recent report, which would appear to be authentic, it is stated that the new German Diesel engine is ten times as efficient as the gasoline engine. That does not necessarily refer to cost. In war you do not measure cost, for money signifies nothing. The meaning is that only one-tenth as much fuel has to be transported, and the reduction in quantity is a matter of some importance. If we may believe the reports, the Germans have made great advances with their Diesel engine.

Undoubtedly, Diesel engines are absolutely essential in tanks. It is true that in this country we make no Diesel engines, or at least none of a type that meets the requirements of tanks. But we have in this country branches of American plants which make these 120-horsepower caterpillar tractors, and it is no great step from a tractor to a tank. The basic structure of a tractor is practically the same as that of a tank. Of course, it would have to be protected and a house or room would have to be built on it for guns and men. Certain changes might have to be made in order to arm the vehicle against an enemy.

It is said there are a number of manufacturers in Canada who can make tanks, and I have no reason to doubt that statement. In any event, there are two or three companies in the United States, such as the International Harvester Company, who could make tanks; and if they could produce them in quantities we could secure all we want at a reasonably early date.

I am not familiar with what the eighty-ton German tanks possess in the way of power.

Hon. Mr. HOWARD: And armour plate.

Hon. Mr. McRAE: And armour plate. Tanks to-day are very rugged vehicles and are heavily armoured. The frames might have to be stiffened, and the treads would have to be widened sufficiently to enable them to run over soft ground. But that is only a detail. I am satisfied beyond question that tanks can be built in Canada, although at the present time even caterpillar tractors are not built here, because there is not a sufficient demand. However, plants across the line, such as that of the International Harvester Company, are engaged in making caterpillar tractors, and I am satisfied that if they were furnished with blueprints they could turn out tanks within a few months.

Hon. Mr. MURDOCK: It is said that the armour plate is four inches thick, and that there is no factory in Canada which could make it.

Hon. Mr. McRAE: Quite so; but I understand that in the last war we reached a point where we could turn out that kind of plate. Since then there has been no demand for it.

Hon. Mr. QUINN: The honourable member from New Glasgow (Hon. Mr. Cantley) did not hear the statement with respect to armour plate, but when I drew it to his attention he said armour plate could be made in New Glasgow.

Hon. Mr. McRAE: I have no doubt it could be made, but I do not think it is made.

Hon. Mr. DANDURAND: Neither are the engines.

Hon. Mr. McRAE: That is quite right. The engines would have to be imported.

Hon. Mr. DANDURAND: The Canadian Pacific Railway Company offered to build tanks, relying on the importation of plate and engines.

Hon. Mr. McRAE: While it would be desirable to have the plate made in Nova Scotia, we are facing a definite emergency, and I think that in the meantime we should find two or three companies in the United States who turn out what I call battleship plate for the Government of that country. It would undoubtedly be necessary in the immediate future to import plate and Diesel engines, but there is no reason why, if a sufficient output were required, those things could not be made in Canada within six or eight months. The question is whether there would be a sufficient demand after the war to justify such an undertaking.

Now, I have a suggestion to make to the Government.

Hon. Mr. DANDURAND: Unless my honourable friend has almost finished his remarks, I would ask him to suspend them in order that I may introduce a Bill which should receive the Royal Assent at five-thirty.

Hon. Mr. McRAE: I am almost finished. I would suggest that in this emergency we should forgo the idea of building these tanks in Canada for immediate requirements and should approach one or more of the companies who do build tractors and ask them to inform us how many tanks they could deliver, say within the next ninety days, and by the end of the year, if we made a contract with them under which we would protect them on their capital investment. I am in favour of having this work done by private industry, by men who are familiar with the business and can get results in production.

WAR APPROPRIATION BILL

FIRST READING

A message was received from the House of Commons with Bill 18, an Act for granting to His Majesty aid for national defence and security.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND: With leave of the Senate, I move that second reading be given now. This is a money Bill, of considerable importance, and I am quite sure all honourable members are sufficiently familiar with the measure to deal with it this afternoon.

I will read the explanatory notes accompanying the Bill:

This Bill provides for the payment out of the Consolidated Revenue Fund of a sum not exceeding $700,000,000 in addition to the ordinary grants of Parliament towards defraying expenses incurred by or under the authority of the Governor in Council during the current fiscal year inter alia for the security, defence, peace, order and welfare of Canada. Authority is also granted to borrow the sum of $700,000,000 for any of the purposes set out in the Bill.

A similar Act (The War Appropriation Act, 1939) was passed at the session of Parliament held in September, 1939.

The requirements of particular services on war account will depend on the course and progress of the war in circumstances which cannot now be foreseen. Therefore, it is clearly unwise to attempt to make specific allocations of the total appropriation to particular services. It is nevertheless desired that members of Parliament shall have the usual opportunities for discussion of expenditures which may be made under various headings. Accordingly, there is set out below a list of the principal objects of expenditure under the Department of National Defence and a list of the other departments for which provision for expenditures on war account is now known to be necessary.

The list then follows. I confess I was somewhat surprised to notice the number of departments concerned in war activities. The Minister of Finance told me that in this respect the Bill is similar to legislation passed in the Great War. I asked him to give me some idea of the war activities of departments other than the Department of National Defence, and he has furnished the following statement:

WAR EXPENDITURE BY DEPARTMENTS AND SERVICES
(Excluding Department of National Defence)

1939-40

Department		
Agriculture		
Purchase of apples	$1,302,000	
Purchase of fibre flax seed	1,000	
Programme to encourage production of essential agricultural war supplies	39,000	
Sundry	35,000	
		$1,377,000
Auditor General's office		
Audit of war expenditure		8,000
Civil Service Commission		
Additional war expenses		6,000
External Affairs		
Establishment of new offices abroad	47,000	
Sundry	29,000	
		76,000
Finance		
Comptroller of the Treasury—Dependents' Allowance office and outside establishments	358,000	
War Supply Board administration	215,000	
		573,000
Justice		
Prize Court	1,000	
Defence of Canada regulations	13,000	
		14,000
Labour		
Wartime Prices and Trade Board		55,000
Mines and Resources		
Repatriation of distressed Canadians abroad		18,000
National Harbours Board		
Saint John—Dredging—Courtenay Bay		70,000
National Research Council		
Scientific and technical work		121,000
National Revenue		
Censorship of publications		2,000
Pensions and National Health		
Hospitalization expenses, C.A.S.F.	778,000	
Hospitalization expenses, R.C.M.P.	49,000	
Air raid precautions	56,000	
Sundry	17,000	
		900,000
Post Office		
Censorship Co-ordination Committee (Postal censorship)		70,000
Privy Council		
Censorship Co-ordination Committee	5,000	
Sub-committee of the Cabinet on Public Information	25,000	
		30,000

WAR EXPENDITURE BY DEPARTMENTS AND SERVICES
(Excluding Department of National Defence)—*Continued*

Public Works		
New office building in Ottawa	$ 137,000	
Furniture, etc., for new employees	263,000	
Alterations to buildings	203,000	
Rental of new premises	87,000	
Construction, repairs and improvements to dry docks and dockyards	68,000	
Halifax barracks and torpedo building	60,000	
Sundries	11,000	
		$ 829,000
Royal Canadian Mounted Police		
Increase in strength		1,400,000
Secretary of State		
Censorship Co-ordination Committee (Press Censorship Division)	30,000	
Internment operations	15,000	
Public Information office	22,000	
Sundries	8,000	
		75,000
Trade and Commerce		
Expenses re Canadian Shipping Board		4,000
Transport		
Airport and airway facilities and aerodrome sites	138,000	
Meteorological services—war-time	25,000	
Radio services—war-time	71,000	
Canals services—canals protection and special pilotage	18,000	
Marine services—increased services of Marine Service fleet, and replacing of buoys	75,000	
Sundries	23,000	
		350,000
Total		$5,978,000

Refunds may cause a further slight decrease in the above figures.

I hope this explanation of the Bill will be satisfactory to honourable members.

Right Hon. ARTHUR MEIGHEN: Honourable members, I do not rise to express opposition to this measure, but I feel I owe it to the House to contribute what I can to avoidance of any confusion as to my position, at least, in relation to the tenure in office of the Administration, having regard to its history and its war achievements. Certainly no one is less desirous of adding bitterness to a discussion now than I am, and though my convictions on this subject are deep, I will seek to avoid that result.

We find ourselves in the most solemn moment of our history. It is an easy thing, and it does not take much ability, to say we are all behind the Administration, applauding its efforts and supporting it. I admit that at a time like this we should not lightly refuse confidence to any government, and while it is in office we should, for the time being, help it in its efforts. But I have already said this session that I do not think the country can have confidence in this Government as it is now constituted. I say again the Government should take stock of its position, and make up its mind whether it can command public confidence at this time, for without that, whatever be its composition, it cannot succeed.

Hon. Mr. DANDURAND.

We have had some discussion on the state of our present war effort, as to tanks, as to planes, and as to many of the various classes of war equipment. The facts are, as we know, that we have none of these things on hand ready to be used in the struggle now raging at its crucial stage. There are certain planes on order, but after looking through the statement made by the honourable leader of this House (Hon. Mr. Dandurand) I should conclude these are mainly preliminary training planes. They, not others, are on order for Canada. A very few fighting planes, such as the Hawker-Hurricane, have been and are being produced for the British Government, but there are none of them in Canada for the training of our men. I believe a number of preliminary training planes are on hand, and I am at a loss to know why they have not been employed for training purposes. I am sure the Government will not dispute that training planes have been lying idle, and training grounds as well, for nearly two months. At Edmonton, particularly, and at many other points besides, preliminary training at least might have been going on for some considerable time and to a vastly greater extent than it has, if indeed it is going on at all even yet.

We have no large guns.

Hon. Mr. DANDURAND: Ordnance guns.

Right Hon. Mr. MEIGHEN: No. We have a considerable amount of small arms ammunition. But as to the main weapons of war we are just simply without them, and it is no information to the enemy to say so. For myself, I do not care what any Minister says, he will never convince me that if we had started in time we could not produce any kind of tanks in this country. I do not say we can produce tanks at once—I know the public expects them to fall from Heaven—but if we had started when we should have started we could have produced them for our forces; and undoubtedly we need them for our forces, no matter what any Government may say. Nobody would suggest at this time that any outside country is in a position to supply tanks. During the last war we were told, "You cannot make this and you cannot make that implement of war." But they were made. It is marvellous what can be done under the spur of a terrible compulsion if there be the will and the prevision. It may be, as the senator behind me says, that we shall at first have to import Diesel engines from Chicago. It may even be, though I scarcely think so, that we shall have to import the harder steel, but I know that during the last war we hardened steel in Canada. I am not sure we have done so since, but that we can there is no question. The 4·5-inch steel is needed for the big tank, what is called the Mark IV; but for tanks up to that dimension it is not. My information is, and I rely on it, that these other tanks we could have made right along. We have not done so. I do not excuse the Government in this respect or in respect of our lateness in the manufacture of fighting and air training machines by the conduct of any other administration. I am surprised that this Government in particular should venture to suggest that, having declared war on behalf of Canada, it permits itself to be held back from the proper prosecution of the conflict under pretence of the conduct of any other Government—

Hon. Mr. DANDURAND: There is no pretence; it is a fact.

Right Hon. Mr. MEIGHEN: —or under assertion that it is because of direction or advice from any other Government.

Hon. Mr. MURDOCK: Or requests.

Right Hon. Mr. MEIGHEN: Or requests.

Hon. Mr. KING: Or by co-operation.

Right Hon. Mr. MEIGHEN: During the last few days the Government has attempted, day in and day out, to take refuge behind the British Government. We are told that whatever has been done has been done at the instance of the British Government. I do not like that attitude on the part of this Administration. It is not a courageous attitude.

Hon. Mr. DANDURAND: Will my right honourable friend allow me to interject one word?

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND: The Commonwealth Air Training Scheme, which was initiated on the other side, provided for certain large works, representing $350,000,000, to be undertaken by this Government. Great Britain's contribution was to be in kind, and undoubtedly this meant the aircraft which will be required for training. So we are in this position, that we have to rely upon the terms of the agreement, and have been waiting for those machines. We were getting some from the United States, but Great Britain stepped in there—I do not complain—and asked for the very type of aircraft that we could buy there, and so paralysed Canada's action in the American market. That is a fact. I wonder if there is any excuse in explaining that situation.

Right Hon. Mr. MEIGHEN: The honourable leader has probably assisted me in making clear what I want to make clear to this House and particularly to himself. I shall not dispute his assertion that in the air training scheme, as finally evolved, after all the resistance to the British proposal which this Government—

Hon. Mr. EULER: There never was any resistance.

Right Hon. Mr. MEIGHEN: What? To the British proposal to establish their own training schools?

Hon. Mr. EULER: I understood my right honourable friend to refer to the Commonwealth Air Training Scheme.

Right Hon. Mr. MEIGHEN: No.

Hon. Mr. EULER: I desire to repeat what I said: there never was any opposition to the British receiving training in this country, even under the original scheme.

Right Hon. Mr. MEIGHEN: I never said there was opposition to our training them.

Hon. Mr. EULER: The statement might be misinterpreted.

Right Hon. Mr. MEIGHEN: I do not see any ground for misinterpretation—nor for interruption. This Government said it would take the responsibility for training, and insisted on its own administration as evidence of our new nationhood. But before the Government did that it resisted the British proposal, and by its resistance it defeated the proposal that the British authorities themselves would train their air men in Canada. Can honourable members imagine an ex-Minister denying that that stand was taken by his Government? Why, his leader boasted that his Government had resisted the proposal and baffled it.

Hon. Mr. EULER: That is quite incorrect.

Right Hon. Mr. MEIGHEN: He did not? Did he accept it?

Hon. Mr. KING: He gave them a better proposal.

Hon. Mr. EULER: He made an alternative proposal.

Right Hon. Mr. MEIGHEN: We all know that.

Hon. Mr. EULER: Which was accepted with thanks.

Right Hon. Mr. MEIGHEN: Certainly. Anything we proposed to the British Government would without any question be accepted with thanks. The Prime Minister resisted, defeated and baffled the British proposal, and then—

Hon. Mr. DANDURAND: Those are words.

Right Hon. Mr. MEIGHEN: Those words are true.

Hon. Mr. EULER: No.

Right Hon. Mr. MEIGHEN: They are not?

Hon. Mr. EULER: No.

Right Hon. Mr. MEIGHEN: Then why was the British training school not established here?

Hon. Mr. EULER: Because its place was taken by the present Commonwealth Air Training Scheme.

Right Hon. Mr. MEIGHEN: Certainly; at the insistence of Canada.

Hon. Mr. EULER: No.

Hon. Mr. DANDURAND: The scheme came from London.

Hon. Mr. KING: A scheme which is much better.

Right Hon. Mr. MEIGHEN: Do not tell me this is the proposal which came from London.

Hon. Mr. EULER: Does my right honourable friend really reject the statement that the Commonwealth Air Training Scheme was initiated by the British Government?

Right Hon. Mr. MEIGHEN: Certainly. The training scheme of the British Government was the training scheme described by the Prime Minister himself in the other House on July 1, 1938, and refused by him.

Hon. Mr. EULER: No. My right honourable friend made the statement—he will correct me if I am wrong—that we initiated the Commonwealth Air Training Scheme. That is not according to the facts. The proposal came direct from the British Government, and from no other source.

Right Hon. Mr. MEIGHEN: I do not know how to describe the honourable member's statement. "Hair-splitting" is not the apt word.

Hon. Mr. EULER: That is not hair-splitting; it is the fact.

Right Hon. Mr. MEIGHEN: No. The British Government proposed a plan of its own to establish here in Canada air training schools, which it would administer and in which, at its own expense, it would train pilots for the British Air Force.

Hon. Mr. DANDURAND: Does my right honourable friend know what was the real offer or suggestion by the British Government when it first opened conversations?

Right Hon. Mr. MEIGHEN: In what respect?

Hon. Mr. DANDURAND: What was the offer? My recollection is that it was on a small scale.

Right Hon. Mr. MEIGHEN: These red herrings will not lead me off the track at all, and honourable gentlemen are just wasting their time. As to the dimensions of the initial British proposal, of course I do not know. I read that first it provided for the training of so many pilots, and then the number was reduced. But I know a proposal was made, that the British authorities wanted to commence in that way in this country, and I know that proposal was rejected. Now, why was I interrupted?

Hon. Mr. KING: It was not rejected.

Right Hon. Mr. MEIGHEN: Absolutely. The British authorities were told, many weeks after, that we would take care of training

under our own administration. That led to the present air training scheme. Very well. Having entered on the present air training scheme, a co-operative arrangement among all the Dominions, with Britain supplying certain things in kind, we are now told the British Government cannot supply them. That may be. Under the exigencies of this hour I do not wonder we have got into this position. But everybody must know and must admit that if we had permitted the British authorities to start at the time they wanted to, whatever may have been the size of the scheme as first planned, it would have grown as the peril grew. We are in our present position because we first rejected it and some time after negotiated for another plan. We entered into this other plan. We may have got the British Government to propose it finally as its own—I do not know—but for us to say now, "This is your plan, and if it does not work don't blame us," is not courageous.

Hon. Mr. DANDURAND: We do not say so, but we do say, "You indicated a three-year plan."

Right Hon. Mr. MEIGHEN: Very good. All I am pleading is that the Government discontinue this practice of saying, "The British Government cannot do this, the British Government only asked for that," and at the same time refusing to this House documents or précis of telephone conversations, or whatever they were, that would reveal the whole of the facts. Now, when the Government, before the people of Canada, seeks to lay the blame on Britain, this should be remembered: the British Government cannot defend itself. I find no fault with this Administration for not at this time producing documents. I know it cannot be done without the consent of the British Government. I know the British Government will raise no quarrel with Canada, no matter what any member of this Cabinet may say; but while the British Government is in that position, unable to explain the matter or to defend itself, surely it is not courageous on the part of this Administration to seek to explain, if things are not going as fast as they should go, that it is the fault of another Government. The blame is not there; it is here.

Hon. Mr. DANDURAND: There is no blame here.

Right Hon. Mr. MEIGHEN: No blame?

Hon. Mr. DANDURAND: There are no "excuses."

Right Hon. Mr. MEIGHEN: I abandon the word. Let us say reasons.

Hon. Mr. EULER: Much better.

Right Hon. Mr. MEIGHEN: Reasons for not attaining results will not win a war. I do not care how many reasons you give, you can win a war only with munitions and men.

Hon. Mr. DANDURAND: Is my right honourable friend speaking of the British or of the Canadian Government?

Right Hon. Mr. MEIGHEN: The Canadian Government.

Hon. Mr. DANDURAND: Oh, not the British Government?

Right Hon. Mr. MEIGHEN: I am speaking of the Canadian Government's failure, and I am speaking most earnestly about it. The time from which dates our present failure was not this spring; it was not last winter, nor last fall, nor a year ago. Our failure dates from years gone by, and I shall seek to review its history, because that is vastly important. It may not cure anything that is past, but I do hope it will cure certain practices for all time to come.

We were told by the leader of the House there was a starving of our defences during the tenure of the late Administration. Perhaps there was.

Hon. Mr. KING: There is no perhaps about it.

Right Hon. Mr. MEIGHEN: Let us admit there was. A depression was all about us. There was at least the establishment at Valcartier of an arsenal, which this Government abandoned. I admit that was not enough. But surely we all know this. Those were the days when, unwisely, as events have proven, we, in common with other nations of the world, all making the same mistakes—

Hon. Mr. DANDURAND: Exactly.

Right Hon. Mr. MEIGHEN: —relied upon what we called collective security. We relied upon a principle, as we then described it, which turned out to be little better than a phrase. That error was common in countries more important in this conflict than we are. That we erred along with others in that respect, let us all admit. Very well. Clouds of war arose, and as they arose the value of League of Nations security, in the eyes of the world, vanished. The value of that security was pretty well gone after a couple of years of Hitler ascendancy in Germany; it was gone at the time of the invasion of Ethiopia, and it became realized more and more that again the time was coming when arms, and arms alone, would save our liberties

and our lives. The Prime Minister of our country has told us that the clouds of war hovered over his head two years before the storm broke. I do not wonder that clouds were hovering overhead. I cannot imagine anybody believing otherwise who looked at the world from the elevation at which he stood. Those conditions date from even beyond the Munich affair, and that occurred in the fall of 1938. They date from about 1936.

Hon. Mr. KING: From 1933.

Right Hon. Mr. MEIGHEN: From 1933?

Hon. Mr. KING: Yes.

Right Hon. Mr. MEIGHEN: Well, Hitler came in in 1933.

Hon. Mr. KING: Before that.

Right Hon. Mr. MEIGHEN: Oh, I do not think so. I had no fear in my own mind until the end of 1934. I may have been wrong.

Hon. Mr. KING: The Premier of Great Britain was very positive in 1933, and gave warning to the British people.

Right Hon. Mr. MEIGHEN: He may have done so. I hope he did. I wish they had had it sooner. But how does our action or practice compare with theirs?

Hon. Mr. KING: You are referring to dates.

Right Hon. Mr. MEIGHEN: The difference is very marked. With the clouds of war hovering as far back as even 1937, how, to use the words of the Prime Minister, can any Government be excused for not providing true defences for this country, the result being that we have nothing to fight with now? I shall give you the answer the leader of this House gave the other day, and it is the only answer. He said: "We did everything we could; we put through the House of Commons everything we could get through. We couldn't get any more done, the House of Commons being as it was."

Hon. Mr. KING: And there was public opinion.

Right Hon. Mr. MEIGHEN: That is the true answer, honourable members; that is the absolute answer.

Now let us inquire what was the right of the leader of the House, or the leader of the Government of Canada—that Government which must have public confidence today—to present such an answer? Was their trouble in the House of Commons with the Opposition in that House? Everyone knows it was not. Their trouble was with their followers.

Hon. Mr. DANDURAND: With the people of Canada.

Right Hon. Mr. MEIGHEN: "Oh," says the leader of the House, "with the people of the country." Against a school of opinion represented in Parliament, we are told they could go no faster. Furthermore, he said that because of the strength of this school of opinion they had to proceed under cover of pleading for defence of Canadian shores in order to get the estimates through at all. And that is true, as true as any words any public man ever uttered.

But, I want to ask, who created that school of opinion? Was it not those who throughout these years have been denouncing as Imperialists all who wanted to stand with Britain in defence? Have we not heard that taunt hurled throughout the length and breadth of this country, all through these years? The honourable gentleman himself (Hon. Mr. Dandurand) has hurled it at me right up to this very hour. All the Imperialism of which I have been guilty has been to demand that the Administration stand with Britain, to aid Britain in defence, as the best means of protecting Canada. That and nothing else. I do not know of anything more discreditable in the history of this Dominion than the deliberate course, pursued over a period of years, of generating anti-Imperialist sentiment. Who are the fathers of that sentiment? Who are the progenitors of that school of opinion? Who are those who have fed and fertilized and fostered it all through these years? They are the honourable gentlemen at the head of the present Government.

Hon. Mr. DANDURAND: The right honourable gentleman himself.

Right Hon. Mr. MEIGHEN: I created an anti-Imperialist feeling, did I?

Hon. Mr. DANDURAND: Yes, if you will allow me. You bedevilled the province of Quebec by subsidizing the Nationalist party in 1911, and carried the election with the slogan, "No contribution to Great Britain's wars, except in defence of Canada."

Right Hon. Mr. MEIGHEN: No, sir. I want to state to the honourable member, in a spirit of a little more deliberation, that I had nothing to do with it directly or indirectly.

Hon. Mr. DANDURAND: I speak of the Borden Government.

Right Hon. Mr. MEIGHEN: Some in Quebec did so, but never was I associated with it in the remotest way by word or by breath. Never did I yield to it by the breadth of a hair.

Hon. Mr. KING: You are speaking of yourself.

Right Hon. Mr. MEIGHEN: Yes, I am speaking of myself; and I speak the same words of the leader I followed. I know there took growth there, originating not in one of our friends, but in one of the followers of another party, a sentiment supported by some who called themselves Conservatives. But do not identify me with them.

Hon. Mr. DANDURAND: I say the Borden Government in 1911 subsidized from A to Z the whole Nationalist campaign in the province of Quebec, the slogan being "No contribution to Great Britain's wars outside of Canada."

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: There is this difference. Certain ones were elected who were opposed to the Laurier administration, I admit; but that does not say the man who later became Prime Minister of the country sympathized with them in any degree whatever.

Hon. Mr. EULER: The Government accepted their support.

Right Hon. Mr. MEIGHEN: But if the cry of "No contribution" went up then, who headed the cry? Who added their numbers to that school? Who in the election of 1921 defeated the then Government by means of that cry? Who are those who stayed in power year after year by reason of support from no other sort of public opinion than that? Who capitalized on it election after election? Every time the party which I led went down to defeat, it went down because of that appeal. It is easier to capitalize on prejudice than to enlighten by education. It is easy to get into power by selling your country for votes. And those who have talked thus of Imperialism, even up to this hour—for it is only two days since I was taunted with Imperialism by honourable gentlemen opposite—cannot now stand up and say that because of that body of opinion among their own followers they have had to go slowly and can get little results. All of it has gathered under their wing. They are the profiteers of that campaign, and they have profited election after election. They themselves are the progenitors of the lions which, they now complain, stand in their path.

Hon. Mr. DANDURAND: And the right honourable gentleman is getting the whip he himself manufactured.

Right Hon. Mr. MEIGHEN: Oh, no. You will never find anything to encourage that thought.

Hon. Mr. MURDOCK: What about the vote of the people for war?

Right Hon. Mr. MEIGHEN: I do not mind ordinary interruptions, but the honourable senator from Parkdale (Hon. Mr. Murdock) always turns me back about an hour, because he does not seem to be up to what I am saying.

Hon. Mr. MURDOCK: Asking embarrassing questions?

Right Hon. Mr. MEIGHEN: No. The honourable gentleman could not embarrass anyone except by noise.

Hon. Mr. MURDOCK: Tell us about the proposal to have the people of Canada vote.

Right Hon. Mr. MEIGHEN: Undoubtedly I made it, and I would have done just that had I been in office at the outbreak of this war. But I never would have had an election on a party basis. I would have formed a Government inclusive of every element that stood for our war policy, and then I would have sought a mandate, for a mandate has proved essential in this country in the conduct of a long conflict; and in that contest I would have supported, no matter what his party, every candidate who stood behind the war.

Of the obtaining of a mandate I do not complain. I only complain that the appeal was on a party basis, and that men, all of whom supported the Administration in its war declaration, were marked for defeat by the very men who had just said they wanted unity in Canada. All this, though, comes from an interruption, and is beside my purpose. What I want to drive home is this. The anti-Imperialist appeal in this country, which took this form one day and another form the next—that we had nothing to do with Britain's war; that our defence did not rest under the British shield, but was something separate and apart, or could be entirely ignored; that all thought of war was Imperialism—has been all through the years the main source of the political success of honourable gentlemen, the certain source of their success, and they cannot plead now, in the presence of the people of Canada, that they should be excused for failure to surmount the difficulties which confronted them because all about were demons they themselves had roused. Those men to whom they were afraid to present the real facts and adequate

estimates were their own followers; and those men were elected by, and in the House had reacted to, the very sentiments which the Government did not like to hear when the day of danger came.

Hon. Mr. DANDURAND: Does my right honourable friend not give credit to the Prime Minister for having carried the whole of the country into the war, with an increasing expenditure year by year? The Prime Minister did that, but he did not divide the country.

Right Hon. Mr. MEIGHEN: That is not a reason for confidence. He had no trouble in carrying his political foes; he did not have to address even a word to them. The trouble he had was with his political friends, and he had that trouble because of teachings of which he was one of the fathers.

Hon. Mr. DANDURAND: No; because my right honourable friend's friends had bedevilled the province of Quebec.

Right Hon. Mr. MEIGHEN: Let me calmly ask a question. If this group was of our creation, how did it come to be supporting the present Government? These people were supporting the leader of the Government of the day, and he was afraid to face them with a programme that meant an adequate discharge of the obligation of this country in the war he feared.

Hon. Mr. DANDURAND: The defence of Canada.

Right Hon. Mr. MEIGHEN: Oh, the Government carried the country, it is true. But how? In the province of Saskatchewan it was on the promise of moderate participation; in other provinces it was on the promise that we would go so far, but would not do anything to embarrass the finances of Canada. That kind of carrying into war is of doubtful value. Did the Government carry the country in by rousing our people to a spirit of immediate action? Has anyone heard yet from any member of the Administration one single ringing appeal to rally to the conflict? I have not heard any. Was the spirit of this country a week ago comparable with what it was within ten days of the outbreak of the last war? I say it was wholly different—and there is no Canadian who does not know the origin of that benumbing of the spirit of Canada. The Prime Minister has been associated with the sort of Government whose leader in this House at this very hour throws at me the taunt of being an Imperialist and of looking after the defence of Britain rather than that of Canada. Such was his utterance only last week. A Government so headed cannot command the confidence of Canada in a time of crisis like this.

Hon. Mr. DANDURAND: It cannot command the confidence of the Tory party.

Right Hon. Mr. MEIGHEN: It cannot command the confidence of the people of Canada, and it will not. The sooner the Government realizes that, the better. Let the members of the Government rest as long as they like on the feather bed of an avalanche of votes, if that satisfies them, but I warn them that when the consequences of their policies fall more heavily upon the country they will wish they had never been provided with that bed. The Government should follow the advice I gave it a short while ago. It will have to do so in time, and it had better do so now.

I stand in front of the honourable leader of this House (Hon. Mr. Dandurand), for whom personally I have a high regard, and I tell him again that this Government will have to reorganize itself. Let it reorganize itself now, let it unite all who are behind this war, and let it have at its head one who is deadly in earnest about the war and who still has the confidence of a considerable part of the country. There are men of that kind even within the Government's ranks. But let the Government not remain as it is to-day, headed by those who are responsible for the troubles which now have to be met, who created the state of public opinion now or until lately existing, who all through recent years have pursued a course which has discouraged and dampened British sentiment in this country, and who because of such conduct are responsible for no small measure of the hardships and the griefs through which we, in common with the Motherland, have now unhappily to pass.

Hon. Mr. DANDURAND: Honourable senators, I have but a few minutes in which to reply to my right honourable friend; so my remarks must be brief. I would draw attention to the fact that he suggests as an ideal Prime Minister a colleague of the present Prime Minister.

Right Hon. Mr. MEIGHEN: I suggested, not an "ideal" Prime Minister, but a much better one.

Hon. Mr. DANDURAND: Well, virtually ideal, at all events. My right honourable friend rests his confidence on one who is a colleague of mine in the King Government. He does not see that that colleague and all the other members of the Cabinet have been selected by the present Prime Minister, to whom they look for inspiration, whom they have known since 1922 and longer, and who stands as their leader. It is strange, indeed, that the Tory party, while attacking the

Prime Minister, admits that many of his colleagues stand high in public esteem throughout the country. I want to tell my right honourable friend that all these colleagues have been sitting with the Prime Minister daily, that they recognize him as one standing higher than they do in political acumen, in common sense and in clear judgment, and that they would never for a moment think of beheading the present Cabinet unless they all went out of office with him. So if the old Tory guard which is congregated in this Chamber to-day, and which perhaps represents "the last square of Waterloo," thinks that by its recriminations and cries it can frighten the Liberal party and members of the present Cabinet, and weaken their confidence in the Right Honourable William Lyon Mackenzie King, it is vastly mistaken and it will be disappointed.

Yes, there is a difference between my right honourable friend and myself. We were born in different atmospheres. He is, as I said, an Imperialist to the core. I am a Canadian, whose roots in this country are three hundred years old. I would remind him that a good Scotsman, by the name of John Buchan—who later became Lord Tweedsmuir—said a Canadian's first duty was to Canada, and that the first interest Canadians had to defend was Canada.

Hon. Mr. QUINN: But not the only interest.

Hon. Mr. DANDURAND: First Canada, and then the Empire. So we are at one with a strong man, whose native home was not in this country. He studied the situation, and he said that the first duty of a Canadian was to Canada.

Right Hon. Mr. MEIGHEN: Who says anything else?

Hon. Mr. DANDURAND: I will refer to a well-known incident which shows how far apart my right honourable friend and the present Prime Minister stand. In 1922 Mr. David Lloyd George, to whom Providence might have been kinder if it had closed his career on the 11th of November, 1918, wanted to know whether Canada would send troops to Chanak. In the Great War Canada had already lost 60,000 men and had 100,000 wounded; and we were faced with a Treasury deficit of $100,000,000, plus a railway deficit of an equal amount. So the Canadian Government, headed by the present Prime Minister, asked the British authorities for further information as to the necessity of our sending troops. My right honourable friend went to Toronto and said that our Prime Minister showed no sympathy with the British Government, and that if he had been in office he would have replied to the inquiry, "Ready, aye ready." He would have made that reply although at the time we were not ready to send troops. The people were behind us in that stand, and they are behind us now.

Right Hon. Mr. MEIGHEN: I have the right to answer a statement referring to myself. This is not the first time my honourable friend has related that story, but perhaps he has never chosen a more inopportune time than now.

What the honourable gentleman refers to is this. At the close of the last war a treaty was made with Turkey, a treaty negotiated with that country by representatives of Great Britain, the Allies and Canada. In the signing of that treaty Canada acted as a separate nation, or, to put it better, as an individual nation. Ratification was moved in the Canadian Commons by the present Prime Minister. A time came later when, because of Turkish aggression, Great Britain considered the question of holding Turkey to the terms of her treaty. I presume the British Government nourished the idea that we, as parties to that treaty, would have some interest in it. I personally assumed that since the Dominion signed the treaty as a separate nation, an individual nation, we probably had some remote interest in the integrity of that treaty. The British Government indicated to us the line they thought of taking and asked if we cared to be represented in any way in any action that might be taken. That, and that alone, was the inquiry. I ask honourable members on both sides of the House: Was there anything improper in that inquiry? On the contrary, was it not an inquiry which Canada was entitled to have made to it? Or should the British Government have assumed that our signature represented only a concession to our vanity, that our interest in the treaty ended when we had signed it, and that whether its terms were carried out or it was torn to tatters by other parties was no concern of ours?

At any rate, the Canadian Government repulsed the inquiry. In doing so it acted directly in line with the course of conduct of which I have complained this afternoon. That was just another illustration of the course this Government invariably had pursued in order to cater to that school of opinion which is opposed to co-operation in any way with Great Britain in matters of defence. After our reply to the British Government's inquiry was known, I made a statement to this effect: that when Britain appealed to us in regard to a treaty to which we were a party —a treaty we had signed quite independently

of her—we should at once have shown interest in that treaty and stood ready to examine with her our course of action. Never did I say we should have been ready to fight at once merely because Great Britain thought of fighting. Not at all. That is only a misrepresentation which has been made down through the years, and never more frequently than by the honourable leader of the Government in this House.

Hon. Mr. DANDURAND: But my right honourable friend said he would have replied, "Ready, aye ready."

Right Hon. Mr. MEIGHEN: Certainly, but I did not say "Ready, aye ready, to fight merely if called upon."

Hon. Mr. EULER: What did the statement mean, then?

Right Hon. Mr. MEIGHEN: It meant that we should have replied we were ready, aye ready, for an examination, in a sympathetic attitude, of our duty.

Hon. Mr. EULER: Nobody else interpreted it that way.

Right Hon. Mr. MEIGHEN: Everybody who heard it interpreted it that way, but nobody interpreted it that way after misrepresentations became current throughout Canada. Certainly our reply to the inquiry should have been sympathetic. We had the right and duty to sit down and discuss what we ought to do. And I want to express this belief: that when this war is over, and when in the providence of God we emerge victorious, and we enter into treaties, even a Government composed of honourable gentlemen opposite would not say, "We have no further interest in those treaties, and we should be offended if the British Government asked us whether we were ready to co-operate with them to see those treaties respected." I think that when we sign treaties we have at least some duty towards securing their observance by all parties. We should have replied to the British Government at once in a spirit of common interest, in a spirit of "Ready, aye ready," as those words had before been used by Sir Wilfrid Laurier himself on the floor of the House of Commons. It may have been our duty to insist on reconsideration of the treaty, but certainly we were entirely wrong in telling the British Government that we had no more interest in the subject at all.

Hon. Mr. DANDURAND: I think Great Britain recognized that we had led the way towards peace by our refusal to join in the Lloyd George proposal.

I move the second reading of the Bill.

Right Hon. Mr. MEIGHEN.

Hon. Mr. MURDOCK: We are dealing with a Bill to which we must give proper consideration, and I insist on making a statement before the motion is put.

Hon. Mr. DANDURAND: I would ask my honourable friend to forgo his speech, as it may provoke another speech in reply.

Hon. Mr. MURDOCK: As a private member I insist on my right to make a statement.

Right Hon. Mr. MEIGHEN: I can promise there will be no reply.

Hon. Mr. MURDOCK: It is altogether to the good to find this Senate unanimous in encouraging energetic conduct of the war. True, we are divided, those opposite thinking we are not doing enough, those on this side honestly believing that the very best that is possible is being done.

Allow me to read from page 45 of the Senate Hansard of 1934. I desire to give a short extract to show the position taken by honourable gentlemen opposite when they were sitting on this side and when the distinguished general from Vancouver (Hon. Mr. McRae) rose in his place and made a lengthy speech. I quote this one paragraph:

> We are a small nation—ten and a half million people—to be taking part in this European embroglio. We are far away from the continent of Europe. With the certainty of war before us, I want to call the attention of this honourable House and of the country to the opportunity that we have at this time to withdraw with honour from the League of Nations—an opportunity which subsequent developments may not afford. I appreciate the seriousness of the statement that I am about to make to this honourable House, but I am giving my considered, definite opinion when I say that I cannot conceive of any developments which would justify this country in sacrificing the blood of one single Canadian on the future battle-fields of Europe.
>
> Some Hon. Senators: Hear, hear.

Honourable members will notice the applause.

Right Hon. Mr. MEIGHEN: It was not from our side.

Hon. Mr. MURDOCK: That was the doctrine in 1934: not "the blood of one single Canadian on the future battlefields of Europe." Yet to-day they are crying to high Heaven, as the barrister in Toronto is, because there are no Canadian soldiers on Vimy Ridge to protect Canada's war memorial. Consistency, thou art a jewel!

Right Hon. Mr. MEIGHEN: The honourable gentleman knows that that was an opinion expressed by an individual member and had no support whatever from our side.

Hon. Mr. MURDOCK: It was received with applause, according to the record.

Hon. A. D. McRAE: Honourable members, in view of the remarks of the honourable gentleman from Parkdale, I ask the indulgence of the House in order that I may reply to him at once.

Of course I have changed my mind. Six years ago, on my return from Europe, I was so impressed with the certainty of war that I took the only avenue open to me to present that serious situation to this House, in the hope that Canada might be withdrawn from a catastrophe that seemed to me inevitable. Much has happened in the meantime. Then most honourable members regarded me as a pessimist, but who by the wildest stretch of the imagination could visualize the situation in which the world finds itself to-day? Conditions have changed.

Hon. Mr. MURDOCK: That is conceded.

Hon. Mr. McRAE: Our very liberties are at stake, and it is the solemn duty of every loyal Canadian to do his utmost to help the Allies win this war.

On referring to Hansard of 1934, honourable members will see the personal attack which the right honourable member from Parkdale then made on me. I was not in the House at the time.

Hon. Mr. MURDOCK: I am not a right honourable yet.

Hon. Mr. McRAE: Pardon me. The honourable member from Parkdale. To-day he again refers to my speech of 1934, which he appears to have carried in his memory from that day to this. I ask him: Was he or was I right six years ago in respect of the future? Yet he has the temerity to-day to raise the question in the same spirit that animated him six years ago. Well, I am glad he has done so. I gave expression to my honest conviction at a time when I felt war was a certainty. I was depressed and discouraged by the apathy I found in England and in this country. I never thought we should find ourselves in the critical situation we are in to-day. As I have said, our liberties depend on the outcome of the present struggle, and I am proud to stand here and say that the opinion I expressed six years ago has no bearing on the situation to-day.

Hon. Mr. MURDOCK: Hear, hear.

Hon. Mr. McRAE: I would remind the honourable gentleman that I got no support from either side of the House when I expressed that opinion. I knew I was giving expression to an unpopular view, but, as I say, I was so impressed by the seriousness of the situation that, even at the risk of incurring the displeasure of the honourable gentleman from Parkdale, I placed my views before the House. Apparently time has not tempered his resentment.

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

THIRD READING

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

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

The Senate adjourned during pleasure.

THE ROYAL ASSENT

The Honourable Oswald Smith Crocket, acting as Deputy Administrator, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Speaker, the Honourable the Deputy of the Administrator was pleased to give the Royal Assent to the following Bills:

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1941.

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

The House of Commons withdrew.

The Honourable the Deputy of the Administrator was pleased to retire.

The sitting was resumed.

IMMIGRATION FROM BRITAIN AND FRANCE

On the Orders of the Day:

Hon. RAOUL DANDURAND: Honourable senators, last week the right honourable leader on the other side questioned me concerning the attitude of the Government on the immigration of British and French citizens to Canada. I will read a letter on the subject which I have received from Mr. F. C. Blair, Director of the Immigration Branch. On a certain point he may have narrowed the inquiry of my right honourable friend, and, if so, I will ask Mr. Blair to supplement his letter. He writes me as follows:

Dear Senator Dandurand,

In response to your inquiries about what is being done for British and French citizens who desire to find shelter in Canada for the duration of the war,—

That perhaps limits the idea expressed by my right honourable friend.

—I may say that these are being freely admitted, the only requirement being that they

are in good health and are either joining relatives or friends who can look after them here or that they have sufficient funds to look after themselves. Our officers in London and Paris have standing instructions covering this movement.

The question may arise whether our practice in this matter opens the door to persons liable to become public charges in Canada or allows a movement of those engaged in subversive activities. You will observe that I have mentioned British and French citizens only. These will travel on passports issued by their own Government, and this, with such other protection as our own officers can supply, may be accepted as a reasonable safeguard against the creation of difficulties for Canada.

Right Hon. Mr. MEIGHEN: Mr. Blair has closely enough apprehended what I had in mind. But I do not care even for restrictions at the present time. I should like the Government to make a positive offer to take care of such citizens as desire to come, certainly for the duration of the war.

Hon. Mr. DANDURAND: I notice Mr. Blair says, "Our officers in London and Paris have standing instructions covering this movement." I do not know whether the general official statement might impart information of willingness on the part of Canada to receive British and French citizens.

Right Hon. Mr. MEIGHEN: That is my idea.

Hon. Mr. DANDURAND: Of course it would be necessary to confer with the two Governments. I know the French Government would not be willing to allow their manhood to emigrate.

Right Hon. Mr. MEIGHEN: Oh, no. I said, "always with the approval of their Governments." What I had in mind mostly was children, and in their case restrictions do not seem very appropriate. Children could have no means of support, but I would not refuse asylum in Canada during the war to any French or British child if he had not even a nickel.

Hon. Mr. DANDURAND: I suppose the two Governments would not allow people to come here who might be objectionable on certain grounds.

Right Hon. Mr. MEIGHEN: Britain will not let her men out either.

Hon. Mr. DANDURAND: There is a subversive element which the Government has under observation as being somewhat dangerous to the State. I am sure my right honourable friend realizes that the British Government would not allow Nazis, Fascists or Communists to take advantage of the proposed offer.

Right Hon. Mr. MEIGHEN: The British Government would take care of them.

ADJOURNMENT

Hon. Mr. DANDURAND: I move that when the Senate adjourns this evening it stand adjourned until Tuesday evening at eight o'clock.

Right Hon. Mr. MEIGHEN: I desire to say a word on the motion. I would not offer any determined objection to our adjourning until Tuesday, though I had rather expected an adjournment until Monday. I would suggest to the leader of the House something which I intended to mention to him before, but about which I had no opportunity of speaking with him after I had discussed it with one or two members on this side. It seems to me that during the war, in order that there be no failure on the part of our House to help by our presence at least, any time we can, and to accelerate such measures as may be urgent, it might be well to change the rules—I think they can be changed, and I know the rules in the other House were changed—by resolution in order to enable His Honour the Speaker in some simple way to call us together during an adjournment. If such a change in the rules were made, we should all feel a little happier during adjournment, because there would then be no danger of our failing to be here when we ought to be here. A very simple amendment is all that would be necessary, and it would apply only for the duration.

Hon. Mr. DANDURAND: I am very glad my right honourable friend has made this suggestion, because I have often been somewhat nervous as to what might happen during an adjournment of the Senate, and have wondered whether we could not delegate to His Honour the Speaker some authority which would overcome the difficulty. I would ask His Honour the Speaker to confer with the Clerk of the House and the Law Clerk to see if some change could be made in our procedure in accordance with this proposal. He will have from now until Tuesday next to examine into the matter, and can then inform the two leaders of the decision reached.

The Senate adjourned until Tuesday, June 4, at 8 p.m.

THE SENATE

Tuesday, June 4, 1940.

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

Prayers and routine proceedings.

CANADIAN ACTIVE SERVICE FORCE EQUIPMENT

INQUIRY

On the notice by Hon. Mr. Tanner:

That he will inquire of the Government as follows:

1. In a Canadian division of the Canadian Active Service Force what is the establishment of: (a) Vickers machine guns; (b) Bren automatics; (c) 3-inch trench mortars; (d) smaller trench mortars; (e) anti-tank rifles?

2. In a Canadian division of the Canadian Active Service Force what is the establishment of: (a) Bren gun carriers; (b) lorries; (c) platoon lorries; (d) field kitchens; (e) tractors or dragons; (f) other mechanized vehicles?

3. In a Canadian division of the Canadian Active Service Force what is the establishment of 25-pounder howitzers?

4. In a Canadian division of the Canadian Active Service Force what are the numbers and calibres of other guns in the division, excluding anti-aircraft and anti-tank guns?

5. In a Canadian division of the Canadian Active Service Force what are the numbers and calibres of: (a) anti-aircraft guns; (b) anti-tank guns?

6. Of all the equipment, arms, vehicles and the like referred to in the foregoing questions and the answers thereto, what equipment, arms, vehicles and the like are being manufactured in Canada?

7. From what sources of manufacture and production, respectively, is the first Canadian Division of the Canadian Active Service Force supplied with each class of the arms, equipment and vehicles and the like above referred to?

8. From what sources of manufacture and production, respectively, is each class of the arms, equipment and vehicles and the like referred to above now available or becoming available for the Second Canadian Division of the Canadian Active Service Force?

9. Is it a fact that the rifles with which the First Canadian Division was armed when it left Canada have been withdrawn from the division and that the division has been supplied from British sources with new or re-barrelled rifles?

10. Is it a fact that the departure of the First Canadian Division from England to a theatre of war has been delayed by the non-arrival of certain equipment which was to have been supplied from Canadian sources?

11. Was there delay in the arrival of any such equipment in England; what was the equipment; what was the cause of the delay; for what period of time was delivery of such equipment in England overdue?

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Hon. Mr. DANDURAND: I have received answers to some of my honourable friend's questions. Some of these questions cannot be answered, on the ground of public interest and for the reason that the documents concerned come from Great Britain. To-morrow I shall give answers to such of the questions as can be answered.

The inquiry stands.

MANUFACTURE OF MILITARY EQUIPMENT

INQUIRY

On the notice by Hon. Mr. Griesbach:

That he will draw the attention of the Senate to the manufacture of military equipment in Canada and will inquire of the Government as follows:

1. Has the Government of Canada, either on its own behalf or for the British Government, let contracts in Canada for the manufacture in Canada of: (a) machine guns; (b) three-inch mortars; (c) smaller mortars; (d) revolvers; (e) pistols; (f) rifles; (g) 25-pounder gun howitzers; (h) other calibres of guns; (i) anti-aircraft guns; (j) anti-tank guns?

2. If so, will the Government identify said contracts in the books recording the activities of the Defence Purchasing Board and the War Supply Board?

3. In what quantities or numbers have such contracts been let, and how many of such articles above enumerated have been completed and issued?

4. Has the Government of Canada, either on its own behalf or for the British Government, let contracts in Canada for the manufacture in Canada of: (a) heavy tanks; (b) medium tanks; (c) light tanks; (d) Bren gun carriers; (e) tractors or dragons; (f) lorries or trucks of patterns standardized with those in use in the British Army?

5. What is being done in the manufacture of ammunition: (a) ·303 calibre; (b) revolver ammunition; (c) ·50 calibre ammunition; (d) ammunition for field guns of various calibres?

Hon. Mr. DANDURAND: I am asked to have this inquiry transformed into a motion for papers. When this is done the answers will be given.

Hon. Mr. GRIESBACH: As the honourable leader will observe, I gave notice that I would draw the attention of the Senate to the manufacture of military equipment in Canada, and to the answers which I expected to get in due course to my questions.

Hon. Mr. DANDURAND: My honourable friend may proceed with his discussion now if he so desires, but it seems to me honourable members would listen to him with greater interest if they had before them the documents which could be produced if we passed an order for a return.

Hon. Mr. GRIESBACH: The fact is that the answers are already perfectly well known to anyone who knows anything about the subject. I am just wondering when the answers to my inquiry will be given by the Government. Can the honourable leader give any indication as to that? The subject is a very pressing one, and I want to speak about it without further delay.

Hon. Mr. DANDURAND: Though my honourable friend is, of course, quite familiar with a number of the questions contained in the inquiry, I am sure other honourable gentlemen are not, and I would suggest that he defer discussion until I am able to furnish the answers.

Hon. Mr. GRIESBACH: I am quite willing to do so if the honourable leader of the House will give me some idea as to when the information will be forthcoming.

Hon. Mr. DANDURAND: I will answer my honourable friend to-morrow. In the meantime I would ask that the inquiry stand.

Hon. Mr. GRIESBACH: Very well.

The inquiry stands.

WAR CO-OPERATION

APPOINTMENT OF SPECIAL COMMITTEE

Hon. C. P. BEAUBIEN rose to move:

That a committee selected by the leaders of the Senate be constituted for the purpose of advising how best the members of this House can help the country in its war effort.

He said: Honourable members, this motion requires little explanation on my part, but I should like to say a word or two as to the motive which prompted me to lay it before you.

Undoubtedly the Senate contains a considerable number of competent and experienced members. Undoubtedly, too, the Government at the present time have a very heavy burden to carry. In view of these facts it would seem to me worth while that a committee selected by the leaders of this House should canvass the situation and ascertain whether some of this burden could not be shouldered, either within or without Parliament, by senators on both sides. Some members I have met are eager to help in the work that dominates everything before us to-day—the work of winning the war—but, not knowing exactly what to do, they are diffident about taking the initiative. They would gladly help if asked to do so. My proposal, therefore, is that a committee be selected by the two leaders for the purpose of surveying the situation and ascertaining what the members of this House can do, either individually or as a body, towards helping in war work, so that in the performance of their duties they may play a larger part.

Hon. RAOUL DANDURAND: Honourable senators, my honourable friend from Montarville (Hon. Mr. Beaubien) has for a number of weeks been much concerned about what he and other members of the House could do to help in the various activities conducive to the winning of the war. I am quite sure that a certain number of senators are already, in their respective provinces, taking an active part in the various organizations that have been set up. My honourable friend, however, thinks it would be a good idea that the two leaders should select a small committee to examine into suggestions that might be made to members to co-operate individually with various organizations now functioning or to be set up. He meets senators who say, "I should like to do more than I am called upon to do as a senator in attending the sittings of this House." Nobody can gainsay that that is a laudable sentiment, and I have no objection to the motion of my honourable friend.

I suppose, as the two leaders are mentioned in the motion, my right honourable friend is of the same opinion.

Right Hon. ARTHUR MEIGHEN: I can see some value that may come from this committee, although I know that in the conduct of the affairs of a nation constituted as ours is, any work done outside of Government ranks must be the work of private citizens. No matter what public office one may hold, whether as a parliamentarian or in any other capacity, the Government must organize such work and must lead and be in the forefront of the whole struggle. Nevertheless there is now a task which, though under Government direction, will have to be very largely performed by the citizens themselves; and I fear the need for this work will increase. I am one of those who do not share the confidence expressed by the Minister of Justice as to the thoroughness of the control being exercised in respect of subversive elements in this Dominion, elements which, though now perhaps believed to be understood, assume a wholly different character and course of conduct as danger to the State draws nearer; and it does seem to me that leadership towards assisting the Government in this respect may well be given by members of this House, by members of the other House, and by public-minded citizens generally, and that our example and possibly our inspiration may be of advantage.

The motion was agreed to.

NAVAL SERVICE BILL

FIRST READING

A message was received from the House of Commons with Bill 2, an Act to amend the Naval Service Act.

The Bill was read the first time.

MOTION FOR SECOND READING

Hon. RAOUL DANDURAND: Honourable senators, everyone who is familiar with our procedure knows that under our rules it is necessary to give two days' notice of motion for the second reading of a Bill. Should I do so now, this Bill would have to be put over until Thursday. As there is very little on the Order Paper for to-morrow, and there are, I suppose, eight or ten bills to come, I was wondering whether, by unanimous consent of the House, we might not put the second readings down for to-morrow, at which time we could take up such of the measures as the Senate was ready to consider. A number of them are obviously non-contentious; others may require some explanations. I am in the hands of the House as to moving that second reading of these bills be considered to-morrow, and I should like to have the view of my right honourable friend opposite.

Right Hon. ARTHUR MEIGHEN: I am thoroughly in favour of our abandoning, so far as permitted by honourable members—and we all have the same right in this respect—the rigidity of the rules, and of our seeking to advance legislation as rapidly as we can consistently with knowing what we are doing. I suggest that we go ahead to-night and pass such bills as we can, reserving for to-morrow those which we think require twenty-four hours' notice.

Hon. Mr. DANDURAND: Then I shall explain the Bill which is before us.

The purpose of this Bill is to make subject to naval discipline persons who have agreed to serve as civilians in a particular ship or in such ships as may be determined by the Minister. These are persons who are not members of the Canadian naval forces and not eligible for all the benefits, such as pension and so forth, applicable to such forces. The Bill is identical in form with one passed by the Parliament of the United Kingdom to meet a similar situation arising in the Royal Navy. It will avoid the emergence of questions which arose at the end of the last war with respect to persons employed in the Canadian naval forces in a similar capacity.

The Bill itself contains this explanatory note:

> The Naval Service Act, chapter 139 of the Revised Statutes of Canada, 1927, makes no provision by which civilians serving with the naval forces of Canada can be made subject to naval discipline.
>
> During the last war the situation was met by enrolling such persons in the Royal Naval Canadian Volunteer Reserve "for discipline only." This procedure was not satisfactory, for administrative reasons; it was open to certain legal objections, and it gave rise to many claims for war service compensation which, though not legally admissible, were extremely difficult to reject. In the interests of discipline, and to remove the administrative and other difficulties mentioned, it is essential that statutory provision be made in the Naval Service Act in respect of the civilian employees mentioned, and this is the purpose of this Bill.

I think these are all the explanations I have to offer the Senate in justification of the Bill. I move the second reading.

Right Hon. ARTHUR MEIGHEN: Honourable members, so far as the Bill endeavours to bring within the discipline of the Naval Service Act volunteers who are serving under naval officers for temporary purposes, it is obviously all right. But I call attention to the other side of the shield. Those who come in may do so for a very temporary objective. It is right that they should be under discipline, but is it not pretty dangerous to give them all the rights of a rating under the Naval Service Act? I have in mind a corresponding situation in the Militia. There are a great many veterans of the last war who are no longer in the permanent force, but would make excellent instructors. They are very eager to help in a field where there is a real demand for services such as they could give. My information is that the department is loath to take them on if they are not in category A in respect of health, the reason being that in the event of death or illness all these men and their families would have certain very important pension rights. It is very likely that men of this character, in any but exceptional cases, would be willing to surrender such pension rights. One can understand the attitude of the department in not wishing to place a heavy obligation upon the country just for the sake of services which are really such that pension rights should not arise.

With that in mind, let us transfer our attention to the present Bill. I understand that in our Naval Service to-day there are quite a number of boats of all sorts and descriptions, private yachts, large and small, and what not. I do not know what all these auxiliary craft, as described in our returns, really are, but I have information as to the kind of boats being acquired, and I am going

to presume—I have no reason to do otherwise— that they will serve some useful purpose. There will have to be a supply of officers and ratings to man these vessels temporarily. Men will volunteer, and while it is quite right that they should be under discipline, and also on pay, one would think there should be some restriction in respect of pension rights that might arise. By careful reading of the Bill it will be seen that not only are these men under the discipline provided for in the Naval Service Act, but they are entitled to all the rights therein provided. It may be they should get all these rights, but I am disposed to think they should not. I should like, if I can, to obtain a full explanation on that point. It runs in my mind that perhaps the reason why the men were dealt with as volunteer naval reserves in the last war was to avoid that obligation. If this Bill passes we shall be right under the whole thing. I can see a very distinct difference between pension rights accruing to a man who throws his life into a State service, or indeed into private service, and such rights being given to a man not so highly trained, and therefore not so careful, who comes in temporarily. It would seem to me it might be well to have these rights determined by Government officers after a thorough review. There is a possibility that I am on the wrong track, but as I read the Bill it occurs to me that we may be assuming an obligation which we shall be talking about and regretting in years to come.

Hon. A. C. HARDY: I think the right honourable leader on the other side has raised a point which is not only a good one, but a very important one. To my own knowledge many of the vessels put into commission and under Canadian naval direction are merely patrol boats. They run all the way from Lake Superior clean down to Halifax. Many of them will never be subject to the slightest risk of any naval warfare or be in any danger beyond what may arise in the ordinary course of navigation on our inland waters, and, in some cases, in patrolling our harbours. While the men on these boats, especially if on patrol duty, may be amenable to full naval discipline, I believe the Bill should contain a distinct clause with respect to what the country's responsibility to them and their dependents is now and will be in the distant future. We have seen from our pensions records that hundreds, if not thousands, of men who came back from overseas in fairly good health have in the course of years developed some physical trouble or other and thereby, under our laws as amended from time to time, are entitled to make claims on the ground that their disability has arisen directly or indirectly from war service.

There is no doubt that a large number of boats will be employed in Canada, and a great many men will be required to operate them. I have been looking into this question a little, and have seen a considerable number of boats coming up from the south—yachts they are called—for patrol duty. Perhaps these are very valuable. I do not know about that, but I know they carry big crews, and every man on board them is liable to become a pensioner, or to ask for bounties or gratuities at the end of the war. I believe the Bill should be closely scrutinized and should be amended to cover the point raised by the right honourable leader on the other side.

Hon. C. C. BALLANTYNE: Honourable senators, I find myself in complete accord with the views expressed by my right honourable leader (Right Hon. Mr. Meighen) and the honourable gentleman from Leeds (Hon. Mr. Hardy). Thousands of our best young men throughout Canada are offering their services, some of them to the Royal Canadian Volunteer Reserve and others for patrol duties, and so forth, on smaller craft. I do not think I am misjudging these young men when I say that at the time of enlistment they did not expect, and they do not now expect, to get any pensions from the Canadian Government. Of course, I do feel that those who join the Royal Canadian Volunteer Reserve and go across to England—as large numbers are doing—and there perform arduous and dangerous work, should be entitled to pension. I noticed the other day an advertisement in the leading papers of my own city calling for four thousand men—stokers, carpenters and so on. I do not believe men of that type are required to go overseas. As the honourable gentleman from Leeds (Hon. Mr. Hardy) has so clearly stated, they are no doubt required for patrol work in Canada.

To the men who remain here and serve in home waters we give all due credit and thanks for offering themselves at this time. Thousands of them are doing patrol work, which is, no doubt, absolutely necessary, but, as we all admit, not dangerous. So I think this Bill ought to be amended to confine pensions exclusively to those men who join the Royal Canadian Volunteer Reserve and go overseas.

Hon. W. A. GRIESBACH: Honourable senators, I find myself in disagreement with the right honourable leader on this side (Right Hon. Mr. Meighen) and the two honourable gentlemen who have preceded me

(Hon. Mr. Hardy and Hon. Mr. Ballantyne). My first observation would be that when you come to drafting the amendment which these gentlemen have in mind, you will find it simply cannot be done unless you establish two distinct types of services. If you want to have a coast-guard service, let us say, and to make it entirely separate and distinct from your naval service, with different uniforms and so on, you can go ahead and deal with it as a separate body; but if all the men are in one service, with promotion running through the whole of it, you are bound to run into difficulty. If the boiler on a patrol vessel in the St. Clair river blows up and the stoker is badly scalded, his injuries will be just as painful to him and have as far-reaching consequences on his life and health as if the accident had happened to him in the North Sea or elsewhere in Europe. Should a man serving in home waters fall and break a leg, he will be just as lame and suffer just as much pain as if he had been injured overseas.

If you desire two different services, you can legislate accordingly. Then you must not ask the men in this inferior Canadian service to perform any of the duties of the front-line service. If you are going to have a separate naval service and a separate coast-guard service, you must not ask the coast-guard men to go to sea or take any risks such as the naval men take.

On matters such as this you must consult with and be guided by the officers who have to handle these men wherever their ships go. The officers are responsible for the maintenance of discipline, and they may have to be responsible for leadership of these men in battle. I gravely doubt whether you can have two different kinds of sailors in the same ship, or in the same waters, or in the same service. I know you cannot have two different types of men in the army. While I entirely sympathize with those who think we should be constantly on the watch to safeguard the public treasury against the consequences of foolish and thoughtless enlistment of men who are not physically fit, it seems to me that our adoption of the proposed amendment would lead to serious difficulties.

Hon. Mr. BALLANTYNE: Honourable senators, if I may rise once more, I should like to say that I cannot agree with my honourable and gallant friend who has just spoken. Men of the Royal Canadian Volunteer Reserve who go overseas on minesweepers—and large numbers of these vessels will be going over—or on submarine chasers, or other vessels, should certainly be entitled to pensions; but I cannot see why any pensions should be available to the thousands of men who will be called upon simply to do patrol work around the shores of Canada. In answer to the argument of my honourable and gallant friend, I would point out that we are now organizing a volunteer home guard, and surely if any member of this home guard were to fall and break his leg, or sustain any other injury, he would not be entitled to a pension in the same way as would a man who joined the Canadian Active Service Corps and went overseas. The men who volunteer to serve on patrol boats are willing to do their bit, and they certainly do not expect this country, which is already saddled with a tremendous debt, to pay them pensions. Thousands upon thousands of men are volunteering for this work. A man may be serving to-day as an engineer on a patrol boat, and next week he may be out of the service.

I thoroughly agree that all men serving in home waters should come under naval discipline, but I think this House would be wrong in providing that they should come under the Pension Act. I have watched many of these gallant young volunteers in my own city, and I know they are a very fine type. They undergo drills, attend lectures and in every possible way prepare themselves to be of service. Why are they doing this? Simply because they want to help defend their country. I am sure that if anyone asked them whether they thought the Government should pay them a pension, they would answer in the negative. Therefore I stand by the remarks I previously made on this Bill.

Hon. L. McMEANS: In the Western Provinces there are hundreds of instances where elderly farmers and their wives are drawing pensions from this Government at the rate of $40 a month. Although they could be supported off their farms, they have turned the farms over to their sons, and draw pensions from the Government.

Hon. Mr. BALLANTYNE: These are old-age pensions.

Hon. Mr. McMEANS: That is what I am speaking about. I have personal knowledge of what is going on. A man owns a farm, and when he and his wife become seventy years of age the farm is transferred to their son. Now, the parents and the whole family could be supported off the farm. But the daughters get employment in cities, the farm is transferred to a son, and the elderly man and his wife draw pensions from the Government at the rate of $40 a month. I know

what I am talking about, as I am aware of many instances of this kind. There is something wrong about the whole pension business.

Hon. G. LACASSE: Honourable senators, may I interject a brief observation at this time? I think the point taken by the honourable senator from Edmonton (Hon. Mr. Griesbach) is somewhat justified, but I do not think it answers the argument raised by honourable members who spoke before him. It seems to me there is a happy medium by which the problem could be solved. There are in various provinces organizations known as Workmen's Compensation Boards. Now, I believe that concerns which operate throughout Canada at large, such as, say, the Canada Steamship Lines, and their employees, are subject to and protected by the Workmen's Compensation Acts. In my opinion some such scheme could be developed for taking care of the men who volunteer for naval service in Canada and are injured in the discharge of their duties. Perhaps, for that purpose, it might be necessary to enact federal legislation along the line of the provincial Workmen's Compensation Acts. That is just a suggestion I throw out at this time. I attach considerable importance to the issue which has been raised in this discussion. It is because of my professional experience as a doctor in dealing with cases of industrial accidents under the provincial Acts that I am suggesting some federal scheme of compensation for men whose health becomes impaired or who are permanently disabled while serving their country—a scheme which would not bind the Government as in the case of soldiers or sailors serving in the army or navy, at home as well as abroad. Compensation of one kind or another should be substituted here for pensions.

Hon. Mr. GRIESBACH: I think the difficulty will be to draft a workable amendment even if you have clearly in mind what you want to do. The honourable gentleman from Alma (Hon. Mr. Ballantyne) almost talked himself to a logical conclusion a moment ago. He was prepared to allow the sailor who goes across to Europe and engages in naval warfare there to become entitled to a pension if injured, but he did not think the Canadian sailor engaged in patrol work on our own coast should come within the same class. Well, if a ship is patrolling our coast and meets an enemy cruiser, which proceeds to hammer the daylights out of her, what is to be the position of the crew? Are they to haul down the flag and say: "Hold on! We are not fighting sailors; we are in a different category from those men overseas"? That must be considered. The fact that the men go across to England does not mean anything, since the enemy may come over here and bring the whole of that particular class provided for by this legislation under the conditions envisaged by the honourable gentleman from Alma. I am not worrying much about this matter, as I am perfectly satisfied that when you try to draft an amendment you will find it will not work.

Hon. Mr. DANDURAND: Honourable senators, I am not violating the rule, for, having made the motion, I have the right to reply. The discussion has led me to the conclusion that we might well adopt here a certain rule of the House of Commons. There, when a bill has been given second reading it is referred to Committee of the Whole in order that it may be discussed in detail. It is a violation of our rules for a member to rise two or three times, but I do not object to it except—

Hon. Mr. BALLANTYNE: May I say to my honourable friend that in the other House when a bill comes up for second reading it is fully discussed.

Hon. Mr. DANDURAND: Yes, the principle is discussed, but after the bill is given second reading it is moved into Committee of the Whole, where there is free discussion of every section.

I desire to draw the attention of the Senate to what the gentleman who had the Bill in hand in the other House said in explanation of the measure:

> First, I want to make it quite clear that this applies to persons who are not actually enlisted in the Navy, but are serving with it. Pilots, I suppose, would be one category while they are serving with the Navy; perhaps fishermen; and other trades serving in connection with or attached to the Navy. Apparently during the last war that was not made quite clear, and trouble arose with regard to discipline. I have no recollection of that, I do not remember any instances of it, but I do remember cases with respect to compensation in the shape of pensions. I take it that this Bill will apply to those men who are not actually enlisted in the Navy, that it will give them rights with respect to pension similar to the rights of those who are in the Navy. Perhaps I may read section 1; I am skipping words which may be redundant:
>
> "(1) If any person who, not belonging to the Naval Service, enters into an engagement with the Minister to serve His Majesty . . . and agrees to become subject to this Act upon entering into the engagement, that person shall, so long as the engagement remains in force . . . be subject to this Act, and the provisions of this Act shall apply in relation to that person as if, while subject to this Act, he belonged to the Naval Service and were borne on the books of one of His Majesty's Canadian ships in commission."

I take it that this would entitle him to the pension rights to which members of our naval forces are entitled. I remember, although I cannot recall the details, that certain pension claims were rejected on the ground that men who served in such capacity in the last war were not, properly speaking, members of the forces as laid down in the Pension Act; and I believe that this Bill is intended to cover them.

It is clearly a question of granting pensions, as was suggested by the right honourable leader on the other side and by those who followed him.

I move adjournment of the debate in order that I may obtain a memorandum bearing on the rights of these persons to get pensions.

Hon. Mr. GRIESBACH: The honourable leader might at the same time ascertain what is the class of persons who come into the Navy in this peculiar fashion. A soldier is either in the Army or out; but here apparently a man may enter into an engagement to serve in a ship and yet not be a member of the Navy. I should like to know who these persons are, how many of them there are likely to be, and why they are not brought into the Navy.

Hon. L. McMEANS: With the indulgence of the House, I should like to make one or two remarks on the point of order. The honourable leader of the House has, I suppose, been indulged to a greater extent than any other member, except one, in what I might term violations of the rules. We all listen to him with the greatest of pleasure, for he is a man of exceptional ability and remarkably well informed. I should like, with the greatest humility, to remind you, sir, that this is one of the most powerful legislative bodies, if not the most powerful, in the British Empire, and I would suggest that in order that it may maintain its high standing you should enforce our rules rigidly. In disregard of our procedure my honourable friend from Parkdale (Hon. Mr. Murdock) has been indulged more than any other member. What is the use of these rules unless they are observed? What right has any member to move second reading of a bill immediately after it has been read a first time? I am sure, sir, that you will prove a worthy successor of the able men who have presided over the discussions of this House, and therefore I appeal to you to insist on a proper observance of our procedure. With the greatest deference to the honourable leader opposite, I must say that, with the exception of my honourable friend from Parkdale, he is perhaps the most frequent transgressor.

Hon. Mr. MURDOCK: Would my honourable friend some time point out one or two of my violations of the rules?

Hon. Mr. McMEANS: With the greatest of pleasure. I have seen the honourable gentleman rise and heard him make lengthy speeches, brilliant—

Hon. Mr. DANDURAND: I should like to point out that my honourable friend is not in order.

Hon. Mr. McMEANS: The honourable gentleman has talked about everything except the question before the House.

Right Hon. Mr. MEIGHEN: As the motion to adjourn the debate is debatable, I shall not commit any offence against the rules in what I am about to say. I quite agree that anyone in the theatre of war who suffers because of an act of war, though he may have entered the service but temporarily, has certain rights, perhaps the full and complete rights of one regularly engaged in the Naval Service; but I never could agree that someone who is on a boat and whose purpose is not to take part in any war activity at all—who is, for example, on a gentleman's yacht, which could not attack anything but a fish, and who happens to die—

Hon. Mr. DANDURAND: Is that case covered?

Right Hon. Mr. MEIGHEN: Oh, yes. So far as I am informed, we have about fifty-four auxiliary boats, many of them of that kind. I presume there is something for them to do.

Hon. Mr. DANDURAND: I draw the attention of my right honourable friend to the fact that thousands of fishermen from Nova Scotia, Prince Edward Island and Quebec are serving on boats engaged in watching the enemy and so protecting Halifax.

Right Hon. Mr. MEIGHEN: They may be watching, but they could not fight anything. If they were attacked, there might be statutory grounds for consideration. If a man dies in actual naval service, his family has certain rights, but I think that if he dies in service where he is not engaged to come within reach of the enemy, those rights should not accrue. It is no picayune matter; it may run into hundreds of thousands of dollars. It seems to me to be not at all difficult so to frame an amendment that the country would certainly be relieved of ordinary pension rights in cases of this kind. True, if a man dies outside a theatre of war his family suffers the same as if he died anywhere else, or happened to be drowned at sea, but the loss of his life does not give his family any rights against the country. There is a great difference between the pension rights of a man who engages to serve in the Navy for a long period of years and is subject to com-

mands of the State to enter into any enterprise, however perilous, and the rights of him who does not engage for that kind of perilous service at all. The latter person might, if he came into a theatre of war by accident, have certain pension rights, but if he dies in the ordinary performance of duty it is an imposition on the State that his family should be entitled to such rights as are specified in this Bill.

Hon. Mr. BLACK: I think that when the Bill is before us for second reading an official of the department in which it originated should be here to give such detailed information as may be required.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: We are on the motion for second reading now. The honourable member's suggestion might be considered when we are about to take the committee stage.

Hon. Mr. BLACK: He might be present at the committee stage.

Hon. Mr. DANDURAND: In the Senate?

Hon. Mr. BLACK: I should like someone to be present to answer our questions.

On motion of Hon. Mr. Dandurand, the debate on the motion for second reading was adjourned.

MILITIA PENSION BILL

FIRST READING

A message was received from the House of Commons with Bill 3, an Act to amend the Militia Pension Act.

The Bill was read the first time.

SECOND READING

Hon. Mr. DANDURAND: I move that the second reading be taken to-morrow.

Right Hon. Mr. MEIGHEN: I see no objection to this Bill at all. So far as I am concerned, it may be proceeded with now.

Hon. Mr. DANDURAND: The purpose of this Bill is to enable officers of the permanent naval forces to reckon for purposes of pension one-half of any former time served in the non-permanent naval forces. Thereby these naval officers are placed on the same basis as officers of the permanent military and air forces with respect to the inclusion of one-half of the period of previous service in the non-permanent military and air forces.

I move the second reading of the Bill.

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

THIRD READING

Hon. Mr. DANDURAND: With the leave of the Senate, I would now move the third reading of the Bill.

Right Hon. Mr. MEIGHEN: Does the leader of the House think it is worth while at this stage to adopt the amendment suggested by the Parliamentary Counsel? It is merely a clerical amendment. He changes "half" to "half of" to balance the wording. It would take only a second, and it is better wording.

Hon. Mr. EULER: Honourable senators, I move that the Bill be not now read a third time, but be amended as follows:

Section 1, line 8, strike out "half" and substitute "half of."

The proposed amendment was agreed to.

Hon. Mr. DANDURAND: I now move the third reading of the Bill as amended.

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

DEPARTMENT OF NATIONAL DEFENCE BILL

FIRST READING

A message was received from the House of Commons with Bill 4, an Act to amend the Department of National Defence Act.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of the Bill.

He said: Honourable senators, this Bill is a very simple one. Its purpose is to enable the administration of service estates to be effected under regulations made by the Governor in Council. Regulations in this regard have already been made under the War Measures Act, and as long as that Act is capable of being invoked such regulations have the force of law. Of necessity these regulations may have to be continued in force and effect for some time after the War Measures Act is capable of being invoked; consequently some other statutory authority is required to enable the Governor in Council to make such regulations.

This concerns the personal effects of the soldier who dies in the war area or in hospital, and who has personal property that must be taken care of. It does not affect his actual estate. That falls under our regular law. I believe this Bill will commend itself to the Senate. As a matter of fact, under the War Measures Act, what is herein provided is already the law.

I move the second reading of the Bill.

Right Hon. ARTHUR MEIGHEN: Can the leader of the House tell us just what provision is now made by Order in Council under the War Measures Act? The explanation in the Bill makes very plain how this matter was handled in the last war, but there is no disclosure at all as to the present plan. I presume an officer of the department is made administrator or trustee of all these service estates, but I think the House should be told what the plan is.

Hon. Mr. DANDURAND: I may find it in the explanatory note.

Right Hon. Mr. MEIGHEN: It is not there.

Hon. Mr. DANDURAND: We might take the second reading now, and before the third reading I shall secure the information.

Right Hon. Mr. MEIGHEN: Yes.

Perhaps I should explain that I was a little hasty. There is a short reference to this in the explanatory note. It says an administrator is appointed. But I am wondering what law he will follow in the administration. Does the Order in Council provide how he shall deal with the estate? Is it the same law for every soldier, or is it one law for the soldier who dies in Ontario, and another for the soldier who dies in Nova Scotia?

Hon. Mr. DANDURAND: I take it for granted that the regulation has been made for all those who are serving abroad and are under the direction of their own commander. If they die there is a personal estate that must be attended to. I should think it was not intended to go beyond that. My right honourable friend says, "But if he dies in Nova Scotia or Ontario"—

Right Hon. Mr. MEIGHEN: No. If a Nova Scotian dies over there, does the Order in Council go so far as to say how the administrator shall take care of the estate and hand it over to the person entitled to it under the law of Nova Scotia, or does it say that the administrator shall hand it over to whoever might administer the estate in that province?

Hon. Mr. DANDURAND: I think we shall find that the regulations bear on the contact between the soldier and his commander or officer, who has a mandate to receive the personal estate and hand it over to some person. Who that person may be, I do not know.

Right Hon. Mr. MEIGHEN: That is the point.

Hon. Mr. DANDURAND: I shall get the information.

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

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ROYAL CANADIAN AIR FORCE BILL

FIRST READING

A message was received from the House of Commons with Bill 5, an Act respecting the Royal Canadian Air Force.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of the Bill.

He said: Has my right honourable friend seen this Bill?

Right Hon. ARTHUR MEIGHEN: Yes, I have studied it. I certainly think the Bill should go through. It simply puts the Royal Canadian Air Force on a statutory basis corresponding to that of the military and naval forces. Until now the Air Force has been under the Aeronautics Act, which also covers many other things. The only thing I did not fully understand as I studied the debate in the other House was this. It occurred to me that "the Minister," who is defined as the Minister of National Defence, should be defined as the Minister of National Defence for Air. An explanation was given, but I could not follow it.

Before we come to the third reading, will the honourable gentleman opposite get an explanation that is clear to an ordinary intellect?

Hon. Mr. DANDURAND: I know what is to be the relationship between the Air Minister and the Minister of Defence, but I cannot answer my right honourable friend's question. However, if we may take the second reading now, I shall try to have an answer on the third reading.

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

NATIONAL RAILWAYS AUDITORS BILL

FIRST READING

A message was received from the House of Commons with Bill 8, an Act respecting the appointment of auditors for National Railways.

The Bill was read the first time.

SECOND READING

Hon. Mr. DANDURAND moved the second reading of the Bill.

He said: Honourable senators, this is a Bill that comes to us every year, because the Act requires that auditors for the National Railways be appointed annually. Under the measure, George A. Touche and Company,

chartered accountants, of Toronto and Montreal, are appointed as independent auditors for the year 1940. I suppose there is no objection to this Bill.

Right Hon. Mr. MEIGHEN: No, I have no objection. Of course, the Act does not say what the honourable leader informs us it says. The Act says that auditors shall be appointed by joint resolution of both Houses. However, we have always, or at least in late years, proceeded by passing a Bill. Of course the Bill is effective; there is no doubt about that.

I have the highest opinion of George A. Touche and Company. I am just wondering if the idea is to make them permanent auditors. If it is, why not do so?

Hon. Mr. DANDURAND: We should have to amend the Act.

Hon. Mr. EULER: The law requires a yearly appointment.

Right Hon. Mr. MEIGHEN: A change was made—I never knew why. I have no objection to George A. Touche and Company, nor any desire to substitute anyone in particular.

Hon. Mr. DANDURAND: A change was made in what?

Right Hon. Mr. MEIGHEN: In auditors.

Hon. Mr. DANDURAND: For a year or two. George A. Touche and Company were replaced and then reappointed.

Right Hon. Mr. MEIGHEN: The appointment is running on down the stream of time, with every appearance of permanency, so far as I can see.

Hon. Mr. DANDURAND: I suppose they know more about the whole organization than anybody else does.

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

THIRD READING

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

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

BEAUHARNOIS LIGHT, HEAT AND POWER COMPANY BILL

FIRST READING

A message was received from the House of Commons with Bill 9, an Act respecting the Beauharnois Light, Heat and Power Company.

The Bill was read the first time.

Hon. Mr. EULER: Honourable senators, with consent of the House, I move that second reading take place to-morrow.

Right Hon. Mr. MEIGHEN: I accept that in the spirit in which it is intended, namely, that we try to have second reading take place to-morrow.

Hon. Mr. EULER: Does that mean it will not take place to-morrow?

Ordered that second reading of the Bill be placed on the Order Paper for to-morrow.

CANADIAN NATIONAL RAILWAYS BILL

FIRST READING

A message was received from the House of Commons with Bill 10, an Act to ratify and confirm a certain agreement respecting the joint use by Canadian National Railways of certain tracks and premises of the Vancouver, Victoria and Eastern Railway and Navigation Company, at Vancouver, in the Province of British Columbia.

The Bill was read the first time.

Hon. Mr. DANDURAND: May we take second reading now?

Right Hon. Mr. MEIGHEN: Yes. I have read the Bill. It is somewhat technical and legal, but there is no exception to it.

SECOND READING

Hon. Mr. DANDURAND moved the second reading of the Bill.

He said: Honourable senators, perhaps the explanatory notes accompanying the Bill will be found sufficient. They are as follows:

Under agreement dated November 6, 1915, the Vancouver, Victoria and Eastern Railway and Navigation Company granted to the Canadian Northern Pacific Railway Company the right to run over the former company's tracks between New Westminster and Vancouver, and this agreement became effective in perpetuity upon ratification by Parliament under Chapter 59 of the Statutes of 1917.

Owing to the construction by the City of Vancouver of a bridge over the tracks of the Vancouver, Victoria and Eastern Railway and Navigation Company at First avenue connecting with Terminal avenue and the removal of the tracks of the Canadian Northern Pacific Railway Company from Terminal avenue in order to avoid a level crossing, it has been found necessary for the Canadian Northern Pacific Railway Company to make an arrangement with the Vancouver, Victoria and Eastern Railway and Navigation Company for a new entrance to its station in Vancouver, and an agreement, dated March 30, 1939, has been made between the two companies and approved by the Board of Transport Commissioners for Canada and by the Governor in Council pursuant to the provisions of the Railway Act.

Under clause 6 of the new agreement it is provided that the agreement, upon approval by the Board of Transport Commissioners and the Governor in Council, shall be effective for a period of twenty years (21 years is the maximum period permitted under the Railway Act), but that upon ratification by Parliament the agreement shall be effective in perpetuity.

As the original 1915 agreement between the said companies covering the line between New Westminster and Vancouver is in perpetuity, it is considered necessary that the direct approach to the station be also secured in perpetuity, and the purpose of the Bill is to make the new agreement dated March 30, 1939, effective in perpetuity.

I may add that this has the concurrence of the City of Vancouver.

Right Hon. Mr. MEIGHEN: I have no objection to passage of the motion, but I do want to call attention to the fact that the second paragraph of the explanatory notes is not clear at all. Nor is the cloud in any degree dispelled by discussion which occurred in the other House. This terminal company in Vancouver appears to be a subsidiary of the Great Northern. Back in 1917 the Canadian National made with it an agreement to use its tracks, and that agreement was to become an agreement in perpetuity upon ratification in Parliament, which ratification took place. That is quite clear. Then we come to a later date—I presume a comparatively recent date, although it is not given. Because a bridge is constructed over the terminal company's line, there has to be a removal of some tracks in order to avoid a level crossing, and an agreement has been found necessary. I do not know what that means. I can understand that if the terminal company's line is diverted from its old location and a bridge is used, it may be necessary to make a new agreement to give a right to the Canadian National. But these explanatory notes are intended to make it plain that there had to be a new agreement for some other reason. Personally, I should like to know what it is. I do not like just reading words. I have no doubt that there is a perfectly valid reason.

Hon. Mr. DANDURAND: I will read the statement of the Minister, which may be clearer than the notes I have just read.

Right Hon. Mr. MEIGHEN: I have read the Minister's statement, and it is not clearer at all.

Hon. Mr. DANDURAND: Has the right honourable gentleman read the statement made by Hon. Mr. Howe to the other House?

Right Hon. Mr. MEIGHEN: Yes. I should like to hear a statement which makes clear what change arises in the relationship between the Canadian National and the terminal railway just because the City of Vancouver builds a bridge over the terminal company's tracks.

Hon. Mr. DANDURAND: I could see that the right honourable gentleman's point is answered to-morrow, of course, but perhaps I may read now the statement made by the Minister in the other House. It is as follows:

This Bill ratifies an agreement that has been made between the Canadian National Railways and the Vancouver, Victoria and Eastern Railway and Navigation Company, for the use of about fourteen miles of track between the city of New Westminster and the city of Vancouver. The Bill provides for the use of this trackage as an entry for the Canadian National Railways into their terminal station at Vancouver. The matter is in evolution. Formerly the Canadian National Railways had its own track running down one of the streets of Vancouver. By agreement with the city a number of years ago, the city undertook to remove the tracks, provide a grade separation, and thereafter to enter into an agreement for the use of this particular trackage as an entrance for the Canadian National Railways. The grade separation has now been completed and the terms of the agreement have been approved by the Board of Transport Commissioners; but as this is a permanent arrangement, representing as it does the only entrance for the Canadian National Railways into Vancouver when their own track is lifted, it is desired to make this a perpetual agreement, which requires the approval of Parliament. If it were an agreement for twenty years only, the approval of the Board of Transport Commissioners would be sufficient, but for a perpetual agreement the approval of Parliament is necessary. This Bill is simply to ratify the agreement which has already received the approval of the Board of Transport Commissioners and all interested parties.

I really think that statement is much clearer than the explanatory notes.

Right Hon. Mr. MEIGHEN: It is absolutely clear in every respect in which the explanatory notes are clear, but in respect of the one point where the notes are obscure, it too is obscure. Certainly if there is a diversion from an old to a new track, an agreement is necessary, and it must be in perpetuity.

Hon. Mr. DANDURAND: Is not the purpose of this Bill exclusively to grant perpetuity?

Right Hon. Mr. MEIGHEN: That was granted before. What I do not understand is why there had to be a change because of construction of a bridge. The Minister does not touch on that. The second paragraph of the explanatory notes does touch on it, but I am just as much in the dark after reading it as I was before.

Hon. Mr. McRAE: Honourable senators, perhaps I can throw a little light on this matter. There are fourteen miles of track between the cities of New Westminster and

Vancouver, and with respect to this the railways have an agreement in perpetuity. That track runs into Falls Creek through a deep cut, over which there are bridges. I should take it that the construction of one of these bridges made it necessary to change the right-of-way a little, and a short section of Great Northern track is being added to the fourteen-mile section. The railways want that short section covered by an agreement in perpetuity, just as the fourteen-mile section is. It seems to me there is nothing difficult at all about this.

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

THIRD READING POSTPONED

Hon. Mr. DANDURAND: If my right honourable friend has received more light from the honourable gentleman from Vancouver (Hon. Mr. McRae), I would move that the Bill be given third reading now; if not, I shall make the motion to-morrow.

Right Hon. Mr. MEIGHEN: I would rather have third reading taken to-morrow. I am still in semi-darkness.

Hon. Mr. DANDURAND: I hope the query of my right honourable friend will carry sufficient light to get an answer.

YUKON BILL

FIRST READING

A message was received from the House of Commons with Bill 11, an Act to amend the Yukon Act.

The Bill was read the first time.

SECOND READING

Hon. Mr. DANDURAND moved the second reading of the Bill.

He said: The explanatory note reads:

On the 20th May, 1919, the Yukon Territorial Council passed an ordinance entitled "an Ordinance to provide for a tax on raw furs exported from the Yukon Territory."

Doubt has arisen as to whether the Yukon Territorial Council had the authority under the Yukon Act to enact such an ordinance. This proposed amendment to the Yukon Act is designed to give such authority and to validate the Yukon Fur Export Tax Ordinance assented to on the 20th May, 1919.

Right Hon. ARTHUR MEIGHEN: Honourable members, this Bill, in essence, is an enactment in statutory form of—

Hon. Mr. DANDURAND: A regulation.

Right Hon. Mr. MEIGHEN: —of a regulation of the Yukon Territorial Council, whereby that Council back in 1919 put a sort of excise tax on raw furs exported out of the Yukon. I am not rising to complain particularly of the Bill as a Bill. I should be in a very weak position if I did, because apparently what was done in 1919 was done by myself, and at the time I was Minister of the Interior. What I would call attention to is that this Bill would give statutory authority to the Yukon Council to put a tax on the export of raw furs—no doubt as a means of revenue for the Yukon administration. A study of the situation discloses that similar taxes are imposed by our provinces on furs exported from those provinces, and I presume on certain other of their productions.

Hon. Mr. DANDURAND: I think there is a similar regulation concerning the Northwest Territories.

Right Hon. Mr. MEIGHEN: I presume so. This Bill and similar Acts under which these taxes are collected in the provinces are all a restraint on trade within the four corners of our Dominion. I am one of those who feel it was the intention of the British North America Act that no such restraints should be imposed. However, the British North America Act has been interpreted otherwise and our powers in respect of trade and commerce have been so abbreviated that the Dominion is very much hampered in the exercise of that governmental authority which necessarily appertains to a nation. All over the country, particularly in one province, attempts are now being made to establish a sort of semi-nationhood within this nation and get taxes that really restrict trade among our provinces. Not so long ago we nearly put through a law which distinctly encouraged imposition of such taxes in the province of New Brunswick, but fortunately it was stopped in time. I do not doubt that a province now can do much to paralyse Confederation by taxing, not the importation of goods from another province, but the sale of those goods after importation, and thereby do all the damage that could be done by a separate tariff.

This Bill, it is true, only does for the Yukon what other provinces now are doing for themselves, but I should like to see the practice discontinued, so that no province would have the right to put export taxes on any of its products going to other provinces.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: This kind of thing is eating into the fabric of our Confederation. In Ontario one stands amazed at the ingenuity of officials seeking some way by which they can tax the energies and enterprise of an Ontario company exercised outside the borders of Ontario, or of someone outside

of Ontario doing business in Ontario, as distinguished from someone in Ontario doing business there. Every step you take you are simply hamstrung by regulations you have to live up to, and taxes you have to submit to, in attempting to exercise your function as a citizen of the Dominion in its widest application. All over the Dominion people are already tied hand and foot by regulations and taxes which perhaps would stand the test of review by the Privy Council. I presume they would. I have not read the Sirois report, but I do hope there is something in it that will enable us to get away from these provincial efforts which would disintegrate Confederation; for, though that is not in the minds of the legislators, yet it is the effect of their enactments. We in our province keep struggling to get something out of the other provinces, and they establish a big, top-heavy civil service in order to get back at us. It is a waste of effort: one thing just balances and destroys the other. This Bill is much along the same lines. I do not think we can deny it to the Yukon Territorial Council, since our provinces recognize the same principle; but I do think we should, if we can, take steps by way of constitutional amendment to get rid of provincial taxes which are based on a distinction between the rights of a man trading in his own province and the rights of the same man trading in another province.

Hon. L. COTE: Section 2 contains a vicious principle, for it provides that civil or criminal liabilities incurred before this enactment shall be excepted. In other words, it makes this legislation retroactive in order to preserve the rights of the Crown regarding civil or criminal liability. I do not know what induced the Government to bring down this legislation. The explanatory note states that a doubt has arisen as to whether the Yukon Territorial Council had authority in the first place to pass the original enactment in 1919. I suppose that doubt must have arisen in some litigation, but I have not the facts. It is quite within the bounds of possibility that someone has resisted a criminal action on the ground that prior legislation was void, and now we are going to make its effect retroactive. I do not think any more vicious principle could be incorporated in a Bill.

My second objection to clause 2 is this. The clause goes a long way, as I have just stated, to protect the rights of the Crown with respect to the liability of a subject, but it does not protect the litigant who now has a case in court. I do not know whether it is really the intention of the promoter of the Bill to achieve those results. Though I have been a member of this Chamber for seven years, I have never yet seen retroactive legislation go to such a wicked extent as this does.

Hon. Mr. DANDURAND: The question was raised in another place and the Minister said:

> We have no record in the department of any litigation under the Act. It is possible that there is some litigation under a game ordinance of the Yukon Territory. However, in order to make certain beyond any question of doubt, I wish to present an amendment which my colleague the Minister of Finance will propose.

Then clause 2 was introduced as a substitute. Perhaps my honourable friend has the Bill in its first reading form. Clause 2 now reads:

> The provisions of section one of this Act shall be deemed to have come into operation on the nineteenth day of May, 1919, but so as not to defeat, disturb, invalidate, or affect any penalty, forfeiture or liability, civil or criminal, incurred before the time of its enactment or any proceedings for enforcing the same had, done, completed or pending at the time of such enactment.

So if my honourable friend's objection is based on the Bill as first printed, it is met by the amendment made in committee in the other House.

Hon. Mr. COTE: Would the amendment which the honourable gentleman has just read preserve the rights of a litigant?

Hon. Mr. DANDURAND: I would answer in the affirmative.

Hon. Mr. COTE: It preserves liabilities and penalties. But does it preserve the right of a good defence?

Hon. Mr. DANDURAND: I think the amendment was made for that purpose.

Right Hon. Mr. MEIGHEN: The Bill as drawn simply provided for power to levy the tax and declared that that power should be held to have existed since the 19th of May, 1919. Certain members raised the point that they knew about litigation already entered into, and pending, whereby somebody charged with an offence resisted and said the Act of the Yukon Council in imposing the tax was illegal and he was not liable to the penalty which the Act provided. It was argued: "Very well, make your Act retroactive, but do not allow it to affect pending litigation. If a man's defence is good without this Act, do not destroy that defence by the Act." The discussion proceeded, and the Minister said he did not know of any pending litigation. The next day the Minister of Finance offered an amendment to cover the point. I have read it, and interpret it just as the honourable senator from Ottawa East (Hon. Mr. Cote) does. It seems to make it very clear

that the fellow cannot escape. I am not saying that is really the meaning, because I have a great respect for the law of the Minister of Finance; but I should like the question referred to the Department of Justice. I think the amendment has the opposite effect from that desired, and that, clearly, is the interpretation of the honourable gentleman from Ottawa East.

Hon. Mr. DANDURAND: Then I shall ask that the Bill be given second reading now, and that third reading be put down for to-morrow. But I would read again the amended clause as it comes from the Commons:

The provisions of section one of this Act shall be deemed to have come into operation on the nineteenth day of May, 1919—

That is when the ordinance was enacted.

—but so as not to defeat, disturb, invalidate or affect any penalty, forfeiture or liability, civil or criminal, incurred before the time of its enactment, or any proceedings for enforcing the same had, done, completed or pending at the time of such enactment.

It seems to me quite complete.

Right Hon. Mr. MEIGHEN: It is complete enough, but I do not know whether it has the effect intended or the opposite effect.

Hon. Mr. DANDURAND: My right honourable friend says he would like to have the opinion of the Minister of Justice?

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND: Of course, the matter does not appertain to the Law Clerk. We may take the second reading now and put the third reading down for to-morrow. In the meantime I shall draw the attention of the Minister of Mines to the request that the Department of Justice pass upon the extent and value of this clause.

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

NORTHWEST TERRITORIES BILL

FIRST READING

A message was received from the House of Commons with Bill 12, an Act to amend the Northwest Territories Act.

The Bill was read the first time.

MOTION FOR SECOND READING POSTPONED

Hon. W. M. ASELTINE: Honourable senators, this is a very important Bill so far as the courts and the lawyers of Alberta, Saskatchewan, Manitoba and British Columbia are concerned, and, as I should like to make some remarks on it, I would suggest that the second reading be postponed until to-morrow.

Hon. Mr. DANDURAND: The honourable gentleman desires that second reading be put down for to-morrow?

Hon. Mr. ASELTINE: Yes.

Right Hon. Mr. MEIGHEN: There is one point the leader of the House may not have in mind. I do not see the reason for the preference given to the courts of Ontario under subclause 2 on page 1.

Hon. Mr. DANDURAND: I thought Ontario was being put on an equal plane with the other provinces.

Right Hon. Mr. MEIGHEN: No. The Bill gives Manitoba, Saskatchewan, Alberta and British Columbia surrogate powers in that portion of the Territories west of the eightieth meridian, whereas the courts of Ontario have surrogate powers "throughout the Territories," both west and east. There may be some reason for this. I should like to know what it is.

Hon. Mr. DANDURAND: Is that the same point raised by the honourable senator?

Hon. Mr. ASELTINE: I do not raise any particular point.

Right Hon. Mr. MEIGHEN: The honourable gentleman said he wished to speak on the Bill to-morrow.

Hon. Mr. DANDURAND: I thought that if he raised a certain point—

Hon. Mr. ASELTINE: I object to the whole Bill.

Hon. Mr. DANDURAND: Then we shall discuss it to-morrow.

The motion for second reading was postponed.

SEEDS BILL

FIRST READING

A message was received from the House of Commons with Bill 19, an Act to amend the Seeds Act, 1937.

The Bill was read the first time.

SECOND READING

Hon. DUNCAN McL. MARSHALL moved the second reading of the Bill.

He said: Honourable senators, this is a very simple measure, and somewhat unimportant, except that it brings a little revenue into the treasury and probably will do away with a good deal of work on the part of the

Experimental Farm employees. For a number of years people throughout the country have been invited to send in seeds and have them tested for germination. This is something which is very easily done at home, but some find it easier to mail the seed in and have the department make the test and mail the seed back. There is no charge to cover the cost of this public service, and this Bill proposes a nominal fee to reimburse the department. The fee is not fixed, but it will be very small. The majority of farmers to-day know much better than they did thirty or forty years ago how to test seeds for germination, and they do this quite successfully.

I move the second reading of the Bill.

Right Hon. ARTHUR MEIGHEN: After reading the Bill and the discussion on it, I was left with some questions unanswered. It is true that under the Seeds Act anyone may send in seeds for testing. The test may have two purposes, not just one: it may be for purity and also for germination. I am quite certain that in many instances the test is for germination only, and in others for purity only. Under this measure a charge can be made on both; under the old Act no charge could be made on either.

The purity tests are to establish standards for retail sale, and so on; and I gather it is not intended to make charges for this kind of test. But of that I am not certain. The object, I think, is to make charges in respect of germination tests, the reason being that these can very easily be made by the farmer himself. If he does not know how to do this, he can write in and find out, and do it himself in the future. I understand that you have only to put the seeds between two blotters and put them in the sun, and if germination is there the seeds will germinate.

The idea of the Bill is to get rid of this onus on the department, but the revenue provisions can be applied to both tests, and I do not know whether that is the intention or not.

Hon. Mr. MARSHALL: I may say to my right honourable friend that it is. As a matter of fact, the test for purity results in the marking of the bags. For instance, if you have a lot of clover seed for sale you can have a man from the Experimental Farm come and make tests. If the seed is up to standard, he will mark the sacks and they will go out for sale as standard. So far no charge has been made for that service, but it is considered reasonable that a charge should be made to a man engaged in the grading and selling of seeds. If he is in business commercially he ought to pay something for the tests made and the certificates granted, because the certificates enable him to get a higher price for his seed.

Right Hon. Mr. MEIGHEN: I am not rising to object to the application of the charge even in respect of the purity tests. I rather wonder why there has not been a charge before.

Hon. Mr. MARSHALL: The reason is just this. The Government starts services to the public and continues them until they become large enough for someone to notice the expenditure on them.

Right Hon. Mr. MEIGHEN: I do not think the Minister made clear the intention to charge in respect of purity tests, because he based his whole argument on the fact that the farmers themselves can make the germination tests. The merchant cannot make the purity tests, but they have to be made in order that a standard may be established for sale purposes.

Hon. Mr. MARSHALL: The Bill provides for a charge.

Right Hon. Mr. MEIGHEN: Oh, yes, but the Minister did not say he intended to apply it in that way. He defended the Bill on another principle altogether. Also, he was asked repeatedly, "What is the cost of the Seed Branch?" and "Do you intend to cover the cost of the operation by these charges?" but, so far as I have read, I do not think he answered. Twice he said he could not give the information.

Hon. Mr. MARSHALL: It would be a difficult figure to reach.

Right Hon. Mr. MEIGHEN: Is it the intention to have the charges cover the cost of the Seed Branch?

Hon. Mr. MARSHALL: I understood the Minister to say the charge would be nominal.

Right Hon. Mr. MEIGHEN: But he intends to get a revenue from it, and I think he is right.

Hon. Mr. MARSHALL: I think the charge should cover the cost of the service, which helps a man to produce a superior article. If he gets a service from the Government he ought to pay for it.

Right Hon. Mr. MEIGHEN: I would consent to the second reading, but if the honourable gentleman finds he is not right, I should be glad if he would advise us on the third reading.

Hon. Mr. ASELTINE: It seems to me this would take away from many farmers in the West the right to send in seed grain in the spring to find out the percentage of germination of the seed, and whether it is pure enough to sow. The free service which we have received in that respect in the past has been for the purpose of developing production of better wheat and better grain of all kinds. If this service is taken away from us and we have to pay for inspection of every sample we send in, you will find, I think, that very few samples will be sent in, because the full cost of that service would be more than most farmers could afford to pay.

Hon. Mr. MARSHALL: For a germination test only one sample need be sent in, a sample that is an average of the lot, and the cost of doing this will probably be small. But to have a germination test made is simple. One way of going about it is to have the children on the farm sow seeds in a match box, for instance, or in a rag doll. Most farm children know of numerous methods of getting seeds to sprout, and usually like to help out in this kind of work.

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

WHEAT CO-OPERATIVE MARKETING BILL

FIRST READING

A message was received from the House of Commons with Bill 20, an Act to amend The Wheat Co-operative Marketing Act, 1939.

The Bill was read the first time.

Right Hon. Mr. MEIGHEN: I suggest that second reading be postponed until to-morrow, principally because a number of amendments—about six, I think—have been suggested by our Parliamentary Counsel.

Hon. Mr. DANDURAND: If the principle is agreeable, could we not have second reading now and consider the Bill in committee to-morrow?

Right Hon. Mr. MEIGHEN: I would suggest we take up second reading to-morrow. The Bill was not on my desk to-day; so I was not able to study it. I have no reason to think it is objectionable at all, but I would prefer second reading to-morrow.

Hon. Mr. MARSHALL: At the bottom of section 3 there is a clause which is wonderfully and fearfully made. It was probably drafted by a lawyer. I do not know whether I shall be able to figure out by to-morrow exactly what it means.

Ordered that second reading of the Bill be placed on the Order Paper for to-morrow.

LOAN BILL

FIRST READING

A message was received from the House of Commons with Bill 22, an Act to authorize the raising, by way of loan, of certain sums of money for the Public Service.

The Bill was read the first time.

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

Hon. Mr. DANDURAND: To-morrow.

Right Hon. Mr. MEIGHEN: Would the Minister (Hon. Mr. Dandurand) please have information as to the purposes of this Bill when it comes up to-morrow? From a reading of section 2 I should think that the money is not for war purposes. It is said here to be:

> for paying or redeeming the whole or any portion of loans or obligations of Canada, and also for purchasing from time to time unmatured securities of Canada to be withdrawn from circulation or resold, and for public works and general purposes.

I should think that if the money were required for war purposes, that would be specified; so I presume it is for other than war purposes. The sum seems immense at this time.

Hon. Mr. DANDURAND: As my right honourable friend knows, every two or three years Parliament authorizes the Government to issue loans, and the amount is always in hundreds of millions.

Right Hon. Mr. MEIGHEN: Is this for war purposes?

Hon. Mr. DANDURAND: No.

Hon. Mr. EULER: Largely refunding, I should think.

Hon. Mr. DANDURAND: For refunding and meeting maturities. There is a possibility that there may be purchasing of British securities, by way of furnishing credit to Great Britain during the war. I am not sure about this, though, but I shall find out.

Ordered that second reading of the Bill be placed on the Order Paper for to-morrow.

FARMERS' CREDITORS ARRANGEMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 25, an Act to amend The Farmers' Creditors Arrangement Act, 1934.

The Bill was read the first time.

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

Hon. Mr. DANDURAND: When this Act was amended in the 1938 session the Bill was explained by the honourable senator from Vancouver South (Hon. Mr. Farris). I do not remember now what the object of that amendment was. The purpose of the present amendment is to restore operation of the Act in Manitoba. My right honourable friend (Right Hon. Mr. Meighen) had the interests of the Western Provinces chiefly in mind when the Act was passed. The Act is no longer operative in the Eastern Provinces, but it was kept in force in Saskatchewan and Alberta, and now the desire is to resurrect it for the benefit of farmers in Manitoba.

Hon. Mr. ASELTINE: We do not want it in our province.

Right Hon. Mr. MEIGHEN: They are close to an election in Manitoba.

Hon. Mr. DANDURAND: Is there to be an election in Manitoba?

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND: It is extraordinary, but my right honourable friend is better posted on these matters than I am.

I would suggest that second reading be taken up to-morrow.

Hon. Mr. McMEANS: Would the honourable leader give us a fuller explanation of the Bill?

Hon. Mr. DANDURAND: I shall give it to my honourable friend to-morrow.

Hon. Mr. McMEANS: I do not understand the measure. It seems to me that this Bill is of great importance to my province, and I should like a fuller explanation than the honourable leader has given.

Hon. Mr. DANDURAND: I can give one explanation right away. The Legislature of Manitoba is unanimously in favour of having the Act restored to effect in Manitoba.

Right Hon. Mr. MEIGHEN: When this Bill comes up to-morrow I shall suggest that it stand over till next week. The honourable junior senator from Winnipeg (Hon. Mr. Haig) has taken a very close interest in previous efforts to extend operation of this Act. I do not know anyone who is more familiar with the actual working out of the law than he is, and I am sure he would want to be present before second reading is given to the Bill. He cannot be here, though, until Monday next. I need not add that two honourable senators from Prince Edward Island would also very much like to be here when second reading is under discussion, and I do not see them in their seats now.

Hon. Mr. DANDURAND: Prince Edward Island is not mentioned in this Bill.

Right Hon. Mr. MEIGHEN: The two honourable senators will be interested, nevertheless.

Ordered that second reading of the Bill be placed on the Order Paper for to-morrow.

PRIVATE BILLS

FIRST READINGS

Bill D, an Act respecting the Ottawa Electric Company and the Ottawa Gas Company.—Hon. Mr. Côté.

Bill E, an Act respecting the Detroit and Windsor Subway Company.—Hon. Sir Allen Aylesworth.

Hon. Mr. HORSEY: Honourable senators, the honourable senator from North York (Hon. Sir Allen Aylesworth), in whose name this Bill stands, is unable to be present this evening because of bereavement. Therefore I have presented Bill E on his behalf.

CANADA GRAIN BILL

SECOND READING

Hon. W. D. EULER moved the second reading of Bill 7, an Act to amend the Canada Grain Act.

He said: Honourable members, in moving the second reading of this Bill, I feel that probably it is unnecessary for me to go into any extended explanation, in view of the fact that there is no variation of principle and that it is obvious the amendments are justified.

At the last session of Parliament there was a rather full revision of the Canada Grain Act. During the year's operation the Grain Board found there were certain errors and inaccuracies in the revised legislation, and these amendments are intended to correct them. For example, in clause 1 mention is made of dual numbering of two subsections. These are renumbered.

Section 2 deals with overages as discovered by the Grain Board, and substitutes "hereinafter" for "hereinbefore". The disposition of the overages is provided for in later subsections, and this amendment corrects an obvious error.

Section 3 deals with the improvement of a certain class of oats by reducing the maximum of foreign materials which may be included.

The amendments are introduced on the recommendation of the Grain Board.

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

THIRD READING

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

Right Hon. ARTHUR MEIGHEN: Honourable members, these amendments, except the last, are purely clerical in every respect. Was there any objection at all to this amendment in respect of No. Extra 3 Canada Western Oats? Of course, no one can remember just what the composition was under the old law. How far that is altered by this amendment is of some importance.

Hon. Mr. EULER: I can give the information to my right honourable friend. The purpose, of course, is to improve the quality of that particular class. For example, under the old arrangement, in Extra 3 Canada Western Oats there was allowed for seeds a maximum of about one per cent foreign material; under this amendment the seeds have to be "practically free". The quality will in that respect be improved. For wild oats, where the limit of foreign material was four per cent, it now becomes two per cent. For other grains it was four per cent and it now becomes two per cent. The total is not to exceed three per cent, whereas heretofore it was six per cent.

Right Hon. Mr. MEIGHEN: It is a very strange use of the word "about".

Hon. Mr. EULER: "About one per cent."

Right Hon. Mr. MEIGHEN: Now it will read "about two per cent".

Hon. Mr. EULER: No. Before it was "about one"; now it is "practically free".

Right Hon. Mr. MEIGHEN: That is where it was formerly one per cent; but now for wild oats the maximum limit of foreign material is "about two per cent", and for other grains "about two per cent". That is strange language for a statute.

Hon. Mr. EULER: It is the same as it was before. I am not very familiar with the grain business, but I presume it is practically impossible to get the percentage absolutely accurate.

Right Hon. Mr. MEIGHEN: The change is considerable. Was there any objection?

Hon. Mr. EULER: I cannot say as to that. The amendments were recommended by the Grain Board.

Hon. Mr. McMEANS: I would suggest to you again, sir, that these Bills should not be rushed through first, second and third readings in one night. The rules should be observed. I have no objection to the Bill, but during the years I have had the honour of a seat in this Chamber I have felt that we have not followed the parliamentary practice as observed in the Imperial Parliament. I would ask you, sir, to insist on a more rigid observance of the rules.

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

DAIRY INDUSTRY BILL

SECOND READING

Hon. DUNCAN MARSHALL moved the second reading of Bill 13, an Act to amend the Dairy Industry Act.

He said: Honourable members, this is merely a small change in the Act for dealers' purposes. The Act enables dealers to cut up Cheddar cheese, but not package cheese. They find that package cheese in one-pound and two-pound boxes is rather expensive, because the package for one pound costs almost as much as that for five pounds. There is a considerable demand for five-pound package loaves cut up and sold in smaller quantities, and the dealers have asked for this change. As a matter of fact they are now cutting cheese in violation of the law. The amendment also provides that farmers' cheese may be of different weight. There is not a great deal of it sold, but in the cities cottage cheese is sold by dealers who also distribute milk.

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

THIRD READING

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

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

PRIVATE BILLS

SECOND READING

Hon. C. B. HOWARD moved the second reading of Bill C, an Act to incorporate the Stanstead and Sherbrooke Insurance Company.

He said: Honourable senators, this is one of those companies which have been in business for a good many years under a provincial charter. It has now extended its operations from coast to coast and desires to come under federal jurisdiction. The Bill has been examined by the Superintendent of Insurance and is satisfactory to him.

An Hon. SENATOR: Is it a standard charter?

Hon. Mr. HOWARD: It is in the same form as the charters enacted in 1937 incorporating the Canadian Mercantile Insurance Company, the Wellington Fire Insurance Company and other insurance companies.

Hon. Mr. McMEANS: Has the provincial Government any objection to it?

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

SECOND READING

On the Order:

Second reading of Bill B, an Act to incorporate Pool Insurance.—Hon. Mr. Haig.

Hon. Mr. DANDURAND: When this Bill was before the House last week, I was speaking, I think, with the concurrence of the Senate when I told the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig) that in his absence, I had no doubt, one of his colleagues would move the second reading to-day. Unless this is done, the Bill will have to stand until to-morrow.

Right Hon. Mr. MEIGHEN: If the Banking and Commerce Committee is to meet to-morrow, it might be wise to give this Bill second reading now and refer it to that committee.

Hon. G. V. WHITE: I move the second reading of the Bill.

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

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

THE SENATE

Wednesday, June 5, 1940.

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

Prayers and routine proceedings.

EMERGENCY SITTINGS

CALLING OF SENATORS DURING ADJOURNMENT—MOTION

Hon. RAOUL DANDURAND: As honourable members will recall, it was suggested last week by the right honourable leader on the other side (Right Hon. Mr. Meighen) that some procedure should be instituted whereby, in the event of an emergency occurring while the Senate was adjourned, His Honour the Speaker could call a sitting on short notice. I suggested then that the Clerk of the Senate and the Law Clerk should study the matter and report on what could be done. They have now submitted to me a motion, which has been approved by my right honourable friend. With leave of the Senate I will move this motion now, seconded by my right honourable friend.

That for the duration of the present session of Parliament, should an emergency arise during any adjournment of the Senate which would warrant that the Senate meet prior to the time set forth in the motion for such adjournment, the Honourable the Speaker be authorized to notify honourable senators at their addresses as registered with the Clerk of the Senate to meet at a time earlier than that set out in the motion for such adjournment.

After a consultation between my right honourable friend and myself, it was deemed opportune to add these words:

and non-receipt by any one or more honourable senators of such call shall not have any effect upon the sufficiency and validity thereof.

If this motion is agreed to, I would point out to honourable members that it is important during this session—and the motion applies only to the present session—to inform the Clerk of the House where they can be reached either by telephone or telegraph during an adjournment. This applies to all honourable members, including those whose homes are in Ottawa.

Right Hon. Mr. MEIGHEN: Honourable senators, while listening to reading of the motion I was struck by a thought which should have occurred to me before. The first part of the motion is worded this way:

That for the duration of the present session of Parliament, should an emergency arise during any adjournment of the Senate which would warrant that the Senate meet prior to the time set forth in the motion for such adjournment, . . .

In the event that honourable members were called back at any time during an adjournment, it would be open to someone, under that wording, to question whether there was an emergency which warranted curtailment of the adjournment. Some honourable senator might say, "There is no such emergency." I would suggest inserting after the word "would," in the fourth line, the words "in the opinion of the Speaker."

Hon. Mr. DANDURAND: I will insert those words in the motion. It will now read:

That for the duration of the present session of Parliament, should an emergency arise during any adjournment of the Senate which would in the opinion of the Speaker warrant that the Senate meet prior to the time set forth in the motion for such adjournment, the Honourable the Speaker be authorized to notify honourable senators at their addresses as registered with the Clerk of the Senate to meet at a time earlier than that set out in the motion for such adjournment, and non-receipt by any one or

more honourable senators of such call shall not have any effect upon the sufficiency and validity thereof.

Hon. Mr. MORAUD: How are senators to be notified? By telegram or telephone or letter?

Hon. Mr. DANDURAND: They would be notified in the quickest way, either by telephone or telegram.

The motion was agreed to.

CANADA EVIDENCE BILL

FIRST READING

A message was received from the House of Commons with Bill 6, an Act to amend the Canada Evidence Act.

The Bill was read the first time.

Hon. Mr. DANDURAND: This Bill is of minor importance, but there is necessity for its enactment. I would move second reading to-morrow.

Ordered that second reading of the Bill be placed on the Order Paper for to-morrow.

THE TRANS-CANADA AIR LINES BILL

FIRST READING

A message was received from the House of Commons with Bill 23, an Act to amend The Trans-Canada Air Lines Act, 1937.

The Bill was read the first time.

Ordered that second reading of the Bill be placed on the Order Paper for to-morrow.

DEPARTMENT OF NATIONAL REVENUE BILL

FIRST READING

A message was received from the House of Commons with Bill 27, an Act to amend the Department of National Revenue Act.

The Bill was read the first time.

Ordered that second reading of the Bill be placed on the Order Paper for to-morrow.

BREN GUN MANUFACTURE

INQUIRY

On the notice by Hon. Mr. Griesbach:

That he will inquire of the Government as follows:

1. How many completed Bren guns have been turned out by the Inglis Company's factory in Toronto?
2. Where are they now, and to what use are they being put?
3. Have fair quantities of the guns so produced been subjected to the test of continuous fire?
4. If so, what is the report as to the tests as to continuous fire and interruptions thereof?
5. What are the name, rank and unit of the competent and responsible military officer charged with the supervision of the above-mentioned tests?
6. Do these tests, if any, disclose faulty tempering of component parts or the necessity of tempering component parts at varying temperatures to provide uniform reaction to heat when firing continuous practice?

Hon. Mr. DANDURAND: I may say that the information asked for by my honourable friend has not reached the department from Toronto, but is expected shortly. My honourable friend will have to wait.

Right Hon. Mr. MEIGHEN: I could give it now, I think.

The inquiry stands.

MANUFACTURE OF MILITARY EQUIPMENT

INQUIRY

On the notice by Hon. Mr. Griesbach:

That he will draw the attention of the Senate to the manufacture of military equipment in Canada and will inquire of the Government as follows:

1. Has the Government of Canada, either on its own behalf or for the British Government, let contracts in Canada for the manufacture in Canada of: (a) machine guns; (b) three-inch mortars; (c) smaller mortars; (d) revolvers; (e) pistols; (f) rifles; (g) 25-pounder gun howitzers; (h) other calibres of guns; (i) anti-aircraft guns; (j) anti-tank guns?
2. If so, will the Government identify said contracts in the books recording the activities of the Defence Purchasing Board and the War Supply Board?
3. In what quantities or numbers have such contracts been let, and how many of such articles above enumerated have been completed and issued?
4. Has the Government of Canada, either on its own behalf or for the British Government, let contracts in Canada for the manufacture in Canada of: (a) heavy tanks; (b) medium tanks; (c) light tanks; (d) Bren gun carriers; (e) tractors or dragons; (f) lorries or trucks of patterns standardized with those in use in the British Army?
5. What is being done in the manufacture of ammunition: (a) ·303 calibre; (b) revolver ammunition; (c) ·50 calibre ammunition; (d) ammunition for field guns of various calibres?

Hon. Mr. DANDURAND: I am expecting the answer for my honourable friend before the end of to-day's sitting. As soon as I receive it I shall hand it over to him.

The inquiry stands.

COMMONWEALTH AIR TRAINING SCHEME—CANADA'S PART IN THE WAR SITUATION

DISCUSSION

On the Orders of the Day:

Hon. C. E. TANNER: Honourable members, there is a matter which, before the Orders of the Day are proceeded with, I should

like to mention to the honourable leader of the House, in the hope that he will take it into consideration. As we are all aware, the Commonwealth Air Training Plan has been represented to the country and to Parliament as one of the chief pieces of work which this country intends to do in the war. Undoubtedly it is a most important undertaking. In the earlier days of the session the honourable leader of the House, on one occasion at least, in referring to that plan, incorporated in his remarks a very interesting and informative statement made over the signature of the Deputy Minister for Air. I am sure honourable members of the House were glad to see that in our records, and were pleased to be able to consult it.

Now it is reported that the Deputy Minister for Air has made another important statement with reference to that matter. It would seem that in the very great emergency which has occurred some matters in connection with that air training plan will have to be postponed or modified. Unfortunately the Deputy Minister for Air did not have the opportunity of making this very important statement before this House or before the House of Commons; nor did the Minister for Air make any such statement; and we all know that our honourable friend the leader of the House was not put into possession of the facts as stated by the Deputy Minister. The report is that the Deputy Minister made his statement at a luncheon meeting of a club or clubs in the city of Ottawa. I am not making any criticism of that, although, personally I have very definite opinions as to why such statements should be made before Parliament.

However, that is not the point I am referring to the honourable leader of the Government. What I should like to suggest is that either this address be incorporated in our records as an appendix to our debates, or that the Deputy Minister for Air be brought to the Senate and given an opportunity—not while the Senate is sitting, but while it is adjourned during pleasure—to make a statement before us, the statement to be taken down by our reporters and incorporated in our records. My reason for this request is that in the arguments which have taken place between my honourable friend opposite (Hon. Mr. Dandurand) and the right honourable leader on this side (Right Hon. Mr. Meighen) respecting certain phases of this Commonwealth Air Training Scheme during this session, there has been considerable difference of opinion in regard to the facts; though, after perusing these debates I have concluded that these arguments have done much to clarify the situation. We do not know what may happen, and at some time in the future it may become necessary to refer to this statement by the Deputy Minister. In that event, all that anyone could get would be a newspaper report. My honourable friend knows very well that however correct newspaper reports in general may be, they cannot be taken as officially correct. What I should like to see in our records is a report of the Deputy Minister's statement that can be treated any time hereafter as an official report.

Hon. RAOUL DANDURAND: This statement by the Deputy Minister for Air was drawn to my attention yesterday by my honourable friend from Edmonton (Hon. Mr. Griesbach), who wanted to ask if it embodied the policy of the Government. I intend to inquire into this matter and to place the Government's exact policy before the House, and in the event that it does not agree with the Deputy Minister's statement I shall draw the attention of the Senate to that fact.

Perhaps my honourable friend will find something referring to our air training situation in the statement I am about to read. It is a statement on the international situation made to the other House yesterday by the Prime Minister. I should have read it here yesterday, because, as I believe, a statement being made in the other House by the Prime Minister should be given in the Senate at the same time, but I confess I received it too late to present it yesterday. This is the Prime Minister's statement:

> During recent weeks, the world has witnessed lightning war in all its fury and frightfulness. It is difficult to believe it was only twenty-five days ago that Holland and Belgium were invaded. We vividly recall the immediate heroic resistance of those two nations to the terrific onslaught of the Germans. We know how magnificently Britain and France responded to their appeal for aid. We have seen the German forces employing the full might of concentrated warfare, and, with incredible losses to their own man-power and equipment, crush Holland and Belgium and invade a portion of France.
>
> The unexpected rapidity with which Nazi Germany wrought her work of destruction was due to the most carefully prepared plans for invasion, to sudden action at an hour of her own choosing, and to the volume and power of her armaments. It was due as well to inability to co-ordinate in advance adequate plans of defence with the neutral countries, because of the over-scrupulous and excessive care with which they sought to safeguard their neutrality.
>
> We would perhaps do well to keep in mind that in addition to all this the quick success of the invasion was due less to the unforeseen suddenness of the attack itself than to wholly unexpected incidents in meeting the situation.

The all but incredible means whereby the enemy effected a breach in the Allied lines was announced to the world by Premier Reynaud, of France, on May 21. Its consequences were being met by the most determined resistance when, on May 28, to the consternation of the forces in the field, and equally the people of Belgium themselves, the King of the Belgians capitulated, and obliged his troops to lay down their arms. The already vulnerable position of the Allied armies was thereby rendered even more perilous.

Seldom, if ever, and certainly never in modern times, has a military force been so beset by its enemies. Open to long-sustained mass attack from three sides, and from above, with the enemy employing in fiendish fashion the most powerful weapons of modern mechanized warfare, the situation for a day or two appeared more desperate than any with which either Britain or France had, at any time, been faced.

The restoration of the morale of forces thus threatened with annihilation, and the evacuation of the armies thus entrapped and surrounded, has been the outstanding feature of the past week. We now have before us a full account of how these results have been achieved. The story is one of the great epics of history. If there was cause for grave alarm in the rapidity and rapacity with which the Nazi forces made the headway they did, there is, in what has been subsequently witnessed of the combined actions of the Allied armies, navies and air forces, even greater cause for belief in the ultimate victory of the Allied arms. If there is one thing above another which the battle of Flanders has demonstrated, it is that in what the Allied powers have displayed of effective co-operation, of initiative and resource, valour and tenacity, in these most critical of all days, we have grounds for believing that, as time goes on, they will be found more than equal to any set of circumstances and conditions that may hereinafter arise.

During the period of time to which I have been referring, it is obvious that for military reasons it was not possible for the Government to make any statement with respect to the disposition of Canadian military, naval and air forces brought about as a means of affording more effective co-operation with those of the Allied forces overseas. I am now in position to make a statement, which of necessity must be general in its terms, but which will, I am sure, be welcomed by this House and by our country as evidencing the carefully planned co-operation there has been, at every stage, between the Canadian and Allied Governments.

First of all, a word with regard to the Canadian troops overseas. The Minister of National Defence (Mr. Rogers) has already given to Parliament a statement with respect to the use it was intended to make of the Canadian troops in Norway, of their being in readiness for embarkation from Scotland, and of the circumstances which occasioned a change in the original plan. One reason for the change of plans has since become apparent in what has taken place on the Continent.

Since the invasion of Holland and Belgium, our Canadian troops on more than one occasion have been at embarkation ports, under orders to join the British Expeditionary Force and the French armies in their desperate struggle in northern France and Belgium. On the most recent occasion, General McNaughton, accompanied by selected officers of his staff, carried out a personal reconnaissance of the battle area, and on his return rendered a most valuable report to the Chief of the Imperial General Staff and to the War Cabinet. That the Canadians were not dispatched was due entirely to the conclusion reached by the chiefs of staff.

As the possibility of the invasion of the United Kingdom itself has become more apparent, Canadian military forces in England are being employed in the way which it is believed will best serve in the defence of England's shores, or in the reconstitution of a fresh field force in France.

The invasion of Holland, Belgium and France and the possible invasion of the United Kingdom have necessitated other means and methods for co-operation between our own and the British military forces. To mention only one, by way of example: We were asked by the British Government if we could arrange to have some of our troops sent to the West Indies area, in order to free for service elsewhere some of the British regular forces stationed in that area. The request was immediately met. A contingent of Canadian troops was sent to the West Indies, convoyed part of the way by the Royal Canadian Navy. This Canadian contingent is now on active service there. Of other dispositions requested and being met, I am not free to speak at present.

The House has already been informed of the assistance given in the present emergency by the Royal Canadian Air Force to the Royal Air Force in Britain, through the dispatch and safe arrival of the advance party of a second army co-operation squadron. In order to speed up the supply of air personnel for active service, arrangements are in hand to dispatch overseas a fighter squadron, equipped with aircraft. A number of pilots recently graduated from Camp Borden, who were intended as instructors for the training plan, are also proceeding overseas.

To help meet the urgent requirement of planes, the Government made available to the Royal Air Force part of the equipment which was in use, or on order, for our own air force, or in connection with the British Government air training plan. This equipment included fighter planes now being used for home defence. Further fighters being manufactured in Canada for the Canadian Government were diverted to the use of the United Kingdom Government, also certain engines immediately available for dispatch overseas, and, as well, some Blenheim bombers which were in England ready to be shipped to Canada, and additional bombers which were on the sea en route to Canada, and which were sent back to the United Kingdom.

As the House is well aware, the filling of orders for aircraft of the types mentioned takes a long time. Some of the orders which are being filled at the present moment were placed a year or more ago. They have served to increase the number available in the United Kingdom in the present emergency. I have in my hand a communication recently received from the Secretary of State for Dominion Affairs in which he makes mention of the fact that a number of aircraft—I shall not specify the particular craft or the number—due for delivery in Canada were en route at the time. I quote:

. . . "Our urgent need for all operational aircraft was made known to the Canadian Government. We learn that the Canadian authorities have turned around the ship containing these aircraft, and I wish to express the thanks of the United Kingdom Government for this very helpful action. May we assume the Canadian Government will be prepared also to forego for the time being the delivery" . . .

—of a certain number of aircraft.

"Such decisions would be gratefully appreciated."

I may say to the House that the Government ordered the ship containing the aircraft to be turned back without waiting for a request from the British Government, and the communication which I have just read is one expressing the warm appreciation of the British Government of that voluntary action on our part.

I come now to the special assistance which the Royal Canadian Navy has been able to give and is giving at the moment, not off the coasts of Canada, but in British waters. As a result of co-operation with the Royal Navy a rearrangement of forces has been put into effect whereby certain Canadian destroyers are now serving with the Royal Navy in United Kingdom waters. Their place has been taken by certain units of the Royal Navy assigned to service protecting our Atlantic seaboard. This rearrangement will, it is believed, have the advantage of making certain operations more effective. The House will readily understand the reasons why no further particulars can be disclosed at the present time.

I should like to read to the House the message which I sent to the senior officer commanding the Canadian destroyers shortly after they had left our shores:

"In this hour when the skill, the strength, and the will-power of the combined Allied forces are so greatly needed to cope with the diabolical warfare of a wholly unscrupulous and brutal foe, Canada will be proud indeed when she learns that, as the enemy pursues his endeavours to invade the British Isles, destroyers of the Royal Canadian Navy have crossed the Atlantic to be in immediate association with the Royal Navy in the United Kingdom waters.

"I send to you and to the men under your command the proud assurance that the Government has every confidence that, in your resolute hands, the honour of the Royal Canadian Navy, and the traditions which it has inherited, and which it has created, are safe and sure. This confidence will be shared with equal pride by all of Canada once the Canadian people become aware of the presence of Canadian destroyers in British waters.

"You will be supported in your noble mission by the continued and utmost co-operation of all branches of the defence forces of Canada and by the single purpose of the Canadian people in this war. Whenever duty may call you, our thoughts and prayers will be with you all.

W. L. Mackenzie King."

In conclusion, may I say that what I have to-day set forth does not represent the extent of commitments which, during the present emergency, Canada has sought to meet in compliance with special requests from the British Government. With respect to all three defence services there are other commitments concerning which it is not yet possible to make announcement, but which have been, or are, in process of being carried out.

Right Hon. ARTHUR MEIGHEN: Honourable members, I take occasion, arising from the remarks of the honourable senator from Pictou (Hon. Mr. Tanner), to register my protest against Government proposals and announcements of Government policy or change of policy being made by Deputy Ministers outside of either House. The function of a Deputy Minister everybody understands: whether the Deputy is either temporarily or permanently in his position, he is a civil servant and an executive officer of the Ministry. The proper custodian to receive first announcements of Government policy is the Parliament of Canada, and the man to make such announcements in this Parliament is the appropriate Minister or the Prime Minister. That someone selected from the ranks of business should be made the promulgator of Government policy to the public is to me an evidence of contempt of Parliament, and in this case, I fear I must say, studied contempt. That the address was an announcement of Government policy nobody can possibly dispute. It was accepted as such by the Government in Parliament very shortly after. I presume the announcement, in the manner in which it is made, has this advantage, that it reaches the public without criticism; there are no holes bored in it before it gets to the public. I have never known of a similar instance before.

I am offering no criticism of the announcement save as to the way in which and the medium through which it was made. The policy declared amounts in very great degree to an abandonment of the air training scheme. I am not criticizing the abandonment. That is not the reason why I rise. Emergencies demand action. It means that much that we were to do has to be done overseas; that the training must be completed there. These features, of course, were not emphasized in the announcement and could not be brought out by criticism at the moment or by further discussion. I am glad to see the men go overseas after we have done the best we can for them here in the circumstances, and they will, let us hope and pray, render some service in this dire time in the catastrophe which is already great, and which the might of two nations is seeking now to prevent from becoming greater. But I hope we have heard the last of so-called "conscripted" deputies becoming propagandists for the Administration. I hope we have seen the last of the subordination of Parliament to Rotary clubs.

An Hon. SENATOR: Hear, hear.

Right Hon. Mr. MEIGHEN: I am in full accord with the statement of the honourable leader of the House that important announce-

ments, particularly at a time when the world trembles, should be made simultaneously in both Houses. We are just as interested in them as others anywhere can be, and we ought to be acquainted with the facts, so that if we have anything to say or to do about them we shall then have at least equal opportunities with others of saying or doing it. It would have been much better had the statement read yesterday in the Commons been read here at the same time.

Hon. W. A. GRIESBACH: The statement just read by the honourable leader of the House covers the subject-matter of the newspaper article which I handed to him some days ago, and which he put into his pocket. So long as he keeps it there I shall never be able to proceed.

Hon. Mr. DANDURAND: The honourable gentleman had left the Chamber before I was able to hand it back to him. I have it in my room now.

Hon. Mr. GRIESBACH: We shall not need it now, after all that has been said by the honourable gentleman from Pictou (Hon. Mr. Tanner) and the right honourable leader on this side (Right Hon. Mr. Meighen).

What surprises me, however, is the lack of discussion in Canada as to the real meaning of the statement. The first part of it informed us that pilots whom we had trained in Canada, and who were to be instructors under the Empire Air Training Scheme, have been sent to England to man fighter planes. That is a most outstanding fact. It immediately raises a question as to where instructors are to be obtained for the training of the men who are to be turned out in thousands within the next few months. Nobody seems to have mentioned that at all.

Hon. Mr. DANDURAND: But those having responsibility are thinking about it.

Hon. Mr. GRIESBACH: I see no comment or discussion about it at all. The scheme was to gather from all over the country a number of selected young men within certain age limits and with certain qualifications and to give them training in training schools throughout Canada; then, after so many weeks, they were to be assembled at other points and put through various courses. Finally, on a certain day not very long ago, they had completed their training and were ready to proceed with the instruction of thousands of other young men who were on the point of being taken into the service. But we find to-day all those instructors have been shipped to England.

Hon. Mr. DANDURAND: Is my honourable friend objecting?

Hon. Mr. GRIESBACH: I am not objecting to that, for I am not in a position to express an opinion as to where the greater emergency lies. I am only pointing out that at one fell swoop you more or less put an end to the establishment of your Empire training scheme. I should now like to be told how the scheme is to proceed without instructors.

Hon. Mr. DANDURAND: There will be instructors.

Hon. Mr. GRIESBACH: Where are we to get them?

Hon. Mr. KING: Never mind.

Hon. Mr. GRIESBACH: Ah!

Right Hon. Mr. MEIGHEN: It is none of our business.

Hon. Mr. DANDURAND: My honourable friend should say, "I hope so."

Hon. Mr. GRIESBACH: I hope so. Now I come to the planes. It will be remembered that under the Empire Air Training Scheme the contribution of Great Britain was to be in kind. It was assumed by most of us who read the agreement that "in kind" meant planes of various types.

Hon. Mr. DANDURAND: Aircraft.

Hon. Mr. GRIESBACH: Yes, of various types. According to the statement of the Prime Minister and that of the Deputy Minister for Air, we are confronted with the notification from Great Britain that the British authorities cannot send us any more training planes. Meanwhile we have already sent them all our bombing and fighting planes fit for front-line service. The statement is discreetly silent as to the number sent, and I do not know whether it was large or small. I suspect the number was comparatively small. In these two factors, namely, the disappearance of the instructors and the failure to receive training planes, one sees—I will not say an end, but at all events a slowing up of the Commonwealth Training Scheme. I wonder whether the Government has up its sleeve something that it will produce some day as a conjuror draws a rabbit out of his hat. Will it provide a large number of competent instructors and of training machines, so that the promise made of what this scheme would develop into will ultimately eventuate? The honourable leader of the House has suggested that something of the sort may happen. I hope it will, though I

am not so sure that the record of the Government justifies my being very sanguine, but if I receive any encouragement at all I shall continue to hope as long as I possibly can.

Those are the two aspects of the matter: disappearance of instructors and disappearance of training planes. We have young men coming to join, we have aerodromes and barracks being completed, but this essential function of training and the wherewithal to train have suddenly disappeared. I should like the Government to find some way of reassuring us on these two points.

Hon. Mr. DANDURAND: I recall the brilliant record of my honourable and gallant friend on the battle-fields of Flanders. I should prefer to have had from such a distinguished soldier this robust statement to the Germans who are listening to us: "Canada will have the instructors, and the planes as well."

Hon. Mr. TANNER: I hope my honourable friend the leader of the House is impressed with the desirability of having this matter cleared up, and that he will arrange to have the Deputy Minister attend, so that members of the Senate may see and hear him and ask any questions they may think advisable. We are entitled to the information. I do not want to sit here to be just a "yes" man, nor do I think any other member of the Senate desires to be inactive. We want to do something. But how can we do anything if you will not tell us anything?

Hon. Mr. DANDURAND: My honourable friend will appreciate that although the privileges of Parliament are important, the work of winning the war is of supreme importance, and that what he now discusses will have nothing to do with winning the war.

Hon. Mr. TANNER: This war will not be won by the waving of your hand. It will be won by hard fighting and sacrifice.

I understood that my honourable friend would to-day answer the inquiry I have on the Order Paper.

Hon. Mr. DANDURAND: I am expecting to receive a statement from the Department of National Defence. The reply to my honourable friend's question is being revised because it covers, I think, two departments. I may receive the answer this afternoon.

DEPARTMENT OF NATIONAL DEFENCE BILL—ROYAL CANADIAN AIR FORCE BILL

THIRD READINGS POSTPONED

On the orders for the third readings of Bill 4, an Act to amend the Department of National Defence Act, and Bill 5, an Act respecting the Royal Canadian Air Force:

Hon. Mr. DANDURAND: The third readings of five bills were deferred until to-day, so that I might give some information which was sought in respect to these measures. Hansard of the Senate did not reach me or other members until after noon to-day. As the desired information has not yet been received, I will move that these orders be discharged and placed on the Order Paper for to-morrow. At that time I shall have the answers direct from the departments.

Hon. Mr. MARSHALL: Just discharge the first four orders, but leave in Order No. 5.

Right Hon. Mr. MEIGHEN: I think the honourable leader's statement applies, not to all, but just to a few. It does apply to the first order.

Hon. Mr. DANDURAND: It applies also to the second order, "An Act respecting the Royal Canadian Air Force."

Right Hon. Mr. MEIGHEN: We might take each one in turn.

Hon. Mr. GRIESBACH: How does the honourable gentleman intend to handle this Bill? Will he refer it to Committee of the Whole or just push it through without a committee?

Hon. Mr. DANDURAND: What Bill is that?

Hon. Mr. GRIESBACH: Bill No. 5.

Hon. Mr. DANDURAND: The questions and objections raised by honourable senators will be answered, so far as the department can answer them, by a memorandum which I shall receive, and which, I think, may satisfy honourable senators and clarify the situation.

Right Hon. Mr. MEIGHEN: I think we might take up each order separately, and perhaps we could proceed with some of the bills to-day. The first order can be set down for to-morrow if the honourable gentleman is not ready to go on to-day; and so can the second.

Hon. Mr. DANDURAND: Then I would move that the first and second orders be discharged, and be placed on the Orders of the Day for to-morrow.

The Orders were discharged.

CANADIAN NATIONAL RAILWAYS BILL

THIRD READING

Hon. Mr. DANDURAND moved the third reading of Bill 10, an Act to ratify and confirm a certain agreement respecting the joint use by Canadian National Railways of certain tracks and premises of the Vancouver, Victoria and Eastern Railway and Navigation Company, at Vancouver, in the Province of British Columbia.

He said: My right honourable friend did not intend to oppose this Bill yesterday, but he was not quite sure that he understood the topography of the land concerned in this operation. I intended when Hansard was distributed to secure a statement which would satisfy the curiosity of my right honourable friend. I can do that even after the passage of the Bill.

Right Hon. Mr. MEIGHEN: That would be all right.

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

YUKON BILL

THIRD READING POSTPONED

On the Order for the third reading of Bill 11, an Act to amend the Yukon Act:

Hon. Mr. DANDURAND: I do not remember whether there were any objections to this Bill or not.

Right Hon. Mr. MEIGHEN: Yes, there was one raised by the honourable senator from Ottawa East (Hon. Mr. Côté). He thought, and I thought, too,—and I still think—the saving clause respecting pending litigation accomplishes the opposite of what is intended.

Hon. Mr. DANDURAND: Then I will move that this Order be discharged, and be placed on the Orders of the Day for to-morrow.

The Order was discharged.

SEEDS BILL

THIRD READING

Hon. DUNCAN McL. MARSHALL moved the third reading of Bill 19, an Act to amend the Seeds Act, 1937.

Right Hon. Mr. MEIGHEN: I thought the honourable senator was going to state the cost of this branch and tell us how much he expects will be raised under the Bill.

Hon. Mr. MARSHALL: This Bill came up a little unexpectedly last night, and I was not fully informed about it at that time. Since 1909 I have known more about provincial departments of agriculture and their administration than I have about the federal department. The fact is, as I found upon inquiry this morning, that since 1913 certain charges have been made. At that time Hon. Mr. Burrell, the then Minister of Agriculture, instituted a charge for the testing of seed for germination and purity, and a little later for the inspection and certification of seed, which could be sold in sealed bags. The first three germination tests were made without charge, but after those there was a charge of 50 cents per test. It appears that it had become the practice of some people to have every bin in the barn tested, with the result that the limitation was imposed.

The purpose of this Bill is to fix a charge of 50 cents for any test that is made, either for purity or for germination, and to continue the charge that has been in vogue for the sealing of grain and the issuing of certificates. This, I believe, amounts to half a cent a bushel for cereals, and to one cent a bushel for small seeds, such as grass or clover.

Right Hon. Mr. MEIGHEN: A test for what?

Hon. Mr. MARSHALL: That is a complete test. The seed is certified both for germination and purity, and is then sealed by an official of the department, and it must be sold in the sealed bag. In this way the purveyor is able to get a better price for the seed.

Last year about $37,000 was collected from these tests for germination and purity. The cost of the laboratories amounted to about $127,000. It will be seen, therefore, that there is still a large deficiency. The idea now is to levy a tax of 50 cents for every sample tested, and to legalize, so to speak, the charges that have been in effect. It appears that there was no legislation passed authorizing these charges which have been collected since 1913, and the officials of the department seem to think there ought to be something in the law to cover this point. It may seem a bit late to do this, but if the Bill becomes law the charge will be strictly legal. Really the only change in the charge is that there will now be a fifty-cent fee for each of the first three tests. If a man wants three tests made he will pay 50 cents for each of them instead of getting them free, and for the extra ones he will continue to pay the same amount as formerly.

Right Hon. Mr. MEIGHEN: I am very grateful for the information the honourable gentleman has given us. I think he should not apologize for lack of knowledge, because he knew as much about the matter as the Minister of the department.

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

BEAUHARNOIS LIGHT, HEAT AND POWER COMPANY BILL

SECOND READING

Hon. W. D. EULER moved the second reading of Bill 9, an Act respecting the Beauharnois Light, Heat and Power Company.

He said: Honourable senators, in moving the second reading of this Bill I am assuming that honourable members are well acquainted with its contents, since the Bill is a short one and the principle involved is very easily understood. Briefly, the Bill provides for extending authority to the Beauharnois Company for the taking of 30,000 cubic second feet of water from the St. Lawrence in addition to the 53,000 already authorized, in order to enlarge its power capacity and generation of power. This makes provision, I believe, for a total of about 750,000 horse-power, and will absorb about one-third of the total flow of the river. The application for additional power was made, I think, about a year and a half ago, but it was not acted upon at that time, there being no particular urgency indicated. Of late, however, according to the statement of the Minister of Munitions, there is an urgency, because there is not sufficient power in the district, the reserve is very small, and more power is needed for the purpose of conducting war industries. In addition, it is understood that the Ontario Hydro Power Commission also desires more power. It is thought that the Beauharnois Company is in a better position than any other organization to produce this power quickly, and that it can be produced at Beauharnois more quickly than in any other locality.

The Bill was rather fully discussed in the House of Commons the other day. Probably honourable members have read the discussion, which was very informative. The chief objection, which came from some of the Western members, I believe, was to the effect that there should be no further alienation of this great natural resource, but that it should be maintained more or less as a public-ownership enterprise for the benefit of the whole people of Canada. Frankly, I am rather in sympathy with that thought. I have always felt, and I have stated repeatedly, that governments should retain the ownership or at least maintain control of great natural resources like water-powers, which lend themselves rather readily to monopoly, and the use of which is important for the prosperity of the people at large.

Right Hon. Mr. MEIGHEN: Is that why the honourable gentleman resigned from the Government?

Hon. Mr. EULER: Usually my right honourable friend's remarks are quite appropriate to what is under discussion, but I fail to see any connection whatever between his last remark and what I am discussing at the moment.

Right Hon. Mr. MEIGHEN: Is the honourable gentleman supporting the Bill?

Hon. Mr. EULER: I may say, by the way, that I see a tremendous change in my right honourable friend since the happy days when we sat together in another place. If he will bear his soul in patience, which he finds it very difficult to do these days, he will find out that I am supporting the Bill. I have moved second reading. I am usually consistent in what I say, and my right honourable friend will see the consistency in my remarks if he will just wait a moment.

Right Hon. Mr. MEIGHEN: Perhaps.

Hon. Mr. EULER: As I said before I was interrupted, I am in accord with the principle of public ownership in its limited form. But that principle is in my view overridden by another one which is involved in this Bill. As is well known, the ownership of water-powers in Canadian streams, whether navigable or not, rests in the provinces concerned. This Beauharnois development is entirely within the province of Quebec. If, as is the case, the province of Quebec in its wisdom sees fit to give certain powers to a private corporation, it is the province's right to do so, and this Parliament should not interfere. The present Bill would not be before us at all but for provisions of the Navigable Waters' Protection Act. I am not a lawyer, but I think that Act makes it the duty of the Federal Parliament, in any case where water is diverted from a navigable stream, to see that navigation is not prejudiced or interfered with.

Hon. Mr. GRIESBACH: Navigation proceeds now through the canal which has been cut by the company.

Hon. Mr. HOWARD: No.

Hon. Mr. EULER: Not yet.

Hon. Mr. GRIESBACH: A canal, six hundred feet wide and twenty-seven feet deep, has been cut through there and is to be used for navigation purposes.

Hon. Mr. EULER: The canal that was built by the Beauharnois Company is not being used for navigation purposes, but in time it may be so used, as part of the St. Lawrence waterways development scheme. If that comes about—and I do not know whether it will or not—the Dominion will have been saved a good deal of money, because the work now

being done on construction of the canal is at the company's expense, and the only outlays which would then have to be made by the Dominion would be for construction of the necessary locks.

Hon. Mr. DANDURAND: My honourable friend from Edmonton (Hon. Mr. Griesbach) has, I think, forgotten the Soulanges canal.

Hon. Mr. EULER: We are assured by engineers of the Department of Transport, I believe, that navigation will not be interfered with. If, as I understand, our only duty is to protect navigation, then it is my view, and I think the view of the Government also, that we should not be justified in placing any obstacle in the way of exercise by the province of Quebec of its legal powers.

I understand the Law Clerk of the Senate is proposing certain amendments to the Bill. I do not quite understand their significance, but I take it they could probably be considered and discussed more readily in committee.

Right Hon. Mr. MEIGHEN: Honourable members, I am not rising to oppose the Bill. I did not have much success when I rose in the middle of the speech by the honourable sponsor (Hon. Mr. Euler).

Hon. Mr. EULER: That is the usual result of an interruption.

Right Hon. Mr. MEIGHEN: My honourable friend and I sat opposite each other for many years in another place, and I think he will accept a promise which I now make to him in all sincerity and with the intention that it shall never be broken. In so doing I have in mind a few instances which have occurred in the present session. I will make it a point always to give my honourable friend a less interrupted hearing than he gives me.

Hon. Mr. EULER: May I interrupt? I think it will be quite impossible for my right honourable friend to carry that out, because I give him a similar promise. That puts us on an equality.

Right Hon. Mr. MEIGHEN: But I am in the position of having already lived up to the course of conduct which I promise to pursue in the future. The honourable member is not in such a position.

Hon. Mr. EULER: My right honourable friend broke the rule to-day.

Right Hon. Mr. MEIGHEN: If he wishes to verify my statement, let him read Hansard for last Wednesday. And I think that after I listened to him to-day with so much patience, he might exhibit a little more himself while I am on my feet.

Hon. Mr. EULER: Would the right honourable gentleman permit me to violate the rule just once more? Does he really think that the reference he made to my resignation from the Government was in good form?

Right Hon. Mr. MEIGHEN: I think that as the honourable member gets on in years he should not be quite so sensitive. I am not a humorist, but sometimes I attempt a little humour.

Hon. Mr. EULER: We will forget it.

Right Hon. Mr. MEIGHEN: I am sorry he sees such a deterioration in me since the time of our former contests. I did not think I satisfied him in those days—

Hon. Mr. EULER: I said I saw a change.

Right Hon. Mr. MEIGHEN: —so to-day he must be very disappointed in me.

This measure is an important one. In dealing with it I am not at all trammelled by any predilections for government ownership. If I were, I should consider what the honourable sponsor (Hon. Mr. Euler) has said as a complete answer. In so far as the Parliament of Canada is concerned there is no question of government ownership to be considered. The only government which can develop the scheme initially is the trustee, and that is not the Government of Canada. From the Dominion standpoint, though, there are certain phases on which I am desirous of being clear before finally consenting to the measure, if indeed I am able finally to consent to it. I am not content to take a certificate of someone in the Department of Transport, in respect of navigation rights, as all-sufficient for parliamentary purposes. On the subject of navigation itself—and it has many phases—I am advised by persons who have a wide practical connection with this subject that they take exception to the measure because of its effect on navigation. Such persons can be heard in the committee, and there we shall be able to see whether or not their objections are valid.

I think the committee should also satisfy itself fully as to the amount of power which can be ultimately developed here, navigation being properly safeguarded. As use of the water proceeds and diversion from the Beauharnois canal instead of the Soulanges becomes greater and greater, the interests of navigation necessarily will shift with the water and will sooner or later be in the new canal. There is no doubt that control of this water for power purposes will affect the levels—not the average level, of course, because all the water goes down, but the levels from time to time. It is important to see how this

will affect the harbour of Montreal, and to be quite certain on that point.

As to the amount of power that will be got, the larger it is the more happy I shall be. The Bill is put forward as a war measure, I notice. It is not a war measure at all. This power will be necessary for Canada in war or peace.

Hon. Mr. HOWARD: Certainly.

Right Hon. Mr. MEIGHEN: It would have become necessary had there been no war.

I hope we shall be able to provide the source of power in Canada within our own boundaries—to have wholly Canadian power—because so long as we depend upon and use only our own power we shall not compromise ourselves with another country. I cannot understand why we should look forward to any great development of power before we see an end to our own resources which can be developed at reasonable cost.

I should like also some information on another subject, which is akin to, or rather interconnected with, this one. I refer to diversion of water at Chicago. I should like to know whether the authorities at Chicago have been and are now living up to the United States Supreme Court's decree with respect to that diversion. This may not appear to be immediately pertinent to the measure now before us, but it is quite pertinent to the whole subject of power development, and particularly so to that sphere of development which centres in Niagara and depends upon diversion into the Great Lakes of certain Canadian waters which are not now flowing into that system.

The Bill should go to committee. I fully support second reading, subject to the reservation that if in committee there are facts developed which indicate necessity for amendments, I shall support them, and if the Bill appears in its essence dangerous I shall oppose it. This second condition I do not expect.

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

REFERRED TO COMMITTEE

Hon. Mr. DANDURAND: My right honourable friend desires some technical information so that he may be assured navigation will not be prejudicially affected by the measure, and he has suggested reference to a committee. I wonder if we could not attain the end he desires by discussion in Committee of the Whole.

Right Hon. Mr. MEIGHEN: Oh, no; that would not do. Evidence has to be heard, and that could not be done in Committee of the Whole.

Hon. Mr. DANDURAND: I had intended to add a statement explaining the work which has been carried on to protect the navigation of the country; but under these conditions I will move that the Bill be referred to the Select Standing Committee on Railways, Telegraphs and Harbours.

The motion was agreed to.

NORTHWEST TERRITORIES BILL

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of Bill 12, an Act to amend the Northwest Territories Act.

He said: I would ask honourable senators to follow me in my reading of the explanatory notes to the Bill:

No provision is made in the Northwest Territories Act for civil court procedure for that portion of the Territories lying east of the 80th meridian. The amendment proposed will extend to superior courts of Ontario jurisdiction in civil matters within that area.

The Act contains no express provision conferring surrogate powers on the provincial courts, and some surrogate court judges have doubted their authority to deal with wills and estates in the Northwest Territories. The proposed subsection is to remove such doubt.

Section 35 of the Act reads:

"35. The superior courts of the provinces of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia, respectively, shall have and exercise in civil matters the like jurisdiction and powers with respect to persons and property in that portion of the Territories which lies west of the 80th meridian of west longitude, and with respect to actions, suits and proceedings affecting them, as they have with respect to persons and property within the territorial limits of their ordinary jurisdiction, and to actions, suits and proceedings affecting them." 1908, c. 49, s. 2.

I desire also to read this memorandum:

For some reason, now rather obscure—unless it was that necessity was not present—no provision was made for civil court procedure for that portion of the Territories lying east of the 80th meridian. The superior courts of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia have jurisdiction in the Territories west of that line. The Bill will extend to the superior courts of Ontario, jurisdiction throughout the Northwest Territories. Ottawa is the seat of territorial government, and the Public Administrator for the Keewatin and Franklin districts is located here.

The Act contains no express provision conferring surrogate powers on the provincial courts, and some surrogate court judges have doubted their authority to deal with wills and estates in the Northwest Territories. This subsection will remove such doubt. The territorial jurisdiction of the surrogate courts will be similar to the jurisdiction to be conferred on superior courts under subsection 1.

Section 72 of the Northwest Territories Act states that "the Commissioner may cause such person (insane) to be confined in any asylum

or place of confinement, from time to time designated for that purpose by the Governor in Council, . . . ".

The department has been operating under an Order in Council passed under this section, but, as will be seen from the attached papers, its validity was questioned by the Attorney-General of Alberta, and the Department of Justice recommended an amendment to section 75 that would enable the Minister to make arrangements with any province for the care of insane from the Northwest Territories. The passage of the proposed Bill will give the Minister that authority. It can only be exercised, of course, with the consent of the province concerned. At present there are six such persons in an Alberta asylum and two in a Nova Scotia asylum. The department pays $386 per year and $2.50 per day for the care of each inmate in Alberta and Nova Scotia, respectively.

Then follows correspondence from the Department of the Attorney-General of Alberta and the Department of Justice. I do not desire to read the letters, but I would ask that they be placed on Hansard. They bear out the memorandum which I have just read.

(This is the correspondence referred to by Hon. Mr. Dandurand.)

Government of the Province of Alberta
Department of the Attorney-General

Edmonton, June 5, 1939.

Dear Mr. Gibson,

Re: Frederick George Maurice.
Insane.

I have your letter of the 26th ultimo with enclosures.

I presume that the validity of the Order in Council, P.C. 1959 of September 21, 1922, might very well be successfully questioned and that it might be argued that the provisions of paragraph 72 of the Northwest Territories Act applied only to an asylum under the control of the federal authority. Our asylum at Ponoka is very much overcrowded and I would be interested to know whether or not, owing to the recent increase in population of the territories lying north of this province, any provision has been made or is likely to be made for the establishment of a mental hospital in that area.

Yours sincerely,
Geo. B. Henwood,
Deputy Attorney General.

R. A. Gibson, Esq.,
Deputy Commissioner,
Administration of the Northwest Territories,
Ottawa, Canada.

Department of Justice
Ottawa, January 29, 1934.
182/34

Dear Sir,

Re: Insane Persons—Northwest Territories.

I beg to refer to your letter of the 5th instant, submitting for my opinion certain questions which have arisen between your department and the province of Alberta in regard to governmental responsibility for the care and maintenance of persons within the Northwest Territories who are found to be insane. The questions which appear to be involved (formulated in my own words) and my answers thereto are as follows:

Question 1. Whether the Minister should be empowered by legislation (similar to that contained in s. 75 of the Northwest Territories Act, R.S.C. 1927, C. 142, in relation to Manitoba) to make arrangements with the Lieutenant Governors of Saskatchewan and Alberta respectively, for the payment of reasonable compensation by the Dominion to these provinces respectively for the care and maintenance of insane persons (found to be such within the Territories) in provincial institutions?

Answer: This question is to be answered in the affirmative. While s. 72 of the Northwest Territories Act provides that:

"Whenever, under any law or ordinance in force in the Territories, any insane person is kept in custody until the pleasure of the Commissioner is known, or until such person is discharged by law, the Commissioner may cause such person to be removed to and confined in any asylum or place of confinement, from time to time designated for that purpose by the Governor in Council";

and it appears that the Governor in Council by order dated 21st September, 1922 (passed under the authority of the above provision, but without reference to the provincial authorities) designated the asylums situated at Ponoka, Alberta; Battleford, Saskatchewan, and Brandon and Selkirk, Manitoba, as places of confinement for such insane persons, and provided for the payment of maintenance of each insane person so removed to any of these institutions at the rate of one dollar per day; this arrangement could not be made constitutionally effective in respect of any insane person who is a proper charge of the Dominion, except by agreement with the provincial government concerned.

It will be necessary, however, for the purpose of securing legislative authority for such arrangements with the provincial governments to obtain an amendment of the present statutory provisions. These provisions, namely secs. 72 to 75 inclusive of the Northwest Territories Act, were enacted prior to the establishment of the provinces of Alberta and Saskatchewan, and consequently did not provide for arrangements with those provinces in the same way as s. 75 provides authority for an arrangement with Manitoba. If s. 75 were amended by inserting after the word "Manitoba" in the third line the words "or of Alberta or of Saskatchewan," this would appear to meet the requirements of the case.

Question 2. Whether, if such legislative authority for such arrangements should be obtained, it would be advisable to provide by the arrangements to be made with the provincial authorities for some definition of "domicile" or "residence" for the purpose of fixing responsibility as between the Dominion and the provincial authorities for the care and maintenance of individuals found and adjudged within the Territories to be insane?

Answer: I answer this question also in the affirmative for the reason that I do not think the Dominion, as represented by the Territorial authorities, is under any constitutional obligation, vis-a-vis any of the provinces, to assume responsibility for the care and maintenance of a person adjudged while within the Territories to be insane if such person is domiciled in one

of the provinces, in the sense that his permanent home is there, and is only temporarily absent therefrom in the Territories when found to be insane. In the case of such a person, I think the constitutional responsibility, as between the Dominion and the province concerned, for his care and maintenance if he be returned to the province by the Territorial authorities is that of the province. Contrariwise I think that the Dominion, as represented by the Territorial authorities, is responsible for the care and maintenance only of such persons, found to be insane, as are domiciled in the same sense within the Territories.

Question 3. Whether, in the circumstances of the Louis Paul case, your department was justified in taking the position that this man was a charge of the Province of Alberta and not of the Northwest Territories?

Answer: On the facts stated in this case, I am unable to determine whether Paul was domiciled in the province of Alberta or in the Northwest Territories at the time he was adjudged to be insane in the Territories; and I should, therefore, require further information upon this point in order to be in a position to form an opinion upon the question of responsibility involved.

Yours truly,

W. Stuart Edwards,
Deputy Minister of Justice.

H. H. Rowatt, Esq.,
Deputy Minister,
Department of the Interior,
Ottawa.

It will be seen that, by subsection 1 of new section 35, jurisdiction of provincial courts in civil matters is extended throughout the Territories to the superior courts of Ontario, and that by subsection 2 provincial courts with surrogate powers are given full authority in relation to granting or revoking probate of wills and letters of administration.

With these explanations I move second reading of the Bill.

Hon. W. A. GRIESBACH: I should have to look at a map before I could be sure where the 80th meridian runs, but it appears to me that this Bill would give the courts of Ontario jurisdiction over the town of Aklavik and the whole Mackenzie river basin, an area wholly tributary to the city of Edmonton. It would mean that litigants and their witnesses would have to attend Ontario courts, and that Ontario counsel would be retained in cases originating in that district. It is obvious that counsel practising in Edmonton—where good counsel grow—ought to have the benefit of such law work. I should like to know whether this Bill would put Aklavik and the Mackenzie river basin under the jurisdiction of the courts of Ontario. If so, I should very strongly oppose its enactment.

Hon. Mr. DANDURAND: I may find an answer for my honourable friend in the statement made by Mr. Crerar, the Minister of Mines and Resources, when the Bill was in Committee of the Whole in the other House. What he then said may be a verification of the memorandum which I have already placed on Hansard. He said:

At the present time the superior courts of the provinces of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia have jurisdiction, west of the 80th meridian, over civil matters arising in the Territories north of their respective boundaries.

I direct attention to those words: "in the Territories north of their respective boundaries."

I am not in a position to inform the House why that jurisdiction was not extended or applied east of the 80th meridian.

Hon. Mr. GRIESBACH: At that point it must be remembered that the meridians and the compass points are on straight lines, but the rivers run at variance to those straight lines. Aklavik is at the mouth of the Mackenzie river, on the Arctic sea. The water system runs from south to north. It begins at Fort McMurray and all the watershed is tributary to Edmonton. While the fact that the Territories north of the boundaries of the four provinces mentioned are to be under the respective provincial jurisdictions may seem all right to a man working at a desk here in Ottawa, yet it does not make sense to anyone on the ground.

Hon. Mr. DANDURAND: We shall have to study a map and see what lies on each side of the 80th meridian. The Minister continued:

That meridian—the 80th—I might point out, runs north through Hudson Bay, about two-thirds of the distance from the west coast of the bay.

The Minister was asked:

Is it approximately an extension of the Manitoba-Ontario boundary?

He replied:

No, it is somewhat east of that. In paragraph 2 it is proposed to give the courts surrogate powers to deal with estates in the territories adjacent to their respective provinces.

Again, the same principle.

Doubts have arisen in the minds of some of the surrogate court judges as to whether they have the power now to deal with these matters. This is particularly so in the Western Provinces. By way of illustration, may I point out that in the Northwest Territories north of the province of Alberta considerable mining activities have developed, particularly along the north shore of Great Slave lake. At that point there is now a considerable population. Two small mines are operating, and in the natural course of events people will die and leave property. Their wills will have to be probated or administrators will have to be appointed. This particular section of the Bill is being enacted to make clear beyond doubt that these powers exist.

Curiously enough, in the Northwest Territories Act as it stands at present, power is given to the Governor in Council to arrange with the Lieutenant-Governor of Manitoba for care of insane persons, or persons who might become insane in the Territories adjacent to Manitoba. Section 2 gives power to the Governor in Council at Ottawa to make similar arrangements with the governments of all the provinces.

Hon. Mr. GRIESBACH: I would ask the honourable gentleman to let the Bill stand over until next week, so that in the meantime I may get into touch with the persons who have communicated with me and ascertain whether there is anything in their complaint. They may have misread the Bill and be mistaken as to its effect.

Hon. Mr. DANDURAND: I would suggest that the Bill be given second reading and referred to a committee, if that will suit my honourable friend.

Hon. Mr. GRIESBACH: Yes, so long as I can find out whether my correspondents know what they are talking about. They say the Bill would put Aklavik under the jurisdiction of the courts of Ontario. If it does, it will, I think, work a grave injustice to the people there and cause a lot of unnecessary trouble and expense.

Hon. Mr. DANDURAND: Will my honourable friend move adjournment of the debate?

Hon. W. M. ASELTINE: Honourable senators, I was on my feet when the honourable member from Edmonton (Hon. Mr. Griesbach) rose, and while he covered part of what I intended to say, there are one or two matters I should like to mention.

To understand this Bill one must make a study of the geography involved. Before the Bill came to us I did not know just where the 80th meridian was, nor did I know that the courts of Ontario had any jurisdiction in civil matters in the Northwest Territories.

Hon. Mr. DANDURAND: Just up to the 80th line.

Hon. Mr. ASELTINE: I have looked at the map, and I find that the 80th meridian runs north just a short distance west of the city of Toronto, near the end of Lake Ontario, passes through the east side of James Bay, very close to the east side of Hudson Bay, and on north. The only territories east of that line with which we are concerned are an island or two at the west end of the Hudson Strait, and a small piece of Baffin Land.

When the Northwest Territories Act was passed the province of Manitoba was just about the size of a postage stamp on the map, and the provinces of Saskatchewan, Alberta and British Columbia had not yet been extended northward. This and the fact that a part of the Northwest Territories was contiguous to northwestern Ontario were probably the reasons why, west of the 80th meridian, jurisdiction in civil matters in this territory was given to Ontario.

But now that the four Western provinces have been extended north to the 60th parallel of latitude, Ontario is no longer contiguous to the Northwest Territories at any point, and all of the territory we have been speaking of, except the islands I have referred to and part of Baffin Land, are north of those Western provinces.

Hon. Mr. GRIESBACH: You mean east, not north.

Hon. Mr. ASELTINE: They are north.

Hon. Mr. GRIESBACH: East of the 80th meridian?

Hon. Mr. ASELTINE: No; west. The 80th meridian runs north from Ontario. The territory is west of that.

If this measure passes, Aklavik certainly comes within it, and so do all the mining centres to the north of Lake Athabaska, Great Slave Lake and Great Bear Lake, all of which are parts of the Northwest Territories and are now being settled. So you see the objection the lawyers in Western Canada have to a Bill of this nature.

When the Western Provinces were extended the Act should in my opinion have been amended in such a manner that the jurisdiction of Ontario would be taken away from it and given to the Western Provinces. It does not stand to reason that an action arising in Aklavik should be tried in the city of Toronto, or that counsel in that city or in Ottawa should be engaged to conduct that action. Neither does it stand to reason that witnesses should be brought all the way from Aklavik to Ontario. The work should be done by the courts and solicitors of Western Canada. You can see from what I have said why I am opposed to the Bill. In my opinion the Ontario courts have no jurisdiction out there; and if they have any it should be taken away. If Ontario wants jurisdiction in the islands and that part of Baffin Land east of the 80th meridian, it should have it, but west of that line the jurisdiction should be given to the Western Provinces.

I agree with the honourable senator from Edmonton that this Bill should not be read a second time, but that it should be further considered; and I would suggest that in the meantime all honourable senators take a look

at the map to see for themselves the location of the territories involved. They will then discover how ridiculous it would be for a Bill of this kind to pass through Parliament. I think the Bill should go to a committee.

Hon. Mr. DANDURAND: I expressed such an inclination a moment ago. The question in my mind is whether we should adopt the principle of a Bill to which my honourable friend is opposed in toto. I suppose we might give the Bill second reading without binding the Senate to the principle, and then send it to committee. I wonder what committee it should be sent to.

Right Hon. Mr. MEIGHEN: Banking and Commerce.

Hon. Mr. DANDURAND: After the Bill is read the second time, we will send it to the Standing Committee on Banking and Commerce. This will give my honourable friends from the West time to secure the information they desire.

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

LOAN BILL

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of Bill 22, an Act to authorize the raising, by way of loan, of certain sums of money for the Public Service.

He said: Honourable senators, at the suggestion of my right honourable friend I have asked Mr. Lowe, of the Department of Finance, and Mr. Johnson, the solicitor for that department, to come to the floor.

Right Hon. Mr. MEIGHEN: We had better take the second reading of the Bill and go into committee.

Hon. Mr. DANDURAND: Yes.

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

CONSIDERED IN COMMITTEE

On motion of Hon. Mr. Dandurand, the Senate went into committee on the Bill.

Hon. Mr. Copp in the Chair.

On section 1—short title:

Hon. Mr. DANDURAND: I should like to read a memorandum which explains the application of this Bill. It says:

This Bill authorizes the Governor in Council to borrow a sum not exceeding $750,000,000 by the issue and sale or pledge of securities of Canada.

The purposes for which the money so borrowed may be used are set out in the Bill, and are as follows:

(i) to pay or redeem the whole or any portion of any loans or obligations of Canada;

(ii) to purchase unmatured securities of Canada;

(iii) for public works; and

(iv) for general purposes.

The main purpose for which it is intended to use moneys borrowed under this Bill is to pay off securities of Canada which mature or are callable within the next year or two.

The following table shows the loans which are maturing or are callable prior to the end of 1941:

Maturing in 1940..	$ 108,293,470 85
Maturing in 1941..	656,663,000 00
Callable prior to end of 1941.	93,926,666 66
	$ 858,883,137 51
Treasury bills (*)..	230,000,000 00
	$1,088,883,137 51

(*) Treasury bills are renewable under the Appropriation Acts, but if this amount was funded into long-term bonds necessary authority would have to be provided.

The moneys borrowed under the authority to be given by this Act can also be used for public works and general purposes of the Government of Canada. It is to be noted, however, that the proceeds of the sale of securities issued under this authority have to be paid into the Consolidated Revenue Fund, and that they can only be paid out of the Consolidated Revenue Fund under some parliamentary authority. This means that moneys borrowed under this Act can be used for public works and general purposes only if moneys for this purpose have been voted or authorized by Parliament. Previous Loan Acts —for example, the Loan Act, 1939, the Loan Act, 1936, the Loan Act, 1935, the Loan Act, 1933, the Loan Act, 1931, etc.—all provided that the moneys borrowed could be used for public works and general purposes. There is thus no change in principle in the Act with regard to this matter.

The amount authorized to be raised under this Act is $750,000,000. The Loan Act, 1931, and the subsequent Loan Acts passed in the years 1933, 1935, 1936 and 1938, have all authorized the borrowing of the said amount.

If there is any special question which my right honourable friend would like me to answer, I am at his disposal.

Right Hon. Mr. MEIGHEN: Apparently the loan may all be used for refunding. Refundings aggregate $800,000,000 odd, issued entirely through treasury bills, and, as the authorization here is for only $750,000,000, the proceeds will not be sufficient to take care of refundings that will be available. However, I cannot think the Bill would be worded this way unless the department had in mind applying certain of the proceeds elsewhere. I should

like to know as definitely as can be stated if it is the intention to apply them elsewhere, and, if so, where.

Hon. Mr. DANDURAND: Although the Bill contains expressions used in preceding bills, the intention of this Bill is simply to use the money for refunding purposes.

Right Hon. Mr. MEIGHEN: Then there is certainly no objection from me. In fact, I should think we are very fortunate that so much is maturing in 1940 and 1941, because these obligations would be carrying rates above the line of the present value of money.

Section 1 was agreed to.

Sections 2, 3 and 4 were agreed to.

Right Hon. Mr. MEIGHEN: Before the committee rises, may I ask what are the rates of interest on the maturities of 1940 and 1941? I should like to see how much we can hope to gain.

Hon. Mr. DANDURAND: On July 1 this year there is to be a refunding of $33,293,470.85, on which the rate is four per cent. On September 1 an issue of $75,000,000 falls due, the rate there being four and one-half per cent. Both these issues are payable in Canada. On October 1, 1960, an issue of $93,926,666.66 becomes payable in London.

Right Hon. Mr. MEIGHEN: I am referring only to 1940 and 1941 maturities.

Hon. Mr. DANDURAND: That one is callable October 1 this year, and the rate of interest is four per cent. On March 15, 1941, there falls due an issue of $45,000,000, at one per cent, payable in Canada.

Right Hon. Mr. MEIGHEN: Treasury bills?

Hon. Mr. DANDURAND: A five-year bond at one per cent.

Hon. C. P. BEAUBIEN: The Government will not do better than that, for a five-year loan.

Hon. Mr. DANDURAND: On May 1, 1941, there is payable in New York an issue of $20,000,000 at one and one-quarter per cent.

Right Hon. Mr. MEIGHEN: When was that put out?

Hon. Mr. DANDURAND: February 1, 1939. It was for purposes of refunding in the United States.

Right Hon. Mr. MEIGHEN: It would have been a great deal better to pay.

Hon. Mr. DANDURAND: That issue was made on February 1, 1939.

Right Hon. Mr. MEIGHEN: There was no premium then.

Hon. Mr. DANDURAND: Also on May 1 next year an issue of $250,000,000, at one per cent, payable in Canada, will become due. On October 16 there will be payable in Canada $200,000,000, at two per cent; and on November 15, $141,663,000, at five per cent.

Hon. Mr. EULER: When was that last one issued?

Hon. Mr. DANDURAND: November 15, 1931.

The total of these maturities is $858,883,-137.51.

Hon. C. P. BEAUBIEN: Is only $20,000,000 of that payable in United States?

Right Hon. Mr. MEIGHEN: In American money?

Hon. Mr. DANDURAND: Yes, that is all.

The Bill was reported without amendment.

THIRD READING

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

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

WHEAT CO-OPERATIVE MARKETING BILL

SECOND READING

Hon. DUNCAN McL. MARSHALL moved the second reading of Bill 20, an Act to amend the Wheat Co-operative Marketing Act, 1939.

He said: Honourable senators, I intend, if this motion is passed, to move that the Bill be referred to the Banking and Commerce Committee. The measure, whose purpose is amendment of the Wheat Co-operative Marketing Act, contains a few small new clauses. I am bound to say that I cannot clearly understand clause 3. I offer no apology for that, because the Law Clerk of the Senate tells me he too is unable to understand it. It is largely because of his suggestion that I would move reference to the Banking and Commerce Committee, where we might hear the official of the Department of Agriculture who had a hand in the drafting, and perhaps also a representative of the Department of Justice. Then we might be able to have these amendments read as they should.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. Marshall, the Bill was referred to the Standing Committee on Banking and Commerce.

FARMERS' CREDITORS ARRANGEMENT BILL

MOTION FOR SECOND READING POSTPONED

On the Order:

Second reading of Bill 25, an Act to amend the Farmers' Creditors Arrangement Act, 1934. —Hon. Mr. Dandurand.

Right Hon. Mr. MEIGHEN: I stated yesterday that when this Order was called I would ask that it be not proceeded with in the absence of the honourable junior senator from Winnipeg (Hon. Mr. Haig), who expects to return next week.

On motion of Hon. Mr. Dandurand, the Order was discharged, to be placed on the Order Paper for Tuesday next.

PRIVATE BILLS

SECOND READING

Hon. L. COTE moved the second reading of Bill D, an Act respecting the Ottawa Electric Company and the Ottawa Gas Company.

He said: Honourable senators, this is a private Bill. The two companies named in it seek legislation authorizing them to sell their assets to the Ottawa Light, Heat and Power Company. The Ottawa Gas Company, which supplies and distributes gas in the city of Ottawa, was incorporated by legislation of the old Province of Canada, which legislation has been amended since by this Parliament. The Ottawa Electric Company, which was incorporated by this Parliament, supplies electricity in the city of Ottawa. The Ottawa Light, Heat and Power Company is the parent company of these two concerns; or, in other words, they are its subsidiaries. This Bill, if passed, would not operate a merger, but would simply authorize the subsidiary companies to sell their assets to the parent company.

Right Hon. Mr. MEIGHEN: Is it the intention to wind up the two subsidiaries?

Hon. Mr. COTE: Yes, when the merger takes place. There would be appropriate provisions for the taking over by the parent company of the obligations of the subsidiary companies. The city of Ottawa, which is the main party concerned, has no objection to the legislation. If second reading is given, I shall move that the Bill be referred to the Standing Committee on Miscellaneous Private Bills.

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

FIRST READING

Bill F, an Act respecting a certain wharf of Saguenay Terminals Limited.—Hon. Mr. Howard, for Hon. Mr. Beauregard.

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

THE SENATE

Thursday, June 6, 1940.

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

Prayers and routine proceedings.

CANADIAN ACTIVE SERVICE FORCE EQUIPMENT

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. In a Canadian division of the Canadian Active Service Force what is the establishment of: (a) Vickers machine guns; (b) Bren automatics; (c) 3-inch trench mortars; (d) smaller trench mortars; (e) anti-tank rifles?

2. In a Canadian division of the Canadian Active Service Force what is the establishment of: (a) Bren gun carriers; (b) lorries; (c) platoon lorries; (d) field kitchens; (e) tractors or dragons; (f) other mechanized vehicles?

3. In a Canadian division of the Canadian Active Service Force what is the establishment of 25-pounder howitzers?

4. In a Canadian division of the Canadian Active Service Force what are the numbers and calibres of other guns in the division, excluding anti-aircraft and anti-tank guns?

5. In a Canadian division of the Canadian Active Service Force what are the numbers and calibres of: (a) anti-aircraft guns; (b) anti-tank guns?

6. Of all the equipment, arms, vehicles and the like referred to in the foregoing questions and the answers thereto, what equipment, arms, vehicles and the like are being manufactured in Canada?

7. From what sources of manufacture and production, respectively, is the First Canadian Division of the Canadian Active Service Force supplied with each class of the arms, equipment and vehicles and the like above referred to?

8. From what sources of manufacture and production, respectively, is each class of the arms, equipment and vehicles and the like referred to above now available or becoming available for the Second Canadian Division of the Canadian Active Service Force?

9. Is it a fact that the rifles with which the First Canadian Division was armed when it left Canada have been withdrawn from the division and that the division has been supplied from British sources with new or re-barrelled rifles?

10. Is it a fact that the departure of the First Canadian Division from England to a theatre of war has been delayed by the non-arrival of certain equipment which was to have been supplied from Canadian sources?

11. Was there delay in the arrival of any such equipment in England; what was the equipment; what was the cause of the delay; for what period of time was delivery of such equipment in England overdue?

Hon. Mr. DANDURAND: I shall answer several of the honourable gentleman's questions, but I may inform him that certain of them cannot be answered, because it is undesirable to publish information which has been compiled from security documents issued by the British Government. These documents are subject to the following restrictions:

The document is the property of H.B.M. Government and is issued for the information of officers and responsible officials.

The officer or official in possession of the document will be responsible for its safe custody and that its contents are not disclosed to any unauthorized person.

The document will be kept under lock and key when not in use.

These are the answers to the remaining questions, which, I think, relate in the main to Canadian matters:

6. Mechanically propelled vehicles except tracked vehicles, Bren guns, and 3-inch mortars.

Note: A plant is being set up in Canada for production of 25-pr. guns. Orders have been given for manufacture of carriers.

7. Wheeled mechanically propelled vehicles from Canada; tracked mechanically propelled vehicles from United Kingdom; Vickers machine guns from available stocks in Canada; Bren light machine guns from the United Kingdom; mortars from the United Kingdom; anti-tank rifles from the United Kingdom; 25-pr. equipment from the United Kingdom; anti-tank guns from the United Kingdom.

8. The equipment for the Second Division will probably be in exactly the same position as the equipment for the First Canadian Division.

9. No.

10. No.

11. (a) Some delay; (b) mechanical transport; (c) through manufacturing difficulties; (d) five to six weeks.

Hon. Mr. TANNER.

PROPAGANDA AGAINST THE ALLIES

On the Orders of the Day:

Hon. P. E. BLONDIN: Honourable senators, before the Orders of the Day are called, I desire to draw the attention of the Government to the fact that an American newspaper, the Chicago Tribune, which circulates freely in Canada, contains vicious and virulent anti-Allied propaganda. The Ottawa Journal in its issue of May 28 last, under the caption, "One U.S. Newspaper That Might Be Dealt With," commented editorially on the fact, and to save time I would quote a couple of brief paragraphs of the Chicago Tribune's editorials, which, among others, are cited by the Journal. The first reads:

The official liars will be as busy as they were a quarter of a century ago, seeking to sway American sympathies, but this time we will be able to listen to both liars and compare their claims.

This is the other paragraph:

It is true that all over the globe England holds people in subjection by military occupation, military courts, and bombings of open towns. In this she is no better than any other European power.

I have in my hand several issues of the Chicago paper containing editorials and cartoons, all equally offensive and malicious.

The Ottawa Journal puts the question, "What can we do about it?" and proceeds:

One answer is that Canadian forests and Canadian water-power are being used to make the Chicago Tribune's newsprint. The Chicago Tribune's newsprint (and the newsprint of the bitterly anti-British Col. McCormick's New York News) is turned out by a company which operates mills at Thorold, Ontario, and at Baie Comeau, Quebec. This company is a wholly owned subsidiary of the Chicago Tribune; in effect its manufacturing department.

I may add that the Ontario Paper Company, according to the Journal, has in the past received very generous treatment from both the Quebec and Ontario Governments. And the fact that the company has not been required to submit to the law of proportional distribution of orders, imposed by Ontario and Quebec on all other print and paper manufacturers, is depriving its Canadian competitors of millions of dollars for the benefit of the Chicago Tribune. I would not insist on the provincial aspect of the question, but for further information on this subject I would refer those who may be interested to the memorandum presented to the Government of Quebec by the nine largest paper manufacturing companies of that province on the 8th of April last.

Hon. Mr. DANDURAND: I have not personally followed the campaign of that paper, but I shall draw the attention of the department which has the control of papers and publications coming into this country to the statement made by my honourable friend.

Right Hon. Mr. MEIGHEN: I should like to see the honourable leader do a little more than that. This sheet is a nauseating mixture of ignorance and malignancy from the first line to the last, and will do more harm among ignorant people than anything else I know of published on the continent. But it is not the only abominable sheet that reaches us, though one of the worst. Language at least approaching what I have said could be used about another publication, the Saturday Evening Post. I do not believe times are such that ordinary rules can be applied, and I think we might well inject a little virility into our policy with respect to this kind of mendacity.

Some Hon. SENATORS: Hear, hear.

OTTAWA AGREEMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 29, an Act to authorize an Agreement between His Majesty the King and the Corporation of the City of Ottawa.

The Bill was read the first time.

COMMONWEALTH AIR TRAINING SCHEME

ANSWER TO INQUIRY

On the Orders of the Day:

Hon. RAOUL DANDURAND: Honourable senators, I was asked yesterday by the honourable gentleman from Pictou (Hon. Mr. Tanner) to put on Hansard a statement made by the Deputy Minister of National Defence for Air on Monday last to the service clubs of Ottawa. This was reproduced on June 4 by the Ottawa Journal. Here is the newspaper account of Mr. Duncan's statement:

While Canada would proceed with the British Commonwealth Air Training Plan framework, the needs of the moment called for every effort toward the maximum output of air personnel in the shortest time for service overseas, said Mr. Duncan.

Detailing measures taken to speed up Canada's part in the war, he said:

"A number of young pilots just graduated from Camp Borden and who, under other circumstances, would have swelled the ranks of our instructors, are proceeding overseas immediately.

"Fighter and bombing planes ready for immediate action in France have already been despatched to the United Kingdom and others are awaiting suitable transportation.

"Immediate action is being taken to greatly increase Canadian aircraft industry not only to take the place, where possible, of the machines which the United Kingdom was to have sent for the training plan, but to provide the Mother Country with an ever-increasing number of fighter and bomber craft for active service.

"In order to obviate delays, special powers have been granted to the Department of Transport and to the Department of Munitions and Supply which will enable them to proceed with the letting of contracts for the construction of airdromes, buildings and for the manufacture and purchase of essential equipment and supplies with a very minimum of delay.

"While maintaining the framework of the British Commonwealth Air Training Plan and proceeding with its development so that at the earliest possible moment it can be geared to capacity again, every effort is being directed towards the maximum output of pilots, air gunners and air observers, in the shortest possible time for overseas service, and a steady flow of pilots, and subsequently of air crews generally, will proceed overseas monthly from now onwards to join operational squadrons of the R.A.F.

"Details are being worked out to call up immediately some thousands of young men for service in the Royal Canadian Air Force, and their training for any emergency will be undertaken at the earliest possible moment."

At the same time the United Kingdom reluctantly made known that she was suspending, for the time being and as a precautionary measure, the supplying of the aircraft which, according to the plans, she was sending Canada for training purposes and as the British contribution to the $600,000,000 total cost of the plan.

Mr. Duncan was followed by Air Marshal Bishop, who spoke of the situation in somewhat vigorous and optimistic tone.

I desire to say that Mr. Duncan's statement represents the Government's policy from the outset, and the statement made by the Prime Minister confirms the Government's action. Mr. Duncan has not been brought up in the service. He is an Acting Deputy Minister who is giving his time to the cause, and he felt that he could tell the public about the work of his department. In his address he was speaking only from the administration point of view. I would not discuss the fine point as to Mr. Duncan's having given out information before it was given to the House of Commons. We all remember how nervous the whole population was on Monday of last week, because of the way the situation had been developing. Everyone was doing his bit to raise and maintain the morale of our people. So I am not inclined to criticize Mr. Duncan for explaining how he was carrying out the general policy of the Government. Yesterday my right honour-

able friend said that Government policy should be announced in Parliament by the Prime Minister or by the Minister concerned. That I admit. But in the present instance the Deputy Minister was simply describing how the department was carrying on the good work which was being done. My right honourable friend has said that a statement of such matters should come direct to Parliament and not through a Deputy Minister, because Parliament would then be seized of the facts and, if any criticism was to be made, the criticism would reach the public at the same time as the statement. Ordinarily that would be a fair position to take, but one must not forget that we are at war, and when a Government, through one of its Deputy Ministers, describes what is being done towards furthering the cause which we all have at heart, there can be, I submit, no reasonable ground for criticism. As a matter of fact, Mr. Duncan's statement was heard with applause and read with approval; and the Prime Minister's announcement in the other House, which was virtually a repetition of Mr. Duncan's outline of what the Government is doing, was accepted by the Leader of the Opposition as very satisfactory.

Generally speaking, I agree with my right honourable friend's contention that if a declaration of policy is to be made, it should, especially if Parliament is in session at the time, be made to Parliament first. But there is a difference between ordinary circumstances and the extraordinary circumstances of to-day. To-day everyone is making an effort to maintain the morale of our people, and there can be no criticism of the Government for increasing its war effort. I submit that Mr. Duncan gave a fair account of what the Government is doing. Indeed, my right honourable friend said he did not criticize Mr. Duncan's statement itself. So the only criticism is that the statement should have been given to Parliament first, and in the circumstances that criticism is a kind of tempest in a teapot.

Right Hon. Mr. MEIGHEN: Honourable members, I do not know what we are speaking to.

Hon. Mr. DANDURAND: I am speaking to the question put to me by the honourable member from Pictou (Hon. Mr. Tanner).

Right Hon. Mr. MEIGHEN: Yesterday?

Hon. Mr. DANDURAND: Yes.

Right Hon. Mr. MEIGHEN: In the honourable gentleman's remarks I did not hear any reference to the question asked yesterday.

The honourable gentleman says that the temporary deputy was merely telling the country what was being done in pursuance of a previously declared and well-known Government policy. That, as a statement of fact, I have to take exception to. That is not what the deputy was doing. No one can point to any previously stated Government policy of which the activities announced by the temporary deputy would be an execution.

Hon. Mr. DANDURAND: It was simply a question of the tempo.

Right Hon. Mr. MEIGHEN: Oh, no, it was not that at all. If it were, it never would have got the reception which the honourable leader of the House describes. It would have been accepted as a mere matter of course. It was not a statement of what was being done in execution of the previously published Commonwealth Air Training Scheme. By no means was it that; it was quite the contrary. It was a statement of what the Government intended to do under the exigencies of the hour, in departure from the previously announced course—not an unfortunate departure, not a departure to be criticized, but nevertheless a very real and important departure which the public were entitled to know about. To have a Deputy Minister, who was called in but a few days before, make such an announcement to two or three service clubs, with Parliament sitting a few hundred yards away, was to my mind an utterly unnecessary affront to both Houses, and as unjustified in war-time as at any other time. As a practical statement of what was being done and was intended to be done under the exigencies, it was more important than anything the Prime Minister has yet announced on the floor of Parliament. Every word I uttered yesterday stands.

CANADIAN NATIONAL RAILWAYS BILL

DEPARTMENTAL EXPLANATION

On the Orders of the Day:

Hon. RAOUL DANDURAND: Before the Orders of the Day are called, I should like to furnish an answer to my right honourable friend (Right Hon. Mr. Meighen) concerning Bill 10, an Act to ratify and confirm a certain agreement respecting the joint use by Canadian National Railways of certain tracks and premises of the Vancouver, Victoria and Eastern Railway and Navigation Company, at Vancouver, in the Province of British Columbia. Yesterday, on the motion for third reading, I promised to furnish him with this information.

Right Hon. Mr. MEIGHEN: Thank you.

Hon. Mr. DANDURAND: I will read the statement from Mr. Yates.

Right Hon. Mr. MEIGHEN: I do not think others are interested.

Hon. Mr. DANDURAND: Then I will put it on Hansard. The memorandum reads:

Possibly the following explanation will clarify the point raised by Senator Meighen with respect to Bill 10 of the House of Commons —the Canadian National Railways Bill to ratify and confirm an agreement respecting the joint use of certain trackage at Vancouver.

By an agreement of the 5th of February, 1913, between the city of Vancouver and the C.N.P., the city granted to the C.N.P. a large area for terminal purposes in Vancouver, one of the conditions of which grant was that if and when the city undertook construction of a bridge over the V.V. & E. tracks at First Avenue connecting with Terminal Avenue, the C.N.P. would construct a ramp to the bridge, pave Terminal Avenue and avoid any level crossing.

This bridge has now been built, and the C.N.P. has constructed the ramp and graded the roadway. When this was being done, the city required the C.N.P. to remove its tracks from Terminal Avenue. These tracks form part of the C.N.P.'s direct access to its passenger station.

The removal of the tracks from Terminal Avenue necessitated the C.N.P. making an arrangement with the V.V. & E. for a new station entrance; in other words, changing the lay-out of the western extremity of the New Westminster-Vancouver joint section. The agreement now reached between the V.V. & E. and the C.N.P. secures to the C.N.P. the required new access to the station consequent upon the diversion of the New Westminster-Vancouver joint section to avoid the level crossing at Terminal Avenue.

The agreement has been approved by the Board of Transport Commissioners and the Governor in Council, but under the Railway Act the Board of Transport Commissioners has no power to approve any such agreement for any term in excess of twenty-one years, and the present application to Parliament is for ratification, in perpetuity, to accord with the original running rights agreement.

Geo. W. Yates,
Assistant Deputy Minister and
Secretary.

DEPARTMENT OF NATIONAL DEFENCE BILL

THIRD READING

Hon. Mr. DANDURAND moved the third reading of Bill 4, an Act to amend the Department of National Defence Act.

He said: I have received a statement from the Department of National Defence explaining the operation of this Bill, and I think it will be satisfactory to my right honourable friend (Right Hon. Mr. Meighen) and to the Senate. It is as follows:

Bill 4. An Act to amend the Department of National Defence Act

The "Service Estates" to which this Bill pertains are only those parts of the personal estate of a deceased member of the forces which consist of balance of pay and allowances and other emoluments emanating from the Crown which, at date of death, are due or otherwise payable, and effects issued by the Crown which under regulations the member of the forces would be permitted to retain, and all personal belongings found on the deceased member, and in camp quarters or otherwise in the care or custody of the service authorities, including cash on hand and personal articles and effects. The Bill does not extend to any other part of the deceased member's personal estate.

Pursuant to regulations made by the Governor in Council under the War Measures Act an administrator of estates has been appointed by the Governor in Council to administer these service estates of the deceased members of the military, naval, and air forces of Canada on active service. Under the War Measures Act, the Governor in Council has made regulations for the administration and distribution of such service estates.

The regulations provide:—

(a) That where in the will of a deceased member of the forces an executor has been named and such nominee has been appointed executor by the court of competent jurisdiction, or where an administrator or an administrator with will annexed has been appointed by such court, the administrator of estates may cause to be delivered over to such administrator or executor for distribution, the net assets of the service estate in the administrator's possession.

(b) Where in a will of a deceased member an executor has been named, but has not been appointed executor by the court of competent jurisdiction where no administrator has been appointed by such court, the administrator of estates may cause to be distributed the net assets of the service estate in accordance with the law applicable in each case to the distribution of personal estates.

(c) In the case of a member of the forces who dies intestate, his records contain sufficient information to enable the administrator to determine the deceased member's domicile and the administrator distributes the estate in accordance with the laws applicable in such place of domicile.

Right Hon. Mr. MEIGHEN: That is what I want.

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

ROYAL CANADIAN AIR FORCE BILL

THIRD READING

Hon. Mr. DANDURAND moved the third reading of Bill 5, an Act respecting the Royal Canadian Air Force.

He said: Honourable senators, I have obtained the following statement in answer to a question raised by the right honourable leader on the other side (Right Hon. Mr. Meighen):

With respect to the question raised by the Right Honourable Senator Meighen, subsection 2 of section 4A of the Act amending the Department of National Defence Act, which has been recently passed, provides as follows:—

"(2) During the tenure of office of any Minister of National Defence for Air he shall, in respect of any matter relating exclusively to the air service, exercise all the powers of the Minister of National Defence and in respect of any matter affecting both the air service and any other service, such powers shall be exercisable by the Minister of National Defence acting in consultation with the Minister of National Defence for Air."

As the Royal Canadian Air Force Act relates exclusively to the air service, the powers exercisable by the Minister of National Defence under the Bill relating to the Royal Canadian Air Force are, while there is a Minister of National Defence for Air, exercisable by the latter.

Under the Act amending the Department of National Defence Act, the Minister of National Defence for Air so appointed holds office until the expiration of a period not exceeding two months after the issue of the second of the two proclamations specified in section 2 of the War Measures Act.

My right honourable friend had taken notice of that situation, that the appointment of a Minister for Air was only for the duration of the war. The statement continues:

Upon such Minister ceasing to hold office, the powers otherwise vested in him would revert to the Minister of National Defence, so that if "The Minister of National Defence for Air" was substituted for "The Minister of National Defence" in the Royal Canadian Air Force Bill and such Bill became law, it would, upon there ceasing to be a Minister of National Defence for Air, be necessary to make a consequential amendment to the Royal Canadian Air Force Act.

The explanation given by the Minister of National Defence for Air appearing on page 364 of House of Commons Debates (Unrevised), May 29, 1940, was based on the foregoing.

I think the statement covers the point.

Right Hon. Mr. MEIGHEN: It does. It is very clear. Usually the Minister of National Defence is very clear, but he was not on that occasion.

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

YUKON BILL

THIRD READING POSTPONED

On the Order for the third reading of Bill 11, an Act to amend the Yukon Act:

Hon. RAOUL DANDURAND: Honourable senators, the third reading of this Bill was set down for to-day in the expectation that I should obtain the opinion of the Department of Justice as to the interpretation to be given to an amendment made in the House of Commons. As the opinion of the Department of Justice has not yet been secured, I would move that this order be discharged and be placed on the Orders of the Day for Tuesday next.

Right Hon. ARTHUR MEIGHEN: Speaking for myself—I do not know about the honourable senator from Ottawa East (Hon. Mr. Côté)—I have a memorandum from the Law Clerk of the Senate, upon whom we should rely, rather than on the Department of Justice. Our Law Clerk states that he is thoroughly satisfied that the wording of the Bill expresses the exact purpose intended. I defer to him. I am only sorry that somehow or other I am not able to follow his reasoning; but I am not asking that the Bill be deferred any longer.

Hon. L. COTE: I too had a conversation with the Law Clerk, for whose opinion I also have the greatest respect, and I was not able to follow his reasoning either. I therefore hold to the position I took the other day. Furthermore, in an endeavour to convince myself that the Law Clerk was right, I looked at the French version—we all know the difficulty of translation—and I may say that in the French version one finds an entirely different section.

But even if I could follow the reasoning of the Law Clerk and accept his interpretation, there is something else, which has been entirely overlooked. If this section means that all civil liabilities are saved, notwithstanding the enactment of this measure, it would follow that any citizen could sue the Crown—and that is about the only benefit a citizen would have under the measure—for the refund of a tax which had been unlawfully collected if the old ordinance of the Yukon was void.

Hon. Mr. DANDURAND: My honourable friend uses the expression "unlawfully." There is simply a doubt which has been raised in a judgment of a court.

Hon. Mr. COTE: We are not saying it is lawful or unlawful, but I assume it may be unlawful, or there would be no amendment at all. I am just pointing out this feature to show that the question is not as simple as might appear. If I had my way I would refer both the French and the English versions of the Bill to the Standing Committee on Banking and Commerce, who could quite easily draft a clause to replace one that reasonably good lawyers cannot understand. We are all agreed as to what we want to achieve, and while I am not proposing a clause, I would suggest this, using the words of section 2:

The provisions of section 1 of this Act shall be deemed to have come into operation on the nineteenth day of May, 1919, but not so as to

render any person either civilly or criminally liable on account of anything done, omitted or existing on or before the date of the enactment.

I can understand such a clause as that, and it would cover the situation quite nicely. If the leader of the Government is moving the third reading—

Hon. Mr. DANDURAND: I had moved that the third reading of the Bill be deferred until Tuesday next, in order that I might obtain the opinion of the Department of Justice in the meantime.

Hon. Mr. COTE: Under these circumstances would it not be well to let the Bill go to committee, and to have an officer of the Department of Justice present to give his opinion? It would simplify matters.

Hon. Mr. DANDURAND: I have been informed over the telephone—I may be corrected if I am wrong—that that clause was drafted by the Department of Justice. In that case my honourable friend would find the Law Clerk and the representative of the Department of Justice defending the clause in the committee.

Hon. Mr. COTE: Then it could be explained to members of this House who do not possess sufficient legal acumen to understand that language.

What I was about to say was this. If the leader of the Government will move the third reading, I will move that both versions of the Bill be referred to the Committee on Banking and Commerce. I give my honourable friend my word that we cannot pass the French version as it is, because it is not a proper translation of the English version.

Hon. Mr. DANDURAND: My honourable friend now falls back on the question of the translation. If the Department of Justice really drafted that clause and it is accepted by our Law Clerk, I suggest that the honourable gentleman should accept it. Surely our translators, with those of the Commons, can arrange between now and Tuesday to satisfy my honourable friend; so I persist in moving that this Order be discharged and be placed on the Order Paper for Tuesday next. In the meantime, I think, my honourable friend will be satisfied as to the interpretation of the clause and the translation.

Hon. Mr. COTE: And I reserve my right to make further representations.

The Order was discharged.

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NAVAL SERVICE BILL

SECOND READING

The Senate resumed from yesterday the adjourned debate on the motion for the second reading of Bill 2, an Act to amend the Naval Service Act.

Hon. RAOUL DANDURAND: Honourable senators, we have had considerable discussion over the Bill which is now before us for second reading. I have obtained from the law expert of the Department of Defence the following explanation:

The persons to whom this Bill relates are not members of the Royal Canadian Navy (i.e., Permanent Naval Forces), the Royal Canadian Naval Reserve, or the Royal Canadian Naval Volunteer Reserve, nor would they, by the terms of their engagement with the Minister, as mentioned in the Bill, become members of any of said Naval Forces.

It will be noted that upon their entering into an engagement of the character mentioned in the Bill, they will be subject to the Naval Service Act, just as if they were members of the Naval Service; but the Bill does not provide that such persons, by entering into such engagement, become members of the Naval Service or of the Naval Forces mentioned above. Further, the Bill does not apply to persons entering into such engagement the provisions of any other statute; nor does the Naval Service Act in itself apply to the Naval Service the provisions of any other statute except the Naval Discipline Act of the United Kingdom and Acts of the United Kingdom in amendment thereof.

Moreover, Order in Council P.C. 1971 of 21st May, 1940, which makes the provisions of the Pension Act (with certain modifications) applicable to members of the Armed Forces of Canada serving on active service in the present war, limits such application "to those members of the Naval, Military and Air Forces of Canada, who, while serving on active service, suffer disability or death."

As, for the reasons mentioned above, the persons to whom the Bill pertains are not members of the Naval Forces, and therefore could not be "on active service," the provisions of said Order in Council would not apply to them, and, in consequence, they would not come within the scope of the Pension Act, and no eligibility for pension would arise.

Not being members of the Naval Forces, they would not be eligible for the pay, allowances and other emoluments prescribed for such members.

The sole effect of the Bill in question is to make these persons who enter into an engagement with the Minister of National Defence subject in certain circumstances to Naval discipline, without at the same time bestowing upon them all the rights, privileges and benefits which would otherwise accrue to them if they were members of any of the three classes of Naval Forces mentioned in the Naval Service Act.

I do not know whether my right honourable friend (Right Hon. Mr. Meighen), his neighbour the honourable senator from Alma (Hon. Mr. Ballantyne), and my honourable friend

from Leeds (Hon. Mr. Hardy) have been able to follow this statement closely enough to accept the interpretation which is given by the department. If they have, I will move the second reading of the Bill.

Right Hon. ARTHUR MEIGHEN: I do not feel like resisting the interpretation of the department. I only hope it is correct. I know that if it is correct it will satisfy the honourable senator from Leeds (Hon. Mr. Hardy), as it does myself and the honourable senator to my left (Hon. Mr. Ballantyne), because it means that the persons referred to in the Bill will not be entitled to the benefits mentioned.

But the wording of the Bill still disturbs me a little. It says that this person, who will not be a member of the Naval Service—

shall, so long as the engagement remains in force, and notwithstanding that for the time being he may not be serving in any ship, be subject to this Act,—

That is the Naval Service Act, which is being amended. As far as those words are concerned, I feel the memorandum would fully apply and be correct. But the clause goes further, and says:

—and the provisions of this Act shall apply in relation to that person as if, while subject to this Act, he belonged to the Naval Service.

So, even though he does not belong to the Naval Service, and is not made to belong to it by this amendment, the provisions of the Naval Service Act unquestionably will apply to him just as if he did belong. I followed the reading of the departmental memorandum as carefully as I could, but I am not clear yet—perhaps I shall be when I read the memorandum—as to whether the Naval Service Act itself, within its own boundaries, gives pension rights. If it does, these persons covered by the measure will be entitled to pension, but if it does not in itself or by reference to another Act or in any other way give such rights, they will not be entitled to pension. I am pretty confident that I shall be satisfied when I read the memorandum.

Hon. Mr. DANDURAND: Perhaps second reading could be given and the Bill set down for third reading—

Right Hon. Mr. MEIGHEN: That will be all right.

Hon. Mr. DANDURAND: —with this understanding, that the memorandum I have read will go on Hansard, and that between now and Tuesday next the Bill will be studied by our Law Clerk in the light of the departmental interpretation.

Hon. Mr. DANDURAND.

Right Hon. Mr. MEIGHEN: I should like to get his opinion.

Hon. Mr. DANDURAND: The memorandum comes from Colonel Orde, Judge-Advocate-General in the department, who stands high in the legal community. If our Law Clerk finds himself in agreement with the memorandum, he will say so. But if he has any doubt about it, he can confer with Colonel Orde.

Right Hon. Mr. MEIGHEN: All right.

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

CANADA EVIDENCE BILL

SECOND READING

Hon. Mr. DANDURAND moved the second reading of Bill 6, an Act to amend the Canada Evidence Act.

He said: Honourable senators, this is a very short Bill.

Right Hon. Mr. MEIGHEN: It is all right, I think.

Hon. Mr. DANDURAND: If honourable members have read it, I will not make any explanation.

Hon. A. J. LEGER: Honourable senators, may I ask the honourable leader of the House whether the intention is to send this Bill to Committee of the Whole? I understand the amendment and the explanatory note, but I am not sure that the wording of the amendment is very apt. It reads:

Where proof is offered by affidavit pursuant to the provisions of this section it shall not be necessary to prove the official character of the person making the affidavit—

So far, it is clear.

—if that information is set out in the body of the affidavit.

May I ask: what information? Does it mean information as to the official character of the person making the affidavit? I cannot see that it means anything else. The explanatory note makes clear what is intended, and it seems to me the amendment would be plainer if it followed the language used in some provincial statutes. I would suggest that the words "if that information is set out" be struck out, and the words "otherwise than by swearing to same" be substituted. That would make the amendment read:

Where proof is offered by affidavit pursuant to the provisions of this section it shall not be necessary to prove the official character of the person making the affidavit otherwise than by swearing to same in the body of the affidavit.

The amendment as now worded is not clear. A judge, looking at this wording, might reasonably ask: what is to be contained in "that information" if it is set out? If the amendment were revised as I am suggesting, there would be no ambiguity about it.

Hon. Mr. DANDURAND: Is the honourable gentleman putting a question to me?

Hon. Mr. LEGER: I am not putting any question. I am simply throwing out a suggestion that the amendment as at present worded is not clear, because it does not show just what is meant by "that information".

Hon. Mr. DANDURAND: I would inform my honourable friend that the Bill emanates from the Department of Justice and, in its form, is accepted by our Law Clerk. Here is what the Minister of Justice said when explaining the Bill in another place:

This is a very simple Bill—

Hon. Mr. LEGER: I am not objecting to the principle of the Bill. I think the purpose which the department wished to achieve is very commendable, but that it is not achieved by the amendment. That is my point.

Right Hon. Mr. MEIGHEN: The honourable member's point would be met if the words "that information" were changed to "such official character". Then the wording would be:

if such official character is set out in the body of the affidavit.

Hon. Mr. LEGER: Yes, that would cover it.

Hon. Mr. CALDER: Honourable members, it seems to me the point is something like this. An affidavit comes, let us say, from the Deputy Minister of Defence, and it begins, "I, So-and-so, Deputy Minister of Defence, hereby swear—." Well, he does not swear that he is Deputy Minister of Defence; what he swears to is what follows the statement that he is Deputy Minister of Defence. The point made, as I see it, is that in the body of the affidavit he should also swear that he is Deputy Minister of Defence.

Hon. Mr. DANDURAND: I am not in a position to agree or dissent.

Hon. Mr. CALDER: You see, the affidavit would cite that he is the deputy minister, but the deputy minister does not swear that he holds that position.

Hon. Mr. DANDURAND: He may not swear to it, but in the affidavit he states his official position.

Hon. Mr. CALDER: Why not swear to it?

Hon. Mr. DANDURAND: I suppose if that point were to be covered exactly, it would be necessary to alter thousands of documents.

I should like to read what was said by the Minister of Justice in explaining the reason for this amendment:

This is a very simple Bill. It is to make clearer the disposition of an amendment which was made in 1938 by chapter 4 of the statutes of that year. Section 2 of that chapter provides:

Where by any statute of Canada or regulation thereunder provision is made for sending by mail any request for information, notice or demand by a department or other branch of the public service, an affidavit of an officer of the department or other branch of the public service sworn before any commissioner or other person authorized to take affidavits setting out that he has charge of the appropriate records, that he has a knowledge of the facts in the particular case, that such a request, notice or demand was sent by registered letter . . .

Then the certificate of the post office that such letter has been registered is prima facie evidence that the request, notice or demand has been made.

This amendment has been requested more particularly by the Statistics Branch, which is frequently sending out notices or requests for information. If a prosecution follows because the parties have not acted as the law requires, it involves a great deal of expense to have officers of the department travel about the country to appear as witnesses. This was corrected by the statute of 1938. It was found advisable to add the present amendment, so that the official character of the person who makes the affidavit, let us say the head of the Statistics Branch, if it is stated in the affidavit that he is the head of the Statistics Branch, will be sufficient as prima facie evidence. The statute of 1938 would be valueless if it were necessary to bring that officer to prove in person that he was the head of the Statistics Branch. It is clear that this amendment is merely for the purpose of completing the amendment of 1938.

As I understand the point that is now made, it is that, under this amendment, the official signing the affidavit would not be at the same time swearing as to his official character.

Hon. Mr. LEGER: What I wish to convey is that the amendment should state it will be sufficient if the official swears to his official capacity in the body of the affidavit. But this amendment, as I read it, does not say that; the language does not cover what is intended to be met.

Hon. Mr. DANDURAND: I will read the amending clause again:

Where proof is offered by affidavit pursuant to the provisions of this section it shall not be necessary to prove the official character of the person making the affidavit if that information is set out in the body of the affidavit.

Hon. Mr. CALDER: What is "the body of the affidavit"?

Hon. Mr. HARDY: Nobody knows.

Hon. Mr. EULER: Nobody cares.

Hon. Mr. DANDURAND: The affidavit would contain the name and official character of the person making it, and any wrongful description by him would constitute perjury.

Hon. Mr. CALDER: That is all my honourable friend wants, that the officer making the affidavit should state, that he is, for instance, a deputy minister.

Hon. Mr. DANDURAND: But he does. For example, let us suppose the Dominion Statistician were making an affidavit. It would be in this form: "I, R. H. Coats, Dominion Statistician, make oath and say," and so on. His official character forms part of the affidavit.

Hon. Mr. CALDER: That is, a part of "the body of the affidavit"?

Hon. Mr. DANDURAND: Yes. I should think that when an officer states the official character in which he is making an affidavit, he swears to that fact.

Hon. Mr. CALDER: "The body of the affidavit" is the entire affidavit.

Hon. Mr. DANDURAND: I should say so.

Hon. C. P. BEAUBIEN: If the affidavit is drafted in this form: "I, So-and-so, of the city and district of Montreal, make oath and say, (1) that I am the sheriff of the district of Montreal, (2) that I certify to certain facts,"—then, of course, his official character is sworn to. The more usual form is: "I, So-and-so, of the city and district of Montreal, sheriff of the district of Montreal, make oath and say," and so on. My honourable friend is quite right in his opinion that in such cases the official character of the officer would not be covered by the affidavit. But in my view what is sought by the proposed amendment is that on the face of the affidavit it shall appear to be made by an officer in his official capacity.

Hon. Mr. CALDER: On the face of it, not in the body?

Hon. Mr. DANDURAND: Not just on the face of it. If the information as to the official character of the officer making the affidavit is set out in the body of the affidavit, it is not necessary to prove his official character. That is the whole point.

Hon. Mr. ROBINSON: Would the point not be met by changing the words "set out" to "sworn to"?

Hon. C. P. BEAUBIEN: I do not think the department wants that.

Hon. Mr. DANDURAND: The department expresses no opinion on the point. There was no objection in the Commons to this amendment.

Hon. C. P. BEAUBIEN: My honourable friend has himself given a reason for accepting the Bill as it now reads: there may be thousands of documents which would have to be altered if you changed the form of the affidavit provided for here. That seems to me to be a good reason.

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

THIRD READING

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

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

TRANS-CANADA AIR LINES BILL

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of Bill 23, an Act to amend the Trans-Canada Air Lines Act, 1936.

He said: Honourable senators, this is the Minister of Transport's explanation of the Bill:

This is a simple amendment to the Trans-Canada Air Lines Act. The Act provides that the rates to be charged for the carriage of mail will be set automatically in January of each year, based upon the experience of the previous year. At the start, a rate of 60 cents a mile for the carriage of mail was adopted, with the proviso that until January, 1940, the Government would bear any deficit arising out of the operation of the line. The belief in which the Bill was framed was that by January, 1940, we would have had one full year of experience with the Trans-Canada Air Lines, and that we would have struck an operating rate in 1939 which could have been applied to 1940. It turned out that 1939 was not a typical operating year; for, instead of getting a full year of operation, we commenced to carry revenue mail only on March 1, and passengers on April 1. We also did not open in that year the full service that we had originally intended. The Maritimes extension was opened only this year, and we have yet to open the extension from Toronto to Western Ontario. Therefore 1939 is not a typical year. If we followed the Act strictly, the rate for carrying mail would automatically increase from 60 cents to slightly over 70 cents, whereas we know very well from operating results that a proper rate for this year would be less than 60 cents. We feel certain that the automatic application of the rate a year from now will bring the rate per mile down considerably below that figure. The amendment proposed will make it possible to continue the 60 cent rate for 1940, and defer the automatic application of a new rate until January, 1941.

That is the only purpose of the Bill.

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

THIRD READING

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

Right Hon. ARTHUR MEIGHEN: Honourable members, I was busy at another matter while the motion for second reading of this Bill was under discussion. But I remember the Bill; it merely provides for an extension of the subsidy.

Hon. Mr. DANDURAND: The purpose of the amendment is to continue the present rate to the end of this year in order that the automatic application of a new rate for 1941 may be based on a typical operating year. The Trans-Canada Air Lines had a deficit last year, but it is expected that this year's operation will show a surplus. Last year was not a typical year, and if the new rate were to be based upon the 1939 results it would be automatically increased from 60 cents to slightly over 70 cents. It is confidently expected that, based on this year's operating results, the rate to be automatically applied a year hence will be considerably below 60 cents.

Right Hon. Mr. MEIGHEN: That is to say, the continuation of the subsidy provided for by this Bill is really payment for the transport of mail. From the standpoint of the Post Office Department, how does the revenue from air mail measure up to the payment for that service so far? From the standpoint of the T.C.A. it may be that that payment enables them to make a profit. But how does the Post Office Department come out on it? The department, I think, gets on air mail postage about double the regular postal rates. I am afraid that if the subsidy were taken into account it would absorb any increased revenue derived from extra air mail rates.

Hon. Mr. DANDURAND: No. The Post Office Department benefits by the profit made out of a rate based upon the cost of the service for the preceding year.

Right Hon. Mr. MEIGHEN: Oh, yes. But it does not follow that the department would not be better off if it were without the air service at all. The department would then handle all mail through the regular service and have no subsidy to pay.

Hon. Mr. DANDURAND: For my right honourable friend's benefit I will repeat the Minister's explanation on the Bill as given in another place.

This is a simple amendment to the Trans-Canada Air Lines Act. The Act provides that the rates to be charged for the carriage of mail will be set automatically in January of each year, based upon the experience of the previous year. At the start, a rate of 60 cents a mile for the carriage of mail was adopted, with the proviso that until January, 1940, the Government would bear any deficit arising out of the operation of the line. The belief in which the Bill was framed was that by January, 1940, we would have had one full year of experience with the Trans-Canada Air Lines, and that we would have struck an operating rate in 1939 which could have been applied to 1940. It turned out that 1939 was not a typical operating year; for, instead of getting a full year of operation, we commenced to carry revenue mail only on March 1, and passengers on April 1. We also did not open in that year the full service that we had originally intended. The Maritimes extension was opened only this year, and we have yet to open the extension from Toronto to Western Ontario. Therefore 1939 is not a typical year. If we followed the Act strictly, the rate for carrying mail would automatically increase from 60 cents to slightly over 70 cents, whereas we know very well from operating results that a proper rate for this year would be less than 60 cents. We feel certain that the automatic application of the rate a year from now will bring the rate per mile down considerably below that figure. The amendment proposed will make it possible to continue the 60 cent rate for 1940, and defer the automatic application of a new rate until January, 1941. That is its only purpose.

Right Hon. Mr. MEIGHEN: I still think I am right, though I did not get the full purport of the statement when first read, for the reason I have already stated. The Minister says, in effect: "We set out to pay a certain rate which, we think, represents a fair payment for the transport of this mail, and, knowing we could not tell what would be a fair payment, having regard to cost, we decided to fix the rate by the operating results of 1939. In the meantime we pay 70 cents."

Hon. Mr. DANDURAND: Sixty cents.

Right Hon. Mr. MEIGHEN: Very good. They were to fix the rate by the operating results for 1939. Now they say: "Owing to incompleteness of the service and so forth, in 1939, we cannot judge what would be a fair rate based on that year's operations, and we shall wait for the results of this year." The country as a whole is interested in this matter. The subsidy of 60 cents may prove enough to enable the T.C.A. to make money or avoid a loss, but the extra air mail revenue received by the Post Office Department may be far below what is required to pay this 60-cent rate. The memorandum does not cover that point at all; it deals with it only from the standpoint of the T.C.A. I am not saying on my own responsibility that 60 cents is insufficient to enable the Post Office Department to maintain as good a position as if it did not use the lines at all. I am asking: is 60 cents enough to enable the Post Office

Department to occupy as favourable a position as to earnings as if it never turned a letter over to the T.C.A.?

Hon. W. D. EULER: Honourable members, may I be permitted a word? I happened to be Acting Postmaster General at the time the 60-cent contract was signed. Perhaps I am not betraying any confidence when I say that the rate of 60 cents is higher, possibly, than the rate for a similar service which was carried on by planes which may not have been as efficient as those of the T. C. A. I think I may conjecture, more from experience than definite information, that with the business developed the Post Office is not making any money on the basis of 60 cents. As a matter of fact, apart from the service given to the public, I think it is true that the Post Office Department would be better off if it were not having its mail carried at the 60-cent rate.

The present Bill is merely intended to continue the existing arrangement for another year. If it were not renewed at the 60-cent rate, under the arrangement provided for, the Post Office Department might have to pay 70 cents, and thus lose still more money. The proposal is to continue the present arrangement for another year, by the end of which time, I hope, expectations will be realized.

In the end, it does not make a great deal of difference, for both services are public services, and in any case the money comes from the public; but I have a suspicion that the Transport Department got the better of the Post Office Department in the bargain.

Right Hon. Mr. MEIGHEN: I did not have the slightest information about it, but I was pretty much of the same opinion as the honourable member who has just taken his seat. I never could get it into my head that a six-cent stamp on a letter to be carried by air from Toronto to Vancouver would mean as much in profits to the Post Office Department as a three-cent stamp on a letter carried over the railway.

Hon. Mr. DANDURAND: But would the public to-day dispense with the air service?

Right Hon. Mr. MEIGHEN: Oh, no. If you give the public something for nothing, they are going to yell very loudly when you take it away. As a man of somewhat meagre business experience, I may say that the statement of the honourable gentleman (Hon. Mr. Euler) appeals to me; but to say the service pays the country is simply absurd. You may make the T. C. A. pay, but it pays at the expense of the Post Office Department.

Hon. Mr. DANDURAND: The Minister who has created the airways affirms that, the present year being taken as typical, the rate will be much lower than 60 cents. So it would clearly appear that the service is being rendered at a lower rate, and yet is paying its way.

Right Hon. Mr. MEIGHEN: Sure! That just means that the man at the head of the Transport Department knows how to handle these things better than the fellow he is dealing with. He says: "I will give you only such a figure as makes a profit for the T. C. A. If it means a loss to you, it is too bad." That goes out to the country as a good advertisement for the T. C. A., but in reality the T. C. A. is avoiding a deficit only because it has loaded that deficit onto the Post Office.

Hon. Mr. DANDURAND: At a lower rate than the present one.

Right Hon. Mr. MEIGHEN: That may be true.

Hon. FELIX QUINN: Before the Bill is given third reading, I should like to take this opportunity of drawing to the attention of the Government the failure of the Trans-Canada Air Lines to extend their service into the province of Nova Scotia. We have been pleading with the Government and the Minister to do this for some time. These Trans-Canada Air Lines have been in operation for a long time, and they have not yet entered the province of Nova Scotia.

This system of transport is called Trans-Canada Air Lines, but its eastern terminal is in New Brunswick. I might point out that in this time of war, when the port of Halifax is of such tremendous importance—probably the most important city in Canada from the standpoint of war activity—it is very necessary that consideration be given to this situation with a view to having the services extended into Nova Scotia.

Hon. Mr. DANDURAND: I shall refer the remarks of my honourable friend to the Minister in charge. In the meantime I might present to the Senate a statement which I have concerning the Eastern Provinces. In the other House Mr. Black, of Cumberland, put a question to the Minister. He said:

> It had been expected that the eastern or Atlantic terminus of the Trans-Canada Airlines would be at Halifax. I understand, however, that any further action in that connection has been postponed until the air field at Halifax has been perfected. Meantime a feeder line is operating between Halifax and Moncton. When is it expected that the Trans-Canada Air Lines will use Halifax as an eastern terminus?

That was the question. To this Mr. Howe answered:

As no doubt my honourable friend is aware, at the moment Nova Scotia is a restricted zone for civil flying. With the exception of mail planes, no flying of civil aircraft is permitted in that province. The restriction applies to the use of the Dartmouth airport. It had been fully intended that that airport, which is adequate for all types of planes and for instrument landings, would be used by the Trans-Canada Service. The field is not available at the moment, for obvious reasons. A large number of military planes are stationed at that point, and it is not considered wise to permit the ordinary traveller to gain admittance to the field. Therefore the Service is using the old municipal airport, which is not capable of development to any higher standard than it has now attained. We believe the type of aircraft flying to that point is the best that could make use of that airport, and we see no possibility of using more adequate facilities until military needs are less pressing than they are at the present time.

The discussion continues:

Mr. Black (Cumberland): That is, the feeder line plane does not operate out of Dartmouth; it operates out of Halifax city?

Mr. Howe: That is correct.

Mr. Black (Cumberland): But it is the expectation of the Minister that the eastern terminus of the Trans-Canada Airlines will eventually be at Halifax.

Mr. Howe: We expect to fly Trans-Canada Air Lines into Halifax at some time. Unfortunately, if I were to go farther than that I might indicate that we might have three or four termini down there. I am sure I would be asked similar questions in respect of Saint John and Charlottetown—

and so forth.

This indicates that the department is fully aware of the situation, and will try as soon as possible, I suppose, to give satisfaction to that important part of the Dominion.

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

DEPARTMENT OF NATIONAL REVENUE BILL

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of Bill 27, an Act to amend the Department of National Revenue Act.

He said: Honourable senators, there are certain sections of the Department of National Revenue Act to which it is sought to put an end. I shall read those sections whose repeal will relieve the Minister of National Revenue of certain powers of patronage which he desires to turn over to the Civil Service Commission, and which, as a matter of fact, he has not exercised since he has been in the department.

The subsections to be repealed read as follows:

(4) The Minister may, after such examination as he may prescribe, select and nominate suitable persons for appointment by the Civil Service Commission, to positions appertaining to any of the following classes of officers,—

(a) Customs appraisers of all classes whether serving at the various ports and places of entry or as Dominion appraisers;

(b) All officers in the Customs-Excise Preventive Service;

(c) All officers assigned to duty as investigators of values and claims for drawback.

If such appointment is not made by the Commission within fifteen days from the date of notice to it of such selection and nomination, the Governor in Council may on the recommendation of the Minister appoint during pleasure any such officer. The officers so appointed by the Commission or by the Governor in Council, as the case may be, shall be paid such salaries or remuneration in accordance with civil service regulations as may be determined by the Commission or the Governor in Council respectively, and the Minister may appoint the times and manner in which the same shall be paid.

Provided, however, that the Minister may, after such examination as he may prescribe, select and appoint during pleasure and may remove or suspend all masters, officers and seamen, and every other person engaged or employed on cruisers or other vessels used in the Preventive Service, and all officers and persons so appointed shall be paid such salaries or remuneration at such times and in such manner as the Minister may determine.

Provided, further, that in the appointment of officers under the provisions of this subsection, other qualifications being equal, preference shall be given to persons who have been on active service overseas on the military forces, or being resident or domiciled in Canada at the outbreak of the war, served in His Majesty's forces, or who have served on the high seas in a seagoing ship of war in the naval forces of His Majesty during the war, who have left such service with an honourable record or who have been honourably discharged.

(6) The Civil Service Commission may on the recommendation of the Minister at any time when deemed by the Minister desirable for the betterment of the service, transfer any Collector or Surveyor of Customs and Excise or any Appraiser of Customs from one position to another.

If such transfer is not authorized or approved by the Commission within fifteen days from the date of the Minister's recommendation, the Governor in Council may on the recommendation of the Minister authorize such transfer.

(7) The provisions of subsections four and six of this section shall have effect notwithstanding the provisions of the Civil Service Act or any other law.

The object of the amendment is to provide that in future all such appointments shall be made by the Civil Service Commission, as was the case prior to the enactment of these sections in 1928.

The object of section 2 of the Bill is to place the status of persons now in the service, who were appointed under the Department of National Revenue Act, beyond any possibility of doubt.

Section 2 of chapter 37 of the Statutes of 1928 provides for returns to be laid before Parliament giving the names of persons appointed by Order in Council. Since no more appointments will be made by Order in Council, no further returns need be made to Parliament; so section 2 is being repealed.

The Minister gave to the other House various reasons why he decided upon this change, but perhaps I do not need to read them, as the change will no doubt meet with approval of all honourable members.

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

THIRD READING

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

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

PRIVATE BILL

SECOND READING

Hon. Mr. HORSEY moved the second reading of Bill E, an Act respecting the Detroit and Windsor Subway Company.

He said: Honourable senators, I am making this motion on behalf of the honourable gentleman from North York (Hon. Sir Allen Aylesworth), who is absent. The object of the Bill is clearly set forth in the explanatory notes. The company are asking for an amendment to one of the clauses in their charter, to enable them to increase their capital stock by one million shares of a par value of $3 each, and to exchange these for the existing one million shares of no par value, which would be cancelled. The Canada and Detroit Tunnel Corporation is the holding company for the Subway Company.

If second reading is given, I shall move that the Bill be sent to committee. Counsel for the company will be present there to answer any questions that may be asked and to give any further information required.

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

REFERRED TO COMMITTEE

Hon. Mr. HORSEY moved that the Bill be referred to the Standing Committee on Banking and Commerce.

Right Hon. Mr. MEIGHEN: This is essentially a private Bill. The only thing to inquire into is whether or not this proposed recasting of the company's capital is right. To my mind it is obviously a Bill for the Private Bills Committee.

Hon. Mr. DANDURAND.

Hon. Mr. HORSEY: Then I move that it be referred to the Standing Committee on Miscellaneous Private Bills.

The motion was agreed to.

CANADIAN ACTIVE SERVICE FORCE EQUIPMENT

NOTICE OF DISCUSSION

On the motion to adjourn:

Hon. Mr. TANNER: Honourable senators, before we adjourn I want to tell the honourable leader of the House (Hon. Mr. Dandurand) that I intend to comment, at our next sitting, on the reply he made to me to-day with respect to the Canadian Active Service Force equipment. I will give a notice to the Clerk.

Hon. Mr. DANDURAND: I think my honourable friend would need to have a notice placed on the Order Paper.

Hon. Mr. TANNER: I will give a notice to the Clerk.

The Senate adjourned until Tuesday, June 11, at 8 p.m.

THE SENATE

Monday, June 10, 1940.

The Senate met at 4 p.m., the Acting Speaker (Hon. Mr. Robinson) in the Chair.

Prayers and routine proceedings.

DECLARATION OF WAR AGAINST ITALY

RESOLUTION

Hon. A. B. COPP: Honourable members of the Senate, in the absence of the honourable leader of the Government (Hon. Mr. Dandurand) from this emergency sitting, I beg leave to read a cablegram that has just been received by the Department of External Affairs from the Secretary of State for Dominion Affairs:

Official intimation received that the King of Italy will consider himself at war with Great Britain and France as from midnight to-night.

That is 7 p.m., Ottawa time.

In consequence of such notice, I beg leave to move the following resolution:

Whereas Italy has declared her intention to enter the war on the side of Germany and against the Allied Powers; and,

Whereas a state of war now exists between the United Kingdom and France on the one hand, and Italy on the other; and

Whereas at the outbreak of war the Parliament of Canada decided to stand at the side of the United Kingdom and France in their determined effort to resist aggression and to preserve freedom;

It is expedient that the Houses of Parliament do approve the entry of Canada into a state of war with Italy, and that this House do approve the same.

A like resolution has been moved in the House of Commons. It is necessary that this be adopted here, and I ask that it be seconded by the acting leader on the other side (Hon. Mr. White).

Hon. Mr. WHITE: Honourable members, I second the motion.

The resolution was adopted.

Hon. Mr. COPP: Honourable members, a statement was made in the other House a few minutes ago that adoption of this resolution by both Houses of Parliament will be followed by a submission to His Majesty, from his Privy Council for Canada, with a view to the authorization by him of a proclamation declaring a state of war between Canada and Italy.

The Senate adjourned until to-morrow at 8 p.m.

THE SENATE

Tuesday, June 11, 1940.

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

Prayers and routine proceedings.

WAR CO-OPERATION COMMITTEE

Hon. C. P. BEAUBIEN: Honourable senators, with leave of the House, I wish to announce that, by agreement with the leaders on both sides, the committee for which I moved on the 4th instant will be designated as the War Co-operation Committee and will be composed of Honourable Senator Dandurand, Right Honourable Senator Meighen, and the Honourable Senators King, Black, Horsey, Foster, McRae and the mover.

THE LATE MINISTER OF NATIONAL DEFENCE

MESSAGES FROM HIS MAJESTY THE KING AND MAJOR-GENERAL McNAUGHTON

On the Orders of the Day:

Hon. RAOUL DANDURAND: Honourable senators, I desire to communicate to this Chamber two cablegrams to the Prime Minister, which have been read in the other Chamber and which are of as great interest to the Senate as to the Commons.

The first is from His Majesty King George:

Buckingham Palace, London,
June 11, 1940.

Prime Minister,
Ottawa.

I am grieved to hear of the untimely death of Mr. Norman Rogers and sincerely sympathize with you and the members of the Government of Canada in the loss of a colleague whose services were so valuable at the present juncture both to the Administration and to Canada.

George R. I.

The other cablegram is from Major-General A. G. L. McNaughton, Officer Commanding First Division, Canadian Active Service Force:

London, England, June 11, 1940.

Right Honourable W. L. Mackenzie King,
Ottawa.

We have just heard of the fatal accident to the Honourable Norman McLeod Rogers, Minister of National Defence, and all ranks of Canada's forces overseas join in expressing our deepest sympathy to you and to your colleagues in the Government of Canada in the great loss you have sustained and we ask that our heartfelt sympathy be conveyed to Mrs. Rogers and her family in their great loss. By a single-minded purpose, his tact and his understanding, Mr. Rogers had endeared himself to all with whom he came in contact. For myself I shall always be very grateful for his patience and for the consideration which he showed to me in the difficulties inseparable from mobilization and for the support which he continued to give.

McNaughton.

RELATIONS WITH GREENLAND

APPOINTMENT OF CONSUL AND VICE-CONSUL

Hon. RAOUL DANDURAND: I have a statement concerning Greenland which was read to the House of Commons this afternoon. It is as follows:

Members of the House are aware that the seizure of Denmark by the Germans created a problem for Canada as the nearest neighbour of the Danish possession of Greenland. The situation was given immediate attention.

The local authorities in Greenland are continuing to administer its affairs. The German-controlled Government in Copenhagen is exercising no authority.

In view of the fact that the people of Greenland normally obtain most of their supplies from Denmark, and intercourse has now been suspended, the Canadian Government considered it should assist in maintaining the economic life of the island. The steamship Nascopie, which is regularly used in the Canadian Eastern Arctic Patrol, was dispatched on a special voyage with supplies to Greenland. It arrived last week and will shortly bring back a return cargo.

The Government felt it desirable that it should be continuously informed of the situation and in a position to discuss with the local authorities any questions that might arise. Steps have, therefore, been taken to appoint a Consul and Vice-Consul to Greenland. Mr. Kenneth P. Kirkwood, until recently First Secretary at the Canadian Legation at The Hague, has been appointed Consul to Greenland, and has already taken up his post there. Mr. Kirkwood, who was born at Brampton, is a graduate of the University of Toronto. After serving in the last war, first in the infantry and later in the air force, and working in the Far East, he entered the External Affairs service in 1928. He was stationed at Washington and Tokyo before being appointed to The Hague. Mr. A. E. Porsild, who was born in Greenland and is a member of the staff of the Department of Mines and Resources, has been appointed Vice-Consul. The United States has also made consular appointments in Greenland.

I may add that subsequent to Mr. Kirkwood's appointment steps were taken to have Mr. E. D. McGreer, of the Canadian Legation in Japan, and Mr. Pierre Dupuy, of the Canadian Legation staff in France, given the position and duties of consuls in addition to their existing work.

MANUFACTURE OF MUNITIONS AND SUPPLIES IN CANADA

CABLEGRAM FROM PRIME MINISTER TO HIGH COMMISSIONER IN LONDON

Hon. RAOUL DANDURAND: I have to communicate to the Senate a cablegram from the Prime Minister to the High Commissioner for Canada in the United Kingdom, respecting an interview between the Government of Canada and the Canadian Manufacturers' Association, and the conclusions arrived at, all of which have been communicated to the British Government through the instrumentality of Mr. Massey. I do not know whether I should read the statement in full or simply place it on Hansard.

Some Hon. MEMBERS: Hansard.

Hon. Mr. DANDURAND: It is virtually a statement of the representations made and the results attained at that conference.

Cablegram from the Prime Minister to the High Commissioner for Canada in the United Kingdom.

Ottawa, June 8, 1940.

1. On Thursday, June 6, our Government received a large delegation from the Canadian Manufacturers' Association to discuss the situation with respect to the manufacture in Canada of munitions and supplies for the United Kingdom and Allied Governments.

2. The delegation expressed great concern that Canadian manufacturing capacity continued to be used to such a small degree in the supply of essential war materials for the Allied Governments, despite the willingness of Canadian manufacturers to utilize to the full the resources of their plants for this purpose.

3. As you know, the Government, both prior to and since the outbreak of war, have on many occasions both directly and through yourself, drawn the attention of the United Kingdom Government to the availability of Canadian industrial resources, and recently in a telegram to the Prime Minister of the United Kingdom I drew Mr. Churchill's personal attention to Canadian resources in this respect.

4. At my suggestion that they prepare a memorandum as to what points they felt should be emphasized in representations to the United Kingdom Government, the delegation from the Canadian Manufacturers' Association have sent me on June 6 the communication which follows.

5. "Dear Mr. King: On behalf of the members of the Canadian Manufacturers' Association, I beg to thank you and your colleagues for receiving their delegation to-day.

We realize fully the burdens which members of the Cabinet are bearing and the many demands on their time, and only the vital importance of war production would have caused us to seek an interview with you at this critical time. We are very grateful to you and your colleagues for the patient hearing which was given to us and also for the extremely interesting and valuable information that we received.

You were kind enough to offer to cable immediately to the Hon. Vincent Massey, High Commissioner for Canada in the United Kingdom, to ask him to take up with the British Government the matters we discussed with you. You suggested that we prepare some notes which might be of some assistance in the drafting of your cable and we are glad to take advantage of the opportunity which you have kindly given us, and beg to set forth the following suggestions:

'At the annual meeting of the Canadian Manufacturers' Association in Winnipeg, May 29, 30 and 31, manufacturers from all parts of Canada expressed themselves very strongly in favour of mobilizing immediately the intelligence, skill, equipment and capacity of Canadian industry. They offered every possible cooperation to the Canadian, British and French Governments in this terrible emergency. They expressed surprise and disappointment that, following the visit of their Mission to England last summer and the presentation of Canadian industrial capacity, which was so well received in England, and the prompt appointment of a British Mission to Canada, Canadian industry is being used so little up to date.

'To-day, a representative group of leading Canadian manufacturers met the Prime Minister and eleven other members of the Cabinet in Ottawa and had a very helpful conference.

'Will you kindly discuss with the British Government the following points which were made by the representatives of the Canadian Manufacturers' Association to-day?

1. Canadian manufacturers made war supplies to the value of $1,200,000,000 for the Imperial Munitions Board during the last war. This fact proves the capacity of Canadian industry. Canadian industrial expansion since then has made possible vastly increased manufacturing facilities, and a wider range of products, involving greatly improved technique. Full particulars were presented to the service departments of the British Government by the Association's Mission to England last summer. This is in your possession.

2. Canadian industry again extends every possible co-operation to the British, French and Canadian Governments.

3. There is available in Canada a great amount of industrial capacity, especially in the engineering, machinery and metal working trades with highly skilled technical staffs. Over a year ago, a survey of one hundred plants showed that these had available 3,000,000 square feet of floor space. Very little of this is in use now.

4. There is a great deal of machinery, equipment and tools used in peace-time manufacturing that can be adapted quickly to war manufacturing, with good results in a general mobilization of industrial resources.

5. The time for placing small experimental orders is past. The British and French Governments should advise immediately what they want in large quantities, and give Canadian manufacturers an opportunity to learn what is expected of them. On receipt of this information Canadian manufacturers will make their plans accordingly so as to use their plants to the best advantage.'

Permit me to assure you that the members of the delegation who met you to-day keenly appreciate your kind offer to cable Mr. Massey asking him to take up our suggestions with the British Government.

Thanking you on their behalf, I remain

Yours faithfully,

Harold Crabtree,

President,

Canadian Manufacturers' Association."

6. The Government continues to be of the opinion that Canadian plants might be utilized to a far greater extent as a source of supply for the Allied Governments, relatively free from the danger of hostile action, and you are accordingly directed to bring this matter once more to the attention of the appropriate authorities in the United Kingdom, setting out in particular the representations of the Canadian Manufacturers' Association as quoted in paragraph five of this telegram. I shall be obliged if in so doing you will inform the Government of the United Kingdom and the heads of the departments concerned that our Government concurs in the views expressed by the Association, and repeat the assurance of our willingness and readiness to do everything possible to assist in the development of increased production in this country to meet essential war needs.

Secretary of State for
External Affairs.

DECLARATION OF WAR AGAINST ITALY

PROCLAMATION

Hon. RAOUL DANDURAND: I should like to place on Hansard the Proclamation which has been signed on Tuesday, June 11, declaring a state of war with Italy.

L. P. Duff,
Administrator.
[L.S.]

CANADA

George The Sixth, by the Grace of God of Great Britain, Ireland and the British Dominions beyond the Seas King, Defender of the Faith, Emperor of India;

To All Whom these Presents shall come or whom the same may in anywise concern,

Greeting:

A PROCLAMATION

Ernest Lapointe, Attorney-General, Canada.

Whereas by and with the advice of Our Privy Council for Canada We have signified Our Approval of the issue of a Proclamation in the Canada Gazette declaring that a State of War with Italy exists and has existed in Our Dominion of Canada as and from the tenth day of June, 1940.

Now, Therefore, We do hereby declare and proclaim that a State of War with Italy exists and has existed in Our Dominion of Canada as and from the tenth day of June, 1940.

Of All Which Our Loving Subjects and all others whom these Presents may concern are hereby required to take notice and to govern themselves accordingly.

In Testimony Whereof We have caused these Our Letters to be made Patent and the Great Seal of Canada to be hereunto affixed. Witness: Our Right Trusty and Well-beloved Counsellor The Right Honourable Sir Lyman Poore Duff, a Member of Our Most Honourable Privy Council, Knight Grand Cross of Our Most Distinguished Order of Saint Michael and Saint George, Chief Justice of Canada and Administrator of the Government of Our Dominion of Canada.

At Our Government House, in Our City of Ottawa, this tenth day of June, in the year of Our Lord one thousand nine hundred and forty and in the fourth year of Our Reign.

By Command,

W. L. Mackenzie King,
Prime Minister of Canada.

CIVIL SERVICE SUPERANNUATION BILL

FIRST READING

A message was received from the House of Commons with Bill 28, an Act to amend the Civil Service Superannuation Act, 1924.

The Bill was read the first time.

YUKON BILL

REFERRED TO COMMITTEE

On the Order for the third reading of Bill 11, an Act to amend the Yukon Act:

Hon. Mr. DANDURAND: Honourable senators, I have the statement—

Right Hon. Mr. MEIGHEN: Of Parliamentary Counsel?

Hon. Mr. DANDURAND: Yes, I have one from Parliamentary Counsel, and I have one from Mr. Edwards, Deputy Minister of Justice, who both agree that the Bill as introduced in the Senate effects the purpose the Government had in view.

I will again read the explanatory note:

On the 20th May, 1919, the Yukon Territorial Council passed an ordinance entitled "An Ordinance to provide for a tax on raw furs exported from the Yukon Territory."

Doubt has arisen as to whether the Yukon Territorial Council had the authority under the Yukon Act to enact such an ordinance. This proposed amendment to the Yukon Act is designed to give such authority and to validate the Yukon Fur Export Tax Ordinance assented to on the 20th May, 1919.

The question which was debated at length in the Senate related to the interpretation of clause 2, which reads:

The provisions of section one of this Act shall be deemed to have come into operation on the nineteenth day of May, 1919—

that is to say, one day prior to the date of the Yukon Territorial Council ordinance—

—but so as not to defeat, disturb, invalidate or affect any penalty, forfeiture or liability, civil or criminal, incurred before the time of its enactment, or any proceedings for enforcing the same had, done, completed or pending at the time of such enactment.

Both the Department of Justice and Parliamentary Counsel declare that no interest can be affected by this Bill. There is at present no action before the courts to test or bring into question the validity of this ordinance; and anyone who has any claim under it will be protected by the provision of the Bill.

The statement of Mr. Edwards gives the whole story of the enactment of the ordinance. I do not know whether my right honourable friend has seen it.

Right Hon. Mr. MEIGHEN: No.

Hon. Mr. DANDURAND: I found it on my desk this afternoon. It is as follows:

I have the honour to acknowledge receipt of your letter of June 6 relative to the debate in the Senate on Bill No. 11.

In July, 1937, during routine review by this department of the Yukon Territorial Ordinances of 1937 for the purpose of reporting any legislation for disallowance by the Governor in Council under subsection 2 of section 29 of the Yukon Act, Chapter 1, entitled "An Ordinance to amend 'The Yukon Game Ordinance'" was found to add a section to that Ordinance reading:

"54. The pelts of animals raised in captivity shall be subject to the provisions of 'The Fur Export Tax Ordinance';

checking back this Ordinance was found to be Chapter 8 of the Ordinances of 1919, section 3 of which prohibited the exportation of raw fur without permit first issued by the Territorial Secretary, and the reviewing officer located no specific authority for this in the Yukon Act, but found, on the contrary, that by section 30 (3) of that statute it was provided that

"No tax shall be imposed by Ordinance except as in this Act provided."

Inasmuch as the Fur Export Tax Ordinance had been on the books for eighteen years and therefore was not subject to disallowance, I decided to place the situation before the Territorial authorities for rectification as the alternative to recommending disallowance of Chapter 1 of 1937, containing, as it did, many apparently useful amendments of the Game Ordinance.

Under date July 23, 1937, I communicated with you calling your attention to the situation, reminding you of the necessity that had been experienced to amend the Northwest Territories Act in order to obtain the special statutory authority along the same lines, and asked for such information as you might have on the point, and in later correspondence with you expressed the view that the Ordinance of 1919 was of doubtful validity.

In May of 1939, on receipt of the Territorial Ordinances of 1938, Mr. Plaxton, then Acting Deputy Minister of Justice, called your attention to the earlier correspondence and to the fact that the new Game Ordinance included the provisions to which exception had then been taken.

Some correspondence followed between your department and the Controller of the Yukon concerning the form that legislation should take to regularize the situation and still permit the collection of the revenue from fur export until in August the Controller requested the Minister of Mines and Resources to consider introduction of an amendment to the Yukon Act calculated to allow imposition of the tax as from 1919. This correspondence being passed to this department for comment, a draft bill amending the Act to allow levying of the tax and providing for retroactivity to 19th May, 1919, was passed to you by me on 15th December.

I do not know whether what follows is very germane to the question, but, as I am near the end, I will continue:

Your Minister had proposed amending legislation along the lines of the draft Bill when Mr. George Black, member for the Yukon, saw me with a suggested change, pointing out that he had discussed the matter with you. I understood that he had been retained as counsel by certain persons for their defence in prosecution that had been instituted on charges relating to export of furs; that they planned to question the validity of the legislation imposing the tax and that if the Bill to amend the Yukon Act went through in its proposed form it would deprive these persons of a substantial defence in proceedings already commenced. I undertook to place before your department the form of change that I considered effective to protect the interests of these persons while leaving undisturbed any other thing that had, in the more remote past, transpired in the course of administration of the Game Ordinance and the Fur Export Tax Ordinance. Bill No. 11 is the result of this effort on my part.

In my view the language used—

"but so as not to defeat, disturb, invalidate or affect any penalty, forfeiture or liability, civil or criminal, incurred before the time of its enactment or any proceedings for enforcing

the same had, done, completed or pending at the time of such enactment"

would have this effect, following, as it does, upon the provision for retroactivity, proceedings completed being allowed to rest as they are while proceedings pending are declared not to be affected by the provision in question.

The views of our Law Clerk are contained in the following memorandum:

This Bill, insignificant in itself (and one which, if I had to decide upon the matter I would say was unnecessary) has undergone severe attack in the Senate on grounds which, if they were justifiable, would, despite the Bill's insignificance, justify the attack. That attack was made upon the assumption that, although the Bill proposes to give to the Crown an advantage by way of retroactive legislation, it does not equivalently protect the subject.

The reason that I did not recommend any amendment was that I thought, as I continue to think, that the words of section 2—"but so as not to . . . affect any . . . liability, civil or criminal, incurred before its (the amending legislation's) enactment" were sufficient to protect the subject as against the Crown.

Now, however, since so many senators (some only of whom have spoken in the Senate) have come to me admitting my construction of another's draftsmanship to be right, but urging that language so difficult to construe should be clarified, lest magistrates and judges be found to be as honestly confusable as senators, I have come to think that it might be well to accede, and this memorandum is to suggest that, as Senator Coté asked on Thursday last, the Bill be sent to one of the standing select committees for an expression of its views and amendment to conform, if amendment be desired.

Then he gives a statement of the reasons why, in his opinion, the legislation may be unnecessary.

Now that our Law Clerk and the Department of Justice have expressed their opinion that the clause will effect its desired purpose and protect the interests of the subject, I wonder whether it would be worth while to send the Bill to committee. I am in the hands of the Senate as to that.

Right Hon. ARTHUR MEIGHEN: Honourable members, I had read the report of our Parliamentary Counsel and knew he was of opinion that the saving clause, as read in the other House by the Minister of Finance, had the effect which that Minister claimed for it, and that this was accepted by the member for the Yukon as the right effect. I had not seen the opinion of the Deputy Minister of Justice. It will be noted by the House—at least I noted it—that our Parliamentary Counsel, in giving his opinion, followed the practice of some very wise judges and stated no reasons. After listening to the extensive historical account by the Deputy Minister of Justice, I see that he followed the same excellent example. Both these gentlemen are better critics of legal effect than I am, and in my own mind I do not doubt they are right, but inasmuch as it is just humanly possible that the Act may come for interpretation before magistrates no more perspicacious than the honourable senator from Ottawa East (Hon. Mr. Coté) and myself, I think the advice of our Parliamentary Counsel might be followed and the Bill sent to committee. There less than ten minutes would be required to put it into language that the ordinary, very ordinary, mind can comprehend.

Hon. Mr. DANDURAND: This Bill is down for third reading.

Right Hon. Mr. MEIGHEN: You could move to discharge the order.

Hon. Mr. DANDURAND: I move that the order for third reading of this Bill be discharged and that the Bill be referred to the Standing Committee on Banking and Commerce.

The motion was agreed to.

NAVAL SERVICE BILL

REFERRED TO COMMITTEE

On the Order for the third reading of Bill 2, an Act to amend the Naval Service Act:

Hon. RAOUL DANDURAND: Honourable senators, I have a fairly long memorandum from our Parliamentary Counsel and from Colonel Orde, Judge-Advocate-General.

Right Hon. Mr. MEIGHEN: I have read the memorandum.

Hon. Mr. DANDURAND: Our Parliamentary Counsel says:

Herewith is my opinion re Bill 2. I agree with the Judge-Advocate-General that the Bill does not authorize payment of pensions.

Right Hon. Mr. MEIGHEN: There is quite a story to that.

Hon. Mr. DANDURAND: If my right honourable friend is not satisfied with that blunt statement, I will impose upon him a reading of the Judge-Advocate-General's opinion.

Right Hon. Mr. MEIGHEN: I can give a summary of it quickly, if the honourable gentleman will agree to my doing so.

The situation is this. When this Bill was under discussion before, some of us felt it was quite right that temporary employees doing duty on ships in the Naval Service in Canada should come under the disciplinary provisions of the Act, but we feared that heavy obligations might be entailed by the wording of the amendment, which made these em-

ployees subject to all the provisions of the Act and therefore, we thought, entitled them to any pension rights to which regular Naval Service men are entitled. With respect to men coming under this Bill, we felt that if any special rights—which we described, perhaps wrongly, as pension rights—were to be given in the event of injury or death incurred by them in action in a theatre of war, well and good. But the great object was not service in a theatre of war at all; it was, rather, the patrol of our own shores, and we felt that with respect to men on this duty, liability for such rights should not be incurred.

The matter was referred to the Judge-Advocate-General, who sent an opinion to the honourable leader of the Government (Hon. Mr. Dandurand) to the effect that the Bill did not give pension rights to these temporary employees at all. There his opinion closed. I accepted it as final, because I had described the rights to which the men might be entitled as pension rights, being unaware that there were cognate rights. Now it turns out that the reason the men are not entitled to pension rights is that such rights arise, not under the Naval Service Act at all, but under a certain Order in Council, founded on another Act, which brings the Naval Service into line with other services as to pensions. All that the Bill does is give these employees rights to which regular members of the Naval Service are entitled under the Naval Service Act; so that no pensions would accrue to these employees at all.

But there is something else, and I rather feel that in his opinion the Judge-Advocate-General should have called attention to it, because it was clearly something we were entitled to know. The Naval Service Act provides for certain definite rights—rights to which these temporary employees will become entitled if this Bill passes. These are not properly described as pension rights, but they are important. Sections 38 and 39 of the Act provide:

> 38. When any officer or seaman is killed on active service, or dies from wounds or disease contracted on active service, drill or training, or on duty, provision shall be made for his widow and family out of the public funds at the prescribed rates.

That is not exactly a pension, but it is a very important right.

> 39. Every case of permanent disability, arising from injuries received or illness contracted on active service, drill or training or on duty, shall be reported on by a medical board and compensation awarded, under such regulations as are made from time to time by the Governor in Council.

It is obvious that if we were to be advised that pension rights would not be added by virtue of this amendment, we should also have been forewarned that these other very important rights would be added. It may be that we are ready to let these others stand. For myself, I think that even these, if made applicable to the large number of men who are to perform duties in our own waters, would be pretty extensive. I should not be averse to our making them available to the families of any of these temporary employees who may be killed on active service or who may die from wounds, but, under this Bill, if any man dies or becomes permanently injured while on service in Canadian waters, compensation will have to be paid. It will not matter what brings about the man's death—he may have contracted arthritis, or smallpox—

Hon. Mr. HARDY: Or d.t.

Right Hon. Mr. MEIGHEN: —his family will be entitled to compensation. Or if he is permanently disabled because of any disease contracted during his period of service on patrol duty, he will be entitled to the same benefits as would a regular Naval Service man who had enlisted for life or for a long period of years.

I think honourable members follow me. I submit that while we ought to be very careful to give these men everything they are entitled to, we should not go farther than that, and, because of the simple fact that they serve for a short time in Canadian waters, bestow upon them what would obviously be a boon. I suggest that the Bill be referred to a committee—the Railway Committee would, I presume, be the appropriate one—and that there we consider whether we want to restrict its effect in the way I have suggested, or leave it wide open as it is now.

Hon. Mr. DANDURAND: Before closing the debate I should like to put on Hansard the opinion of our Law Clerk, in order that it may be studied by the Judge-Advocate.

Right Hon. Mr. MEIGHEN: And by the committee.

Hon. Mr. DANDURAND: Yes. Mr. O'Connor concludes that the legislation does not provide for any pension rights. I am not ready now to follow my right honourable friend's argument, but no doubt he will re-state it before the committee for the benefit of Mr. O'Connor and Mr. Orde. We want to make sure that the door is not thrown wide open to a class of people not intended to benefit under the Bill. This is Mr. O'Connor's opinion:

Commons Bill 2 of this session of Parliament proposes to add to the Naval Service Act, as subsection one of a new section 28A, the following:

"28A. (1) If any person, who not belonging to the Naval Service, enters into an engagement with the Minister to serve His Majesty—

(a) in a particular ship, or
(b) in a particular ship or in such ships as the Minister may from time to time determine,

and agrees to become subject to this Act upon entering into the engagement, that person shall, so long as the engagement remains in force, and notwithstanding that for the time being he may not be serving in any ship, be subject to this Act, and the provisions of this Act shall apply in relation to that person as if, while subject to this Act, he belonged to the Naval Service and were borne on the books of one of His Majesty's Canadian ships in commission."

An explanatory note printed with the Bill is in the following terms:

"The Naval Service Act, chapter 139 of the Revised Statutes of Canada, 1927, makes no provision by which civilians serving with the Naval Forces of Canada can be made subject to naval discipline.

"During the last war the situation was met by enrolling such persons in the Royal Canadian Naval Volunteer Reserve 'for discipline only.' This procedure was not satisfactory for administrative reasons, it was open to certain legal objections, and it gave rise to many claims for war service compensation which, though not legally admissible, were extremely difficult to reject. In the interests of discipline, and to remove the administrative and other difficulties mentioned, it is essential that statutory provision be made in the Naval Service Act in respect of the civilian employees mentioned, and this is the purpose of this Bill."

In the Commons the Bill was supported by the Minister concerned as intended to entitle the persons to whom it relates to be paid naval pensions as if they were members of the Naval Forces. These consist of (1) the Royal Canadian Navy (permanent forces), (2) the Royal Canadian Naval Reserve and (3) the Royal Canadian Naval Volunteer Reserve.

In the Senate objection was raised that, assuming persons such as those to whom the Bill relates to be entitled to pensions by reason of it, the Bill ought to be amended so as to exclude from its operation in that respect some of the various classes of persons who, in other respects, would properly come under it. Thereupon further consideration of the Bill was deferred and, on resumption of the debate, the Government Leader in the Senate read there on June 6 (Senate Debates, p. 131) an explanatory memorandum of the Judge-Advocate-General (Department of Defence). The memorandum propounded that the Bill mentioned did not entitle the persons to whom it relates to be paid naval pensions. There being conflict between the apparent views of the Minister (Commons Debates, 1940, p. 359) and those of the Judge-Advocate-General as to the intent of the terms of the Bill, and disagreement between the Minister and the objecting senators concerning the policy of the Bill, as it had been presented in the Commons, I was asked for a considered opinion as to the soundness of the conclusion of the Judge-Advocate-General. If his construction of the Bill is right, all expressed differences as to policy (which is not my affair) cease to exist, because in that case the Bill is not the kind of bill that the objecting senators had taken it to be and it is already the very Bill that the objecting senators would seem to have desired.

On the question of construction I concur with the conclusion of the Judge-Advocate-General, but I am not sure that my reasons for concurrence are in all respects the same as his. For example, if he means to say, in the last paragraph of his memorandum, that the persons to whom Bill 2 relates can be subjected to the burdens imposed by the Naval Service Act, but cannot claim the benefits contemplated by that Act, I very positively disagree with him. I think that in Bill 2 the words "be subject to this Act" would be held to mean "come under" this Act. I think that the persons volunteering for service to whom the Bill relates get the advantage of the sweet as well as the disadvantage of the bitter (if any) provisions of the Act.

In this connection I cite hereunder sections 38 and 39 of the Naval Service Act as sections the benefit whereof is, in my opinion, clearly extended to the persons above mentioned:—

"38. When any officer or seaman is killed on active service, or dies from wounds or disease contracted on active service, drill or training, or on duty, provision shall be made for his widow and family out of the public funds at the prescribed rates.

"39. Every case of permanent disability arising from injuries received or illness contracted on active service, drill or training or on duty shall be reported on by a medical board and compensation awarded under such regulations as are made from time to time by the Governor in Council."

The Naval Service Act does not provide for pensions for anyone. Any pensions payable to anyone who happens in fact to be subject to (that is, to "come under") that Act as a member of the Naval Forces of Canada are payable pursuant to, and because of, Order in Council P.C. 1971 of 21st May, 1940, which, to the extent intended, applies the provisions of the Pension Act to members of the armed forces of Canada serving on active service in the present war. Thus, only an actual member of the Naval Forces can have the benefit of the Order in Council covering the matter of pensions.

Bill 2 carefully provides so that the persons to whom it relates shall not be members of the Naval Forces of Canada, although entitled to the benefits and subject to the burdens of the Naval Service Act. "The provisions of this Act," it says, "shall apply in relation to that person as if, while subject to this Act, he belonged to the Naval Service." This is far from enacting that the person is (per the Order in Council) a member of, or does (per Bill 2) belong to, the Naval Service.

To my mind, the words of Bill 2, "the provisions of this Act, shall apply in relation to that person as if . . . he belonged to the Naval Service" disclose the proper answer to the problem in hand. That Act provides for him no pension rights, nor does any other Act.

I should state, perhaps, that the words of Bill 2—"and were borne on the books of one of His Majesty's Canadian ships in commis-

sion" relate back to the earlier words "notwithstanding that for the time being he may not be serving in any ship." There is a general Act relating to discipline on board of Canadian Government vessels (cap. 203, R.S.C. 1927) which provides, inter alia, for the books mentioned. It contains nothing else material to the present issue.

It should be remembered that any right which any person to whom Bill 2 relates because of an engagement with the Minister is, pursuant to that Bill's terms, a reflected right. By this I mean that the Bill contemplates that, so far as it goes it shall operate to reflect in such persons any right which is vested by the Naval Service Act in a member of the Naval Service. That is to say, the Bill reflects in the "person" mentioned only such rights as are in a member of the Naval Service by reason of the provisions of the Naval Service Act, for example rights under section 38 and 39 of that Act, already cited. Because the pension rights applied by Order in Council P.C. 1971 of 21st May, 1940, arise otherwise than under the Naval Service Act they are not reflected in such "person". It is for this reason that I attach such importance to the words "The provisions of this Act shall apply . . . as if . . . he belonged to the Naval Service." There is no other statutory provision than this upon which the "person" concerned can rely, but even if there were the proper construction of Bill 2 would not be affected, unless by express words.

Finally, as to discipline in the Canadian Navy, sections 41, 45 and 46 of the Naval Service Act grant wide disciplinary powers. For example I set out section 41:

"41. The Governor in Council may from time to time direct that the Government Vessels Discipline Act shall or shall not apply to any ship or vessel in the Naval Service, or to the officers, seamen or persons engaged for service thereon."

Section 45 of the Naval Service Act incorporates, as far as applicable and not inconsistent with the Naval Service Act of Canada the Imperial Naval Discipline Act, 1866, and amendments and the King's Regulations and Admiralty Instructions.

Section 46 of the Naval Service Act incorporates the Imperial "Naval Discipline (Dominion Naval Forces) Act, 1911," subject to the same modifications, adaptations and exceptions set out in section 45.

W. F. O'Connor,
Parliamentary Counsel of
the Senate.

Ottawa, June
tenth, 1940.

I move that the Order for third reading be discharged and that the Bill be referred to the Committee on Railways, Telegraphs and Harbours.

The motion was agreed to.

Hon. Mr. DANDURAND.

FARMERS' CREDITORS ARRANGEMENT BILL

MOTION FOR SECOND READING POSTPONED

On the Order for the second reading of Bill 25, an Act to amend the Farmers' Creditors Arrangement Act, 1934:

Hon. Mr. HAIG: I would ask the honourable leader opposite (Hon. Mr. Dandurand) to postpone action on this Order until I have received certain information from the Premier of Manitoba.

Hon. Mr. DANDURAND: I may say that this Bill is based mainly on representations from the Legislature of Manitoba. I suppose my honourable friend hopes to obtain some further views from the Premier.

Hon. Mr. HAIG: Yes.

Hon. Mr. DANDURAND: The Premier has apparently been urging enactment of this legislation on the ground that it is desired by the people of Manitoba. How much time does my honourable friend require?

Hon. Mr. HAIG: Until next week. I wrote the Premier on Monday morning and should have an answer by Saturday or Sunday next.

Hon. Mr. MacARTHUR: I should like to ask the honourable the junior member from Winnipeg (Hon. Mr. Haig) if he has not received a letter from the Premier of Manitoba. If he has, then what further information does he hope to get? While I am on my feet I should like to ask what is the honourable gentleman's present attitude. He has been a champion on both sides of this question for years.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HAIG: I could not hear the remark very clearly. I hope it did not intimate that I had been on both sides, like my honourable friend.

Hon. Mr. MacARTHUR: I would remind the honourable gentleman that I did not take both sides. I was inveigled into casting my vote as I did by the pertinacity and adroitness of our two leaders. The honourable the junior member from Winnipeg informed me yesterday that we should get together to-day and talk this matter over; but he did not show up. Now he speaks of a letter he expects. Honourable senators have already received from the Premier of Manitoba a letter enclosing a copy of the resolution passed by the provincial Legislature, which

sets out exactly what is wanted. I do not see what further information my honourable friend requires.

Hon. Mr. HAIG: I happened to be sitting in the past members' gallery of the Manitoba Legislature when this matter was being discussed. I received the letter to which my honourable friend refers, and I have written the Premier for certain further information, which I cannot get from any other source. If honourable members desire, I will state what that information is.

Hon. Mr MacARTHUR: Sure.

Some Hon. SENATORS: No.

Hon. Mr. DANDURAND: I have not yet moved second reading of this Bill, and consequently there is nothing before the Chair. I am always disposed to defer consideration of any measure in order that further information may be obtained to ensure its being discussed more intelligently. To what sitting does my honourable friend ask that this Order be adjourned?

Hon. Mr. HAIG: To the first sitting of next week.

Hon. Mr. DANDURAND: I move that the Order be discharged and placed on the Order Paper for Monday of next week.

The motion was agreed to.

PRIVATE BILL

SECOND READING

Bill F, an Act respecting a certain wharf of Saguenay Terminals Company, Limited.—Hon. Mr. Beauregard.

OTTAWA AGREEMENT BILL

SECOND READING

Hon. Mr. DANDURAND moved the second reading of Bill 29, an Act to authorize an agreement between His Majesty the King and the Corporation of the City of Ottawa.

He said: Honourable senators, this Bill provides for the annual renewal of the agreement between the Crown and the City of Ottawa under which the city receives a grant of $100,000. This is the explanatory note:

The operation of the agreement with the City of Ottawa of 30th March, 1920, was extended for one year by chapter 59 of the statutes of 1924. The agreement itself is set out in full as a schedule to chapter 15 of the statutes of 1920.

In chapter 21 of the statutes of 1925, the period of the agreement was extended for five years to July 1st, 1930, and the Minister was empowered to agree on behalf of His Majesty to pay to the Corporation annually the sum of $100,000.00 during the said period of five years from July 1st, 1925, instead of the annual sum of $75,000 as provided for in the said agreement. By chapter 43 of the statutes of 1931, the period of the agreement was extended for one year to July 1st, 1931, and it has since that date been extended annually by Acts of Parliament to July 1st, 1939.

The present object is to extend the agreement for one year.

As honourable members are aware, the annual grant is made as compensation for services rendered by the city to the Government of Canada.

Hon. Mr. COTE: Honourable members, I am rising, not to oppose the Bill, but to repeat the comment which I made two or three years ago.

Since 1925 the grant has remained stationary at $100,000. It is made as compensation for services rendered to the Government and for the large amount of tax-exempt federal property within the city. As I have said, since 1925 the grant has not been increased, but the rate of taxation and the quantum of services rendered by the city have increased, and the amount of property held by the Crown within the city has very greatly increased. In view of these facts, I desire to express again my hope of a year ago that the grant be also increased.

Hon. Mr. EULER: Is the city asking for it?

Hon. Mr. COTE: The city has been agitating for it.

Hon. Mr. DANDURAND: My honourable friend knows that the Government makes other grants, such as those for the embellishment of the city,—

Right Hon. Mr. MEIGHEN: Hear, hear.

Hon. Mr. DANDURAND: —larger than this grant of $100,000 under the agreement which has been in operation for the past twenty years.

Hon. Mr. COTE: I am already in possession of that information. I may say that notwithstanding the grant for parks and embellishments, this statutory grant remains quite inadequate and is a mere pittance in relation to the quantum of services rendered by the city of Ottawa to the Government.

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

THIRD READING

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

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

THE SITUATION IN EUROPE

On the motion to adjourn:

Right Hon. Mr. MEIGHEN: Honourable senators, before the motion passes, may I ask whether the honourable leader of the Government can give the House any information on what absorbs all our minds, notwithstanding the intervention of what is relatively trifling? Is there no information available on the progress of the conflict?

Hon. Mr. DANDURAND: I was ready to give the Senate any information which might fall from the lips of the Prime Minister, who is Minister of External Affairs. I have just now sent to inquire whether anything had been given to the Commons this afternoon concerning the situation in Europe. Nothing had been said. I take it that when information comes to Council a statement will be made in the House of Commons, and I have asked for a copy of any such statement.

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

THE SENATE

Wednesday, June 12, 1940.

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

Prayers and routine proceedings.

DIVORCE BILLS

FIRST AND SECOND READINGS

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first and second times:

Bill G, an Act for the relief of Elizabeth Pauline Tingley Kidd.

Bill H, an Act for the relief of Nancy Patricia Lytle Rowat.

Bill I, an Act for the relief of Henry Carl Mayhew.

Bill J, an Act for the relief of Laura Lucrezia Green Stinson.

Bill K, an Act for the relief of Irene Nellie Kon Simpson.

Hon. Mr. COTE.

PRIVATE BILL

FIRST READING

Bill L, an Act respecting The Cedar Rapids Manufacturing and Power Company.—Hon. C. P. Beaubien.

MANUFACTURE OF WAR SUPPLIES

DELAYED ANSWERS TO INQUIRIES

On the calling of inquiries No. 1 to No. 6, inclusive:

Hon. Mr. DANDURAND: Stand.

Right Hon. Mr. MEIGHEN: Are these permanent fixtures?

Hon. Mr. DANDURAND: Well, I understand they are mostly academic questions; so they can stand.

Right Hon. Mr. MEIGHEN: Oh, far from it.

PROPAGANDA AGAINST THE ALLIES

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN: Honourable senators, before the Orders of the Day are called, I would remind the honourable leader of the House (Hon. Mr. Dandurand) that last week attention was directed by the honourable gentleman from Laurentides (Hon. Mr. Blondin) to the distribution through Canada of the Chicago Tribune, and I emphasized the importance of examining into the wisdom of that distribution and at the same time called attention to the circulation in our country of the Saturday Evening Post. The honourable leader promised to bring the matter to the attention of the Government, and I rise now to ask what the Government's decision is. I have received a great many complaints and submissions of articles which these papers persistently publish, every one of which goes to the impairment and damaging of war sentiment in Canada. The holding to account of more or less insignificant individuals who infringe our regulations is good policy, which I support, but I cannot understand why, though doing that, we should at the same time permit the wholesale poisoning by foreign journals of all that sentiment and will-power which must be behind this struggle if we are to be anywhere at all in it. At least one of these papers held Great Britain up to opprobrium for not stopping Hitler back in 1938, and once that nation undertakes that colossal job there is nothing too vile that paper can say, nothing too mendacious it can utter, in trying to prevent success of the job. I have seen letters from the editor of this paper in defence

of his stand, pleading in the puniest of language the fairness of his attitude. These letters, I presume, represent the best he can say—

Hon. Mr. DANDURAND: I am sorry, I did not quite catch what my right honourable friend said.

Right Hon. Mr. MEIGHEN: The letters from this editor which I have seen—I am referring to the editor of the Saturday Evening Post—are an insult to the intelligence of any normal man.

If we are in earnest about this struggle—and we have to be now—why should we permit continuance of that licence? It would have a good effect elsewhere, as well as in Canada, to put on a ban, which would express the contempt of every Canadian for the line of conduct pursued by these papers, and especially for that colour of mendacity which permeates their almost every issue.

If my memory is correct, the Philadelphia paper was forbidden circulation here in the last war. Its conduct then was of a piece with its conduct to-day, which must be reprehensible not only to right-thinking people of the country to the south, who, I am sure, are in a vast majority there, but still more especially to those responsible for the course of that great nation.

Some Hon. SENATORS: Hear, hear.

Hon. RAOUL DANDURAND: Honourable senators, I share in my right honourable friend's strong condemnation of certain journals which are circulated in the United States and among a number of clients in Canada. The committee charged with the examination of such papers has been acquainted with the statements made in this Chamber the other day. I would draw attention, however, to a situation of high political order that has lately developed and may explain the attitude which the Government would be obliged to take in this matter. In order to direct the minds of honourable senators to what my words imply, I would point out that the highest authority in the United States, Mr. Roosevelt, has by implication condemned all this propaganda aimed against the men, British and French, who are defending the principles of democracy and the very life, I think, of North America, and perhaps of South America as well.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: Above the scurrilous articles that appear in the papers there stands the conscience of the United States—I might say the universal conscience of the United States, for expression has been given to it from the Atlantic to the Pacific. Perhaps in considering what action might be taken, we should keep in mind the United States President's exposition of that country's policy and doctrine. I shall communicate to my right honourable friend and all other Privy Council members who sit around him any decision that the Government may take from a high political point of view.

Right Hon. Mr. MEIGHEN: I value what my honourable friend has said, and rise only to mention a further point. I have information on which the Government could perhaps act to advantage, aside from other considerations. It is that the Saturday Evening Post circulates here on a postal rate of two cents a pound, that the rate is based on some authorization by the Postmaster General, and that it is at variance with our Postal Treaty of 1907 with the United States. A quotation from the Act and from the treaty, which came to my attention, would indicate that the rate should be precisely double what it is, and that the Postmaster General was acting beyond his power in making the reduction, for he is empowered to take such action only with respect to publications in certain classes, in which a periodical of this kind certainly could not be included. I should like the honourable leader (Hon. Mr. Dandurand) to call attention of his Cabinet colleagues to the probable effect that rectification of this rate might have. It might be just as effective as any other action. When I think of the awful stench and rubbish going abroad in this country at two cents a pound, it is hard for me to restrain my emotions. If by mere enforcement of the law the necessity of any other complication could be avoided, it would be some relief to know that monetary considerations may prevent any continuation of the present damage.

Hon. Mr. DANDURAND: It is hoped that the high lesson in morality given by the President of the United States may have its influence upon journalists of that country. Honourable members will appreciate that some consideration must be given to the views of the United States, which may be made effective by such a stand as that taken by Mr. Roosevelt.

Right Hon. Mr. MEIGHEN: I quite agree with that, and I saw the significance of my honourable friend's remark. However, let him not hope that a lesson in morality will make any appeal to these journalists. They live in a different world.

Hon. Mr. DANDURAND: My right honourable friend's suggestion concerning the charge for carrying a certain publication through our mails may furnish a solution to the problem we face.

CIVIL SERVICE SUPERANNUATION BILL

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of Bill 28, an Act to amend the Civil Service Superannuation Act, 1924.

He said: Honourable members, this is a short, simple bill. Subsection 1 of section 1 provides:

(1) Except as hereinafter provided, the Order in Council dated August 11, 1939, set out in the Schedule hereto shall have the same force and effect as if it had been sanctioned by Act of Parliament at the date on which it was approved.

The Minister of National Revenue gave this explanation of the Bill:

At the last session of the last Parliament the House appointed a committee to consider amendments to the Civil Service Superannuation Act. That committee made a report which, if I remember correctly, contained twenty-eight recommendations, and was adopted by the House of Commons. The Government explained at that time that it would not be possible at the session then in progress—that was about a year ago—to introduce legislation carrying out the terms of the report. It was intimated, however, by the Government that it might be possible to put some of the recommendations into effect by Order in Council. Accordingly on August 11, 1939, an Order in Council was passed carrying out a few of the recommendations contained in the report. The law officers advise that the Order in Council should be ratified by legislation.

The Minister was then asked: "Why the necessity for this legislation unless the Order in Council was illegal?"

He answered:

I do not think it contravened the provisions of the Act. But in so far as the Order in Council was not beneficial to the contributors, and in so far as it imposed heavier burdens upon them than otherwise would have been imposed by the Act, that difficulty was met by taking an agreement from the contributors. A paragraph in the Order in Council refers to the agreement, and when the Bill is introduced it will be seen by honourable members that, from now on, contributors will not be asked or expected to sign an agreement to make contributions in excess of those provided for by the Act itself. . . . There is a subsection which deletes the paragraph of the Order in Council providing for the taking of agreements from contributors, because hereafter that will not be necessary, because it will be covered by the Act.

Honourable senators will observe that the schedule annexed to the Bill contains the Order in Council of August 11, 1939. Members of the Civil Service who desired to take advantage of the Order in Council were required to sign an agreement. This procedure will no longer be necessary, by reason of subsection 2 of the Bill, which reads as follows:

The following paragraph of the said Order in Council and Schedule "M" therein referred to are hereby revoked:

"In respect of the recommendations set forth in paragraphs 1 (a), (b) and (d) hereof, the Minister is of opinion that the eligibility of any person hereafter to become a contributor under the Superannuation Act should be made conditional upon his undertaking to comply with the requirements of such recommendations, and accordingly recommends that Schedule M hereto be approved."

That is, contributors will come under the provisions of the Superannuation Act of 1924 by virtue of this Bill instead of the Order in Council. In short, this legislation is intended to give statutory effect to the Order in Council except as limited by subsection 2.

Right Hon. ARTHUR MEIGHEN: Honourable members, I understand the Bill, but my honourable friend's explanation does not lead me back to the original legislation and the modification which apparently the Order in Council effected. Just what that modification is I do not know. I do not think Civil Service Bills should go through this House without having first been referred to one of our standing committees. I know Ministers are crowded, and those below them do not suffer any disadvantage from a Bill of this kind. I should like to have this proposal examined very carefully in committee.

Hon. JAMES MURDOCK: Honourable senators, I think my honourable leader (Hon. Mr. Dandurand) is entirely in error in suggesting that Schedule M is eliminated by this Bill.

Hon. Mr. DANDURAND: Yes, Schedule M is revoked.

Hon. Mr. MURDOCK: Then I am mistaken. As I read that schedule, it means that every civil servant will be obliged to sign an agreement before he can come under the Superannuation Act.

Hon. Mr. DANDURAND: No.

Hon. Mr. MURDOCK: Then we should be put right.

Hon. Mr. DANDURAND: I would draw my honourable friend's attention to what appears to be a misreading on his part. Subsection 2 provides:

The following paragraph of the said Order in Council and Schedule M therein referred to are hereby revoked.

The "following paragraph," in part, reads:

In respect of the recommendations set forth in paragraphs 1 (a), (b) and (d) hereof,—

Those appear in the Order in Council and are revoked by this Bill.

Hon. Mr. MURDOCK: Let me read this paragraph on page 3 of the Bill:

In respect of the recommendations set forth in paragraphs 1 (a), (b) and (d) hereof, the Minister is of opinion that the eligibility of any person hereafter to become a contributor under the Superannuation Act should be made conditional upon his undertaking to comply with the requirements of such recommendations, and accordingly recommends that Schedule M hereto be approved.

Hon. Mr. DANDURAND: That is eliminated.

An Hon. SENATOR: It is revoked.

Hon. Mr. MURDOCK: Within the past hour and a half I have discussed this Bill with the Minister who prepared it and handled it in another place. I was given his positive assurance, as I understood him, that all temporary civil servants, on being given permanent status and coming under the pension regulations, will first have to comply with the revised contributions and, second, there will be absolute elimination of free service. What is the elimination of "free service"? Prior to August last a man who had been in the service for, say, sixteen years would, on being made permanent, get credit, without charge, for eight of those years; or if he paid all arrears of contributions to the pension fund he would be credited with the whole period of his previous service. In other words, he could get credit free for half his period of service as a supernumerary or non-permanent employee. In future nothing of that kind is to be permitted.

I am not disagreeing with the principle of the Bill, but I do want to draw the attention of honourable members to what I think are certain injustices. For the last three or four sessions we have, to my own knowledge, had a committee working upon a plan to place on a permanent basis certain old-time employees in the protective and other services of the Senate, some of them with records of eighteen and twenty—

An Hon. SENATOR: Thirty years.

Hon. Mr. MURDOCK: —and thirty years of continuous employment. Unfortunately, we are sometimes told things that are not so, but I am advised that before the 11th of August last some of our friends over in another place, holding positions similar to those of the non-permanent members of our protective staff and other Senate employees of many years' standing, were made permanent, and thus became eligible for all the superannuation benefits to which I have referred. Now we are confronted with the Privy Council Order of August 11 last, which prohibits the conferring of certain of those benefits on non-permanent employees with long service records, and we are by this Bill asked to confirm that prohibition. If such is the case, it looks to me somewhat like playing favourites, to the advantage of some persons, mostly in another place, who are closer to the foot of the Throne—I mean closer to the place where special treatment can be obtained. I ask, is that playing fair with some of our long-term temporaries, a few only, but with records of from twenty to thirty years in the service of the Senate?

Another point I desire to refer to is paragraph (d) of the second proviso in the Order in Council, requiring contributors to furnish a certificate of health before coming under the Superannuation Act. I do not think I should be divulging any secret if I were to suggest the possibility that there are around here one or two old-timers, hard working, conscientious employees of twenty years' standing, who could not now get by that requirement, and who have been hoping to be allowed to make their contributions to the pension fund and thereby obtain protection for their old age. I am not saying it is not right to require all these exactions; I am asking whether, under existing conditions, it is right to draw the line as it has been drawn; and if I may be permitted to do so, I should certainly like to support the suggestion of the right honourable gentleman opposite that we should have a chance to consider this matter in a committee where we could have before us someone who would be able to give us the actual facts. It is my view that what is now proposed should have come into effect long ago, instead of being put into effect now in such a way as to discriminate against a few very capable and honest employees around the Senate. I think we should endeavour to ascertain the real facts. I am by no means certain that I know them.

Hon. Mr. DANDURAND: Honourable senators, my right honourable friend opposite would like to have a statement indicating the conditions that prevailed before this Order in Council was passed.

Right Hon. Mr. MEIGHEN: After listening to the honourable senator from Parkdale, I think I should like more than that.

Hon. Mr. DANDURAND: If I had been aware that my right honourable friend wanted the history of this matter, I would have brought it to him. The right honourable gentleman knows that this Bill is the outcome of the work of the House of Commons committee which investigated this whole matter. In order that my right honourable friend may secure the information he desires, I shall ask the Minister to come to the meeting of our committee—I suppose it will be the Committee on Banking and Commerce, because this is a question which concerns finance—and to bring from his department someone who can explain the situation prior to the introduction of this Bill, inasmuch as the grievance of my honourable friend from Parkdale is based on what occurred before the Order in Council was passed.

Right Hon. Mr. MEIGHEN: Who is the Minister concerned?

Hon. Mr. DANDURAND: Mr. Ilsley.

Right Hon. Mr. MEIGHEN: All right.

Hon. Mr. DANDURAND: He would come with someone who could give information to the honourable senator from Parkdale.

Right Hon. Mr. MEIGHEN: That would be satisfactory.

Hon. Mr. DANDURAND: I move the second reading of the Bill.

Hon. A. D. McRAE: Honourable senators, as a member of the Committee on Internal Economy and Contingent Accounts, I want to support the statements of the honourable senator from Parkdale. For the last three or four years that committee has been trying to iron out some of the difficulties in respect of the staff of the Senate, and I think it can hardly be said that neglect on our part is the reason why certain of our employees are in a different position from employees in other places. When the Bill goes to committee it might be desirable to have members of the Civil Service Commission appear to explain the situation to us. I think we all agree that Senate employees should receive the same treatment as other employees.

Hon. E. S. LITTLE: Honourable senators, I should like to support what has been said by the honourable senator from Vancouver (Hon. Mr. McRae) and the honourable senator from Parkdale (Hon. Mr. Murdock). The leader of the Government has suggested that this Bill be referred to the Standing Committee on Banking and Commerce. If that suggestion is complied with, the members of the Committee on Internal Economy and Contingent Accounts ought to be in attendance, and the files of the Internal Economy Committee and all other information available should be produced.

Hon. J. A. CALDER: Honourable members, the subject-matter of a Bill of this kind is by no means simple; it is always very wide in its scope, and as a rule affects a great many in the service. As I understand it, the House of Commons dealt with this subject at great length last session, but the provisions of the Bill are more or less technical and difficult, and one scarcely knows what the implications in any direction may be. It is desirable, therefore, that the Bill should go before a committee, and that the committee should, if possible, have time to hear complaints from not only our own narrow sphere, but a much larger field. For example, in our Civil Service there are hundreds of people who have been classed as temporaries. How many there are now I do not know; there may be as many as two or three thousand. Is it suggested that regardless of the length of service or of any other condition all these people are to be swept in?

Some Hon. SENATORS: No, no.

Hon. Mr. CALDER: I should doubt it. At any rate, it ought to be recognized by honourable members of this Chamber that this is a very complicated and difficult problem, and that, before we can deal with it intelligently, the actual facts must be known. We can learn the facts only by having before us and receiving evidence from all parties to any dispute that may come up for discussion. I should think considerable time would be required to complete the work.

Hon. Mr. DANDURAND: I would draw the attention of the honourable gentleman to the fact that in 1939 a committee of the House of Commons, after sitting for weeks, brought in recommendations which apparently were unanimously approved by that House. One or two of those recommendations were covered by Orders in Council, and the Order in Council referred to in the Bill simply carries out the will of the House of Commons.

In committee we shall have before us, in justification of the action of the Governor in Council, the resolution of the House of Commons. Also, we may hear representations, though I doubt that we should be justified in opening the door to all the representations that might come in concerning hundreds of individual cases. We are now discussing a general measure that is based not only upon an Order in Council, but also a report of the House of Commons. At all events the committee, when seized with the Bill, may do as it pleases about it.

I now move the second reading of the Bill. If the motion carries, I shall then move that the Bill be sent to the Standing Committee on Banking and Commerce.

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

REFERRED TO COMMITTEE

Hon. Mr. DANDURAND: I now move that the Bill be referred to the Standing Committee on Banking and Commerce.

Hon. Mr. SINCLAIR: Honourable members, we have in this House a Standing Committee on Civil Service Administration. Would it not be proper procedure to refer the Bill to that committee?

Right Hon. Mr. MEIGHEN: The same thought was running in my mind, and I was looking to see if I could find the report on the appointment of such a committee. I am sure the honourable gentleman is right.

Hon. Mr. SINCLAIR: The reference is to be found at page 34 of the Minutes of Proceedings of the Senate. The members of the committee are as follows: Honourable Senators Copp, Griesbach, L'Espérance, Marcotte, McRae, Prévost, Quinn, Robinson and Wilson.

Hon. Mr. DANDURAND: Then I will modify my motion, and will ask to have the Bill referred to the Standing Committee on Civil Service Administration.

Hon. Mr. SHARPE: Honourable senators, many members of this Chamber who are interested in this question are not members of that committee. Personally, I should like to see the Bill go to the Committee on Banking and Commerce, which has a large membership.

Hon. Mr. McRAE: I quite agree with the honourable senator from Manitou (Hon. Mr. Sharpe). Our Internal Economy Committee is a small one, and most of its membership will be represented on the Committee on Banking and Commerce. I think that by referring the Bill to that larger committee we shall get a much better decision.

Hon. Mr. DANDURAND: I see that my honourable friend from Vancouver is a member of both committees; so he can have no grievance.

One thing I should like to say is this. In my opinion, we should give more attention to these various committees which, in our wisdom, we have seen fit to appoint.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: We should remember also that all members of the Senate may attend all committee meetings and may participate in the discussion, though only members of the committee may vote.

Hon. Mr. HUGHES: They will not all be notified of the sittings of the committee.

Hon. Mr. DANDURAND: A notice is always posted at the entrance to the Senate. Does my right honourable friend still persist?

Right Hon. Mr. MEIGHEN: I should like to see the Bill referred to the Committee on Banking and Commerce, which I know; but I do not think it is fair that we should appoint a Civil Service Committee and then ignore it.

Hon. Mr. DANDURAND: Then I will say the Civil Service Committee.

Hon. Mr. SHARPE: Will the leader have us all notified when the committee is to meet?

Hon. Mr. DANDURAND: Yes. I think my honourable friend might rely on his neighbour to his left (Hon. Mr. L'Espérance), who is chairman of that committee; but I shall be happy to notify my honourable friend.

The amended motion of Hon. Mr. Dandurand was agreed to.

THE LATE MINISTER OF NATIONAL DEFENCE

STATE FUNERAL SERVICE

Hon. Mr. DANDURAND: Honourable senators, before moving adjournment of the House I should like to say that honourable members who desire to do so may attend the funeral service for our late parliamentary colleague, Honourable Mr. Rogers, which will take place in the Hall of Fame, between the two Chambers, at half past five o'clock. I shall place in the hands of the Clerk a statement showing the order of precedence for members of the Privy Council and other senators who may wish to follow the casket to the Union Station after the service.

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

95832—10

THE SENATE

Thursday, June 13, 1940.

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

Prayers and routine proceedings.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill M, an Act for the relief of Elma Jane Harris Aspell.

Bill N, an Act for the relief of Edith Leanora Holland Bonet.

Bill O, an Act for the relief of Dorothy Lavinia Worsley Baker.

Bill P, an Act for the relief of Eugene Belanger.

Bill Q, an Act for the relief of Rebecca Cohen.

THE KING'S BIRTHDAY

ADDRESS TO HIS MAJESTY

On the Orders of the Day:

Hon. RAOUL DANDURAND: Honourable senators, last year it was our privilege to have Their Majesties present among us. They were acclaimed throughout Canada, and were surrounded with our affection. To-day I have the honour to move the following resolution, seconded by my right honourable friend:

That on this the occasion of the official observance in Canada of the birthday of His Majesty the King, a humble address be sent to His Majesty in the following words:

To the King's Most Excellent Majesty:
Most Gracious Sovereign:

We, the Members of the Senate of Canada, in Parliament assembled, desire respectfully to extend our loyal and affectionate greetings to Your Majesty on this day set apart for the official observance in Canada of Your Majesty's birthday.

Just one year ago, Your Majesty and Her Gracious Majesty the Queen were receiving the united acclaim of the Canadian people as your memorable tour of the Dominion was drawing to its close. To-day, our feelings of loyalty and affection for Your Majesty and our regard for the freedom of British institutions symbolized in the Crown are stronger and deeper than ever.

We have witnessed with all the pride of devoted fealty how Your Majesty has discharged your high and solemn duty with undaunted courage, wisdom and understanding.

In this dark hour when the ruthless ambitions of wicked men have shattered the hopes of the civilized world, the people of Canada vividly recall how faithfully you laboured to prevent the calamity that threatens the world's freedom.

Your peoples stand resolute in the defence of the liberties of mankind. Steadfast in the noblest of causes, united in purpose, we are heartened by the inspiration of your example.

We pray that Divine Providence may continue to guide and guard Your Majesty in the discharge of your high responsibilities and that you may be vouchsafed continued strength and many years in the maintenance of the glories of your ancient Throne.

Right Hon. ARTHUR MEIGHEN: Honourable members, it is appropriate that on this day, auspicious in any event, and under different circumstances a day of joy, we all join in an expression of our fervent devotion to His Majesty the King. What is in the mind of everyone here is this. Come what may, weal or woe, the devotion we feel now we shall always feel, and for what it symbolizes we shall always fight. This we know of His Majesty and Her Majesty the Queen: whate'er befall, they will behave as become the heroism of their line and the nobility of their race.

Hon. SENATORS: Hear, hear.

Honourable senators then rose and sang the National Anthem.

The resolution was adopted.

WHEAT CO-OPERATIVE MARKETING BILL

THIRD READING

Bill 20, an Act to amend the Wheat Co-operative Marketing Act, 1939.—Hon. Mr. Marshall.

PRIVATE BILLS

THIRD READING

Bill B, an Act to incorporate Pool Insurance.—Hon. Mr. Haig.

THIRD READING

Hon. Mr. HOWARD moved the third reading of Bill C, an Act to incorporate The Stanstead and Sherbrooke Insurance Company.

Right Hon. Mr. MEIGHEN: I notice this concern is entitled, as is usual, by the ultimate word "Company," but in the case of Bill B that word is omitted. I wonder what the significance of the omission is. Probably the word "Limited" is not necessary to the title of an insurance company, but surely the word "Company" is. Bill B is an Act to incorporate Pool Insurance. It is a company, and it seems to me the word should appear in the title.

Hon. Mr. HAIG: With all deference to my right honourable leader, I submit it is not necessary. Section 1 of the Bill dealing with incorporation says:

—the company are hereby incorporated under the name of "Pool Insurance", hereinafter called "the Company".

I know of many companies incorporated without the word "Company" appearing in the title.

Right Hon. Mr. MEIGHEN: Yes, where the word "Limited" is used. I do not know how the public will be safeguarded, as it is entitled to be, unless you have "Company" or "Limited" in the title.

Hon. Mr. HAIG: Originally the company was incorporated in Manitoba under the name of "Pool Insurance". The purpose of this federal incorporation is to comply with a request of the Board of Grain Commissioners that the company be under the inspection of the Superintendent of Insurance for Canada. We have used the same title as appears in the Manitoba incorporation.

Right Hon. Mr. MEIGHEN: It is, I suppose, too late to do anything now, but the title should include the word "Company".

Hon. Mr. DANDURAND: I take it for granted that the title is that of the provincial company.

Right Hon. Mr. MEIGHEN: It is.

Hon. Mr. DANDURAND: Without the word "Company"?

Right Hon. Mr. MEIGHEN: The practice is wrong.

Hon. Mr. DANDURAND: The Superintendent of Insurance did not draw our attention to the fact that the title was not complete.

Right Hon. Mr. MEIGHEN: He did not.

Hon. Mr. DANDURAND: I thought we had reached the third Order.

Right Hon. Mr. MEIGHEN: We have.

Hon. Mr. DANDURAND: When Bill B is transmitted to the Commons they will be notified of the criticism with respect to the title, and it may be amended there.

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

THIRD READINGS

Bill D, an Act respecting The Ottawa Electric Company and The Ottawa Gas Company.—Hon. Mr. Coté.

Bill E, an Act respecting The Detroit and Windsor Subway Company.—Hon. Mr. Horsey, for Hon. Sir Allen Aylesworth.

SECOND READING

Hon. C. P. BEAUBIEN moved the second reading of Bill L, an Act respecting The Cedars Rapids Manufacturing and Power Company.

He said: If the motion is agreed to, I shall move that the Bill be sent to the appropriate committee in order that honourable members may have whatever further information they may deem necessary.

This is a simple Bill. The Montreal Light, Heat and Power Company in 1916 practically took over the Cedar Rapids Company, and it now owns all but 141 of the 98,000 shares. The Cedar Rapids Company had a bond issue of $30,000,000 maturing in 1953, but redeemable upon payment of a 10 per cent premium. Last spring, conditions being favourable for cheap money, the Montreal Light, Heat and Power Company made a bond issue of $30,000,000, at 3½ per cent instead of 5 per cent, secured on the property of the Cedar Rapids Company. The insurance company which bought the new issue asked the Montreal Light, Heat and Power Company, as mortgagees, to take over the property of the Cedar Rapids Company, but when the necessary steps were taken for this purpose it was found that under its charter, strange as it may seem, the Cedar Rapids Company had no right to sell the whole of its property. The purpose of the Bill is to confer on the Cedar Rapids Company this power, such as practically every company has.

I may say that the 141 shares belonging to the public are protected by an agreement made when the Montreal Light, Heat and Power Company took over the Cedar Rapids Company, under which the Montreal Light, Heat and Power Company agrees to pay on all the shares of the Cedar Rapids Company a dividend of $3 a share, which is virtually the rate of dividend now paid to its own shareholders.

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

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed on division:

Bill G, an Act for the relief of Elizabeth Pauline Tingley Kidd.

Bill H, an Act for the relief of Nancy Patricia Lytle Rowat.

Bill I, an Act for the relief of Henry Carl Mayhew.

Bill J, an Act for the relief of Laura Lucrezia Green Stinson.

Bill K, an Act for the relief of Irene Nellie Kon Simpson.

ADJOURNMENT

Hon. Mr. DANDURAND: Honourable senators, I move that when the Senate adjourns this evening it stand adjourned until Tuesday evening next at 8 o'clock.

In doing so I would draw the attention of my colleagues to the resolution we passed last week, authorizing His Honour the Speaker, should there arise an emergency which in his opinion would warrant such action, to call the senators together prior to the day stated in the motion for adjournment. An emergency arose on Monday last, but honourable senators who were out of town could not be notified in time to permit of their attendance. That was their misfortune. I am reminding honourable members of the resolution so that those who leave the city over the week-end may notify the Clerk where they may be reached by telegram.

Hon. Mr. HAIG: Honourable senators, before the motion is put I want to raise a question of some importance to honourable members who, like myself, live outside the provinces of Ontario and Quebec.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: During these four-day adjournments which take place every week it is impossible for us to get home. Now that provision has been made whereby, in an emergency, the Senate may be called to meet without delay, I think the honourable leader of the House and the right honourable leader of the Opposition should give serious consideration to the possibility of a ten-day adjournment, to enable all members to get home. It is most unfair that those who live in distant provinces should have to remain here for four or five days every week with nothing to do. Speaking for myself, I am quite prepared to sit five days in the week, but I do not like to remain here doing nothing. By leaving here to-night I could be home on Saturday, but I should have to turn around and start back almost immediately in order to be here again on Tuesday. It would be a great convenience to members from distant parts to have a ten-day adjournment every second or every third week, instead of a four-day adjournment every week. There is a considerable number of members, coming from a distance, who do not care to leave the city; so there is no danger of lack of a quorum. Last week, during the special emergency session, very few front benchers were present, and we in the back benches carried on the struggle and made a very important decision.

Hon. Mr. BEAUBIEN.

Hon. Mr. CALDER: What about the British Columbia members? It would take them five days to go home and five days to return. They would want the same privilege you would have.

Hon. Mr. HAIG: Vancouver is just forty-eight hours from Winnipeg. The British Columbia members could leave here on Thursday night and be home on Monday morning, and by leaving home on Friday night they could be here again on Tuesday morning. A ten-day adjournment would give them five days at home.

Hon. Mr. DANDURAND: I need not emphasize the fact that the members from the large provinces of Ontario and Quebec enjoy a privilege which they would like very much to share with their colleagues from the other provinces. The question has always been in my mind as to what we could do to help members from the remoter provinces, but the situation this session has been such that I have not felt we should adjourn for any extended period. It is true that the right honourable leader on the other side has recently made a suggestion which might permit of a more extended adjournment once in a while. But at this moment I maintain we should meet on Tuesday next. I know my honourable friend the junior senator from Winnipeg (Hon. Mr. Haig) will be with us, as he is expecting a telegram from the Prime Minister of Manitoba.

Hon. Mr. DUFF: Honourable senators, as a member from one of the Atlantic provinces, I agree to a large extent with what has been said by the honourable the junior member from Winnipeg, and in other sessions I think I have expressed myself much as he has done to-day. His suggestion, however, does not seem to me to go far enough. This is the thirteenth day of June, the middle of the year. Instead of adjourning now for ten days, or even four days, I think something should be done to speed up the business in both Houses so that members could get home and look after matters there. The great business of Parliament to-day is, of course, our conduct of the war; and I suggest to the leader of the Government and the leader of the Opposition that three hundred or more of the most prominent men in Canada—I say this in all modesty—should not be tied up here. They should be at home looking after the business of the country; for if we are going to carry on the war we must also carry on the business of the country. In doing this, honourable members could render much more effective assistance to the Government than we can by

twiddling our fingers and sucking our thumbs for three or four days during adjournment and then coming back and finding very little to do. I suggest to the leader of the Government that he consult his colleagues. I feel quite sure that ninety-five per cent of the members of the House of Commons and of the Senate are prepared to do everything they can to pass whatever legislation is necessary for the conduct of the war and the business of the country, and to bring the business of Parliament to an early conclusion. Then they may go home and attend to the business of the country there.

Hon. Mr. DANDURAND: I am quite sure the voice of my honourable friend will reach the other House.

Some Hon. SENATORS: Oh, oh.

The motion was agreed to.

The Senate adjourned until Tuesday, June 18, at 8 p.m.

THE SENATE

Tuesday, June 18, 1940.

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

Prayers and routine proceedings.

MESSAGE FROM HIS MAJESTY THE KING

The Hon. the SPEAKER: Honourable senators, I have the honour to present a message received from His Majesty the King, as follows:

Buckingham Palace,
London, 14th June, 1940.

Honourable Members of the Senate of Canada:

I am greatly touched by the terms of the resolution adopted yesterday by the members of the Houses of Parliament of Canada on the occasion of the official celebration of my birthday. Twelve months ago I left Canada convinced from my own personal experience that nowhere in the world were Justice and Freedom more truly appreciated, and neither in peace nor in war would the people of Canada ever suffer themselves to be deprived of their institutions grounded on those ideals. The dire events of the year that has passed have confirmed that conviction a hundred-fold. Canada from the first clearly understood the true import of this terrible struggle, and the immense issues that hang upon its outcome. She hesitated not at all, and the resolution with which she has thrown herself heart and soul into the conflict has been, I can assure you, an immeasurable strength to me and to all in the old world.

George R.I.

NAVAL MUNITIONS

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. From what sources were (a) depth charges, (b) projectiles for the service of the Canadian Navy obtained at the time of outbreak of war?

2. Are such depth charges and projectiles now being manufactured in Canada?

3. What quantities has the Government contracted for, (a) to be made in Canada, (b) to be made elsewhere? When were such contracts made or orders given?

4. What are the quantities respectively delivered under each of such contracts or orders?

5. How many of the ships of the Canadian Navy are supplied with anti-aircraft guns? What is the type of gun supplied?

Hon. Mr. DANDURAND: I have the following answer for the honourable gentleman:

It is not considered in the public interest to publish information of the nature requested in the above questions.

Right Hon. Mr. MEIGHEN: Why wait so long?

AIRCRAFT BOMBS PRODUCTION

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. From what sources are bombs for the service of Canadian aircraft bombers obtained?

2. Are such bombs now manufactured in Canada?

3. What quantities has the Government contracted for, (a) to be made in Canada, (b) to be made elsewhere? When were such contracts made or orders given?

4. What are the quantities delivered, (a) made in Canada, (b) made elsewhere?

Hon. Mr. DANDURAND: The answer to the first two questions is that the sources of supply are Canada, the United Kingdom and the United States. The answer to the third and fourth questions is that the Government has contracted for bombs from April 1, 1939, and has received reasonably satisfactory deliveries. A statement of quantities would not be in the public interest.

SHELL PRODUCTION

INQUIRY

Hon. Mr. CANTLEY inquired of the Government:

1. Who are the persons or companies in Canada now manufacturing (a) shell bodies, (b) other parts to complete shells, (c) explosives for shells? Where are the plants located?

2. What are (a) the calibres of shells being manufactured, (b) the quantities respectively ordered of each calibre of such shells?

3. What are the respective quantities of high explosive shells and shrapnel shells?

4. What are the dates respectively of contracts and orders under which such shell bodies, parts and explosives are being manufactured? Government is requested to identify contracts in the books recording the activities of Defence Purchasing Board and War Supply Board.

5. What is the quantity now completed and delivered of each calibre and type of shell by each of the contractors?

Hon. Mr. DANDURAND: I have an answer which I shall communicate to the honourable gentleman. I am afraid that it is not absolutely satisfactory, because it assumes that the question bears on manufacture for Great Britain. I am not quite sure that this is in accordance with the idea of my honourable friend; so I shall confer with him and find out if the answer is satisfactory.

The inquiry stands.

ROSS RIFLES

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. Are the Ross rifles available for use by volunteer defence organizations?

2. If the answer is yes, to what officer of the Government should application be made for use of these rifles?

Hon. Mr. DANDURAND: I have received the following information from Colonel DesRosiers, Acting Deputy Minister. Ross rifles are not available for issue to other than authorized military organizations. In this connection attention is directed to the statement of the Acting Minister of National Defence, which appears on page 803 of the House of Commons Hansard of the 13th of June, in regard to arms and ammunition for volunteer civil guards. This answers both questions.

I think the department, if it wishes to rely on a statement made by the Minister in another place, should include it verbatim in the answer.

AGRICULTURAL PRODUCTS CO-OPERATIVE MARKETING BILL

FIRST READING

A message was received from the House of Commons with Bill 24, an Act to amend the Agricultural Products Co-operative Marketing Act, 1939.

The Bill was read the first time.

SECOND READING

Hon. DUNCAN McL. MARSHALL moved the second reading of the Bill.

He said: With the consent of honourable members, I would now move the second reading of this Bill, which is similar to the one we had the other day with respect to the co-operative marketing of wheat. If second reading is given, I would then move that the Bill be referred to the Standing Committee on Banking and Commerce. Clause 1 will go out, as did the corresponding clause of the other Bill. I suppose the same person drafted the two Bills.

There are just one or two words I should like to say with regard to this Bill. I am not going to make a speech about it. It has been a very useful piece of legislation during the past year in the marketing of commodities produced by farmers in Prince Edward Island, Ontario, Manitoba and Saskatchewan. It has been particularly useful in the marketing of alfalfa seed, the production of which has been rather peculiar. For a little while some places produced it much better than others; then they ceased to produce it at all. For instance, the county of Peel at one time was the centre of production of alfalfa seed. To-day very little, if any, is grown in that county, and the best alfalfa seed in the province of Ontario is produced up around Rainy River and Fort Francis, where, twenty-five years ago, any farmer would have told you it would be impossible to grow it. The same sort of thing has occurred in Saskatchewan; over two million bushels of alfalfa seed have been produced this year in the White Fox country. That district ten or fifteen years ago would have been considered of no value for this purpose. It now produces the best and the highest priced seed grown in the Dominion. Part of what is produced there is sold in the United States, and the co-operative marketing organization has been most effective in getting a good market at a fair price.

Other commodities also have been affected. In Prince Edward Island, naturally, it was fox furs; in the province of Ontario, onions; and in province of Manitoba, honey. I believe there is some honey marketed in Saskatchewan also.

I move the second reading of the Bill.

Hon. Mr. ROBINSON: What Bill is it?

Hon. Mr. MARSHALL: Bill 24, an Act to amend the Agricultural Products Co-operative Marketing Act, 1939.

Hon. Mr. MURDOCK: Bill 25 is the first Bill on the Order Paper.

Hon. Mr. MARSHALL: I move the second reading of the Bill, and would suggest that after second reading it be referred to the Standing Committee on Banking and Commerce.

Right Hon. ARTHUR MEIGHEN: It is true, as the honourable senator says, that clause 1 of the Bill would go out, in accordance with our practice. Before the Bill is considered in committee, I should like the honourable senator in charge of it to try to find out why clause 2 remains. All clause 2 does is to repeal paragraph b of section 2 of the Act, and then, having repealed it, to re-enact it in exactly the same language.

Hon. Mr. MARSHALL: I have marked alongside this clause the word "same," with a view to having it struck out because, word for word, it is part of the Act as it now exists.

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

THE WAR SITUATION

On the Orders of the Day:

Hon. RAOUL DANDURAND: Honourable senators, I am quite sure that honourable members of this Chamber expect information from the representative of the Government on the present situation in Europe and the actions which the Government has decided to take and has taken in regard to the situation as it has developed and is now before us. With the leave of the Senate I shall read the statement which the Prime Minister of Canada made in the House of Commons this afternoon. It seems to me that the Senate is entitled to have a first-hand statement from the Minister for External Affairs, who is in daily contact with London and Paris. This is what he said:

At this moment the German and Italian dictators are together considering the request of France for a definition of the terms of an honourable peace. Whatever is the outcome of the conference and the consideration of the inquiries of Marshal Pétain, it appears that effective French resistance on land will soon come to an end. Conditions are obscure. The eventual disposition of the French fleet and air force is at present unknown. The unprecedented offer of Great Britain to form a national union with France, with all the implications of common citizenship in representation, in defence, and in common economic control, has apparently met with a divided reception. The suggestion that Britain and France become the Canada of Europe must strike the imagination of this country. Whether or not it proves a peaceful solution for the present distress of France, it may yet contain the future hope of a peaceful Europe. To-day Mr. Churchill, with his usual thoroughness and blunt sincerity, reviewed the state of the war. Whatever may be the present fate of France, Britain will fight on. That decision is not only Britain's decision, it is also the decision of Canada.

No word of criticism will be found upon the lips or in the heart of any man who surveys with understanding the situation in which France found herself. With her original defences broken, the Maginot line outflanked, her industrial areas and her factories in the hands of the enemy, her troops without adequate food and munitions of war, the streets of her proud capital overrun by the legions of the invader, effective resistance by soldiers whose endurance and fortitude have added new glories to the French name was no longer possible.

We who know the spirit of France know also that, if her soldiers have surrendered to the inevitable, no soldiers in the world could have continued any longer to face the overwhelming odds against which she had battled with such courage. France will arise with a new strength and a new glory from the blood-stained soil on which, three times during the last seventy years, she has fought so gallantly. Her sufferings have been our sufferings. The hallowed French earth where our dead are buried and our proud memorial stands is a part of Canada. In a very real sense she is ours and we are hers. Her romance, her chivalry, her language and her ancient faith are an imperishable part of the Canadian heritage. If she signifies these intimate and beloved things to a large portion of our people, to the world of free men she has always personified the eternal truths of democracy and all that belongs to the enfranchisement of the human spirit. A new dawn will follow the shadows of the night. The legions of freedom will yet march again through the Arc de Triomphe to the strains of La Marseillaise.

It is for us at this time to consider the new situation in which we find ourselves. I have tried from time to time to forecast the new phases of the war which were obvious, perhaps, to any student of the march of events. To-day it is still necessary, indeed it is more imperative than ever, to examine the situation in its true perspective and to assess anew what may be necessary on Canada's part to meet the new demands.

The plain facts are that the defeat of France has brought the war much nearer home to Canada. The British Isles are threatened with invasion, not as a remote possibility, but as an impending actuality. It is now wholly apparent that additional measures both for the purpose of assistance of Britain and for the defence of Canada are an essential.

The policy which the Government announced at the outset of the war of assisting Britain by relieving her of the duty of protecting certain areas in this hemisphere has been greatly extended in recent weeks. I pointed out in this House on September 8 last that "by contributing as far as we are able to the defence of Newfoundland and the other British and French territories in this hemisphere, we shall not only be defending Canada but we shall also be assisting Great Britain and France by enabling them to concentrate their own energies more in that part of the world in which their own immediate security is at stake."

Immediate measures were taken at that time to assist in the naval defence of Newfoundland. In the light of recent events, additional responsibility has been assumed for the military

defence of strategic areas there. I am pleased to be able to announce that Canadian armed forces are now on duty in Newfoundland.

The House has already been informed of the contribution which Canada is making in the West Indies by replacing British troops with Canadian troops, on garrison duty, and thus relieving British forces for other duties.

The Government agreed some weeks ago to a request of the United Kingdom Government that Canadian troops should assist in the defence of Iceland. The first contingent of a Canadian expeditionary force have already landed in Iceland. Further units have been detailed and will follow shortly. I need hardly point out the strategic importance, not only to the security of the north Atlantic sea lanes, but to the defence of this continent, of maintaining control of Iceland.

The increased seriousness of the military situation abroad and the marked expansion of all three branches of our armed services in Canada have served to arouse widespread interest and concern throughout the country regarding the raising and training of recruits. At the conclusion of my remarks the Minister of National Defence for Air will make a statement on what is now being done, and what additional measures are proposed in connection with the recruitment of Canada's armed forces.

A Bill will be introduced in the House at once to confer upon the Government special emergency powers to mobilize all our human and material resources for the defence of Canada. Although the purpose of this measure will be explained in detail on second reading, I should like to make one or two brief observations regarding it. So far as man-power is concerned, it will relate solely and exclusively to the defence of Canada on our own soil, and in our own territorial waters. It will enable the Government to make the most efficient use of our man-power for the varied needs of modern machine warfare. It is of the utmost importance to realize that success in war to-day depends upon the use of men for the kind of work for which they are best fitted. The armed forces are only a part of the essential equipment of war. The skilled worker in the factory, the transport worker and the farmer, to mention only a few, are as essential to the effective prosecution of war as the soldier, the sailor and the airman.

Mobilization of our resources will not, however, be confined to requiring the services of men and women. The Government will have power under the provisions of the Bill equally to call property and wealth, material resources and industry to the defence of Canada.

The Bill is intended to remove any doubt as to the power of the Government and the will of Parliament that the whole material resources of the country should be available whenever they are required to meet the needs of the war.

The operation of the measure will be confined to the period of the war.

Recruitment for service overseas will be maintained on a voluntary basis. No difficulty has been experienced and no difficulty is anticipated in raising by the voluntary system all the men required for service outside Canada. The Bill to be introduced to-day in no way affects the raising of men to serve in the armed forces overseas. Once again I wish to repeat my undertaking frequently given, that no measure for the conscription of men for overseas service will be introduced by the present Administration.

A complete inventory of Canada's man-power and other resources, properly classified, affords a necessary basis for some of the further essential measures of home security and defence, which I have announced. A national registration of Canada's man-power will accordingly be instituted at once. Let me emphasize the fact that this registration will have nothing whatever to do with the recruitment of men for overseas service.

Among others, a national registration of Canada's man-power will have the following immediate advantages:

The national registration will constitute an additional precaution against "fifth column" activities such as sabotage and espionage, which conceivably might become more menacing as external threats grow more serious. In this way, it will add to our internal security.

National registration will also provide the Government with an inventory of the mechanical and industrial skill of our population. Such an inventory will prove valuable in affording additional information on the extent of our resources of skilled labour which can be drawn upon to meet the needs of essential wartime industries. It will also show the directions in which intensive industrial and technical training is most urgently needed to provide an adequate supply of labour to meet the growing demands of our war industries and other essential services.

I should like here to express the warm appreciation of the Government of the valuable work already accomplished through the voluntary registration of women, undertaken as a spontaneous contribution to the development of Canadian efficiency in war-time. The fullest use will be made of the results of the register now being completed.

It is the intention of the Government also to establish without delay a new department of government to be known as the Department of National War Services, to be presided over by a Minister of the Crown.

Since the war began, thousands of patriotic citizens have expressed a desire to engage in some voluntary war work. As the crisis has developed and will develop, new obligations have come and will come upon our citizens. The care and housing of evacuated children and of refugees, the provision of comforts for soldiers, the economical use of food supplies, the launching of campaigns for war loans and contributions, agricultural developments, the attraction of tourists—these and many other matters demand organization and direction.

The purpose of the new department is not merely to co-ordinate the activities of existing voluntary war services. It will be entrusted with the duty of directing and mobilizing the activities of thousands of our citizens who are seeking practical and useful outlets for their enthusiasm and patriotism. Women's organizations, patriotic organizations, commercial organizations, and many other groups of men and women banded together in the national interest offer a vast field of activity for spontaneous service. The object of the new department is to help Canadians to help Canada by their free-will offerings, which have been so generously made and will be so generously continued. The Minister charged with the duties of this department will immediately establish a Dominion-wide organization of voluntary service, which will be assisted by branch committees in all parts of the country.

Finally, I wish to announce that for some time past I have been giving careful consideration to means whereby there might be included in the Government additional Ministers to assist in the direction of Canada's war effort, and whose presence in the Ministry might serve to give still further assurance of the power of the Government adequately to meet the increased responsibilities with which it is faced.

Honourable members will realize that there are many considerations of which account has to be taken in any matter which concerns the personnel of a Cabinet.

I might mention that not the least important of these considerations is what is required of a Minister of the Crown in the way of a many-sided experience in the conduct and management of public affairs. An equally important consideration is whether the talents of leading executives and business men may not be used to greater advantage in high administrative posts, and in an advisory capacity with relation to particular services, than in the Ministry and in Parliament.

As the House is aware, my colleague, the Minister of Finance, expects to bring down the Budget before the close of the present week, and thereafter will assume his new responsibilities as Minister of National Defence. At the time that this transfer of portfolios is made, I expect to be in a position to announce the governmental changes and additions at present contemplated.

I might follow up this statement by the Prime Minister with a statement by the Minister of National Defence for Air, who gives an elaborate report on what has already been done. I will read this memorandum to the end, if my voice does not break down.

I should like to make a statement to the House as to the position with regard to enlistments and recruiting in Canada.

Canada has now approximately 110,000 men actually under arms and in uniform. These are divided broadly as follows:

Outside of Canada, including Great Britain:	
Army	26,087
Canada:	
Army	64,656
Navy	7,256
Air	15,594
Total	113,593

The late Minister of National Defence has indicated in various announcements that further recruiting has been authorized on a large scale to provide for the raising of men for the 3rd and 4th divisions and other units of the C.A.S.F., amounting in all to about 30,000 men.

Recruits are now being enlisted at the rate of approximately 800 per day. The whole situation with regard to recruiting these troops has been reviewed over the week-end and instructions issued to intensify activity.

I am able to say on the authority of the Department of Supply that we can at the present moment provide clothing, personal equipment and rifles for 1,200 men per day. As a matter of fact, yesterday 1,463 men were enlisted and looked after.

In addition to the 30,000 men the raising of whom was authorized by the late Mr. Rogers, a survey of the field in the light of the war situation, recently developed and still developing, clearly indicates the need of a call for further C.A.S.F. recruiting to replace troops taken and to be taken for special duties in Canada and elsewhere, and for forestry and railway troops, as well as corps troops for reinforcements. Whilst it is impossible to forecast what these requirements will be, authorization was given over the week-end to provide equipment for 40,000 men in addition to the 30,000 men now coming in.

It will be remembered that the Veterans Home Guard has been formed as a corps of the non-permanent active militia, and numbers of that guard can be readily increased as circumstances may justify. The Veterans Home Guard Reserve is also, it will be remembered, part of the non-permanent active militia, and in fact the non-permanent active militia units are made responsible for its discipline and training.

Meanwhile authority has been given for all the infantry non-permanent active militia units which have not been mobilized to carry on their training in the local headquarters and to recruit to their respective establishments, subject only to the limitation of training facilities. Similar steps are being taken with respect to certain non-permanent active militia units other than infantry.

Training accommodation and instructional staff will obviously be limited in some cases, but the districts are being instructed to assist in improvising training accommodation and augmenting instruction staff, as far as that may be found possible.

From the beginning of the war our militia units have been recognized and dealt with as being the backbone of Canada's defence organization, and, as is known, the units of the first, second, third and fourth divisions are all being mobilized, based on existing non-permanent active militia units. The Government intends to follow that policy and has been gratified by the response and by the support which has been given by the officers and other ranks of these militia units.

As has already been stated by the Prime Minister, the Government is taking full authority to mobilize the man-power of Canada for the defence of Canada. Every able-bodied man in Canada will in due course be given an opportunity of training in the use of arms, so as to come to the defence of the homeland if necessary.

This training, after due consideration is given to the requirements of the naval and air forces, will be entrusted to units of the non-permanent active militia, which will be recruited voluntarily or filled under the terms of the new legislation, according as the facilities for training and accommodation permit.

The length of the period of training will be determined by regulation. Whether this will be a continuous period of three months or a lesser time depends (a) on the advice of the technical officers of the department, and (b) on the requirements of industrial and productive man-power as shown by a survey to be immediately undertaken.

The Government has received many suggestions with regard to further training of civilians. It feels that enlistment in and co-operation with the non-permanent active militia units across this country will make for simplicity and effective administration and avoid the duplication and confusion of various units under various independent bodies with varying degrees of efficiency due to lack of uniformity in regulations and discipline.

It should be said that anyone who is physically fit and is below the age of 45 years may, and in fact will, have not only the opportunity, but the obligation to join the militia service of Canada.

The Government welcomes suggestions and is at all times ready to consider them, but it believes that citizens will recognize that the responsibility for military direction rests with the federal authorities and their service advisers.

Speaking for the Department of National Defence, we feel that all our energies should be first devoted to:

1. The task of recruiting men for service in the Canadian Active Service Force;

2. The immediate training of certain non-permanent active militia units and home guard reserve;

3. The training of men who will be called up under the legislation to which the Prime Minister has referred.

The Department of National Defence is concerned with military matters. Its responsibility is military. The police authorities of this country are concerned with police matters. Their responsibility is restricted to police matters. There is no martial law in Canada, and no need for martial law. Soldiers will continue to be soldiers, and policemen will continue to be policemen. Any attempt to confuse these two functions can have only one result: it will interrupt and impede the most necessary work of the Department of National Defence.

I make a special appeal to ex-soldiers. Discipline and restraint and patience were amongst the qualities that brought us victory in the last war, and will win it for us in this war. No body of men possessed those qualities in higher degree, or learned the lessons which underlie them more abundantly than the veterans of the war of 1914. The militia service of Canada and the enlarged scope which new legislation will bring will offer plenty of opportunities to those who are eager to assist in the defence of Canada.

I may say that the opinions which I have expressed and the appeal which I have made are supported and shared by my honourable friend the Minister-designate of National Defence and all the technical officers of the department.

Now a word with respect to equipment.

The plain facts must be stated to the House. The situation has altered within the past few weeks, even days. Our immediate requirements will be infinitely greater. Our sources of supply are not the same. We must discard even well-founded and carefully conceived plans, based on the best technical advice, that, above all, uniformity of design and interchangeability was essential. We must procure what we can, when we can, where we can

With regard to personal equipment and clothing, our own factory production should suffice. It will be continuous for some time. But even here, I must warn the House not to expect perfection. There will be inevitable delays on account of these extra demands. The clothing may not all be of such appearance and design as would gratify the heart of a sergeant-major of the Household Guards. It is intended to provide covering and a moderate degree of comfort for a citizen army being hastily mobilized.

With regard to rifles, the situation is in hand for the moment, but procurement and production must be provided for the future. Here again there will be room for complaint. But let me say this. As recently as ten days ago a very large shipment of the much criticized Ross rifles was gratefully acknowledged.

With regard to most types of mechanical transport, our automotive industry has responded nobly, and we anticipate no difficulty, either present or future.

With regard to other armament—guns, machine guns, tanks, instruments—there will be a scarcity for training on account of the large number of men with whom we shall have to deal. These articles must be produced or procured. I will not say when, how or where, but I will say this: We are fully alive to the abrupt cessation of our anticipated major sources of supply, and we are also fully alive to the greatly increased requirements which we have to meet, and we are taking all steps to remedy the situation. In a word, the present situation is a challenge to the initiative, the energy and the intelligence of the Canadian people. We will meet it and overcome it by the good will, by the sacrifice, by the discipline and by the united, concerted effort of the whole nation.

Right Hon. ARTHUR MEIGHEN: Honourable members, the time is not appropriate to enter into an elaborate discussion of Canada's part in the present war, elaborate though the exposition of that part is, as recited in the two memoranda just read.

In a good proportion of the first memorandum, a repetition of what was said in the other House to-day, I am not particularly interested. I warn the Government of this: much of it will not amount to a great deal. I do not know that there is anything to which I take particular exception, but it does not express the imperative and imperious demands of the moment.

The first part of the memorandum stated that the war developments of the last few days have been serious in the last degree, and that the defeat of France has brought the war very much closer to our shores. One recoils from even the suggestion, but we have to face facts and possibilities, and I beg of the Government to base everything they think and everything they do on the still more terrible conviction that the defeat of Britain would bring the war infinitely closer to our shores.

Hon. Mr. DUFF: Hear, hear.

Right Hon. Mr. MEIGHEN: I know that the business of government is complicated, heavy, almost intolerable in its weight. There is nobody more ready to forget the past than I. The essential thing is to determine what is vitally necessary to be done in the next few weeks; and if one who stands without may dare indicate the greatest neces-

sity of all, I would say it is fighting planes. This does not mean that other things are not seriously needed, but the teachings of the war surely thunder home to us this truth, that the great defect to this hour has been an inferiority in the number of fighting planes. True, in another sphere of mechanism a march was stolen by Germany—not at all indicative of any superiority on the part of the Germans—in the production of a gigantic instrument of attack and in the magnitude of that production. It seems reasonably clear, however, that in the aeroplane, and in the swiftness with which aeroplane production is multiplied in the immediate future, lies the outcome of this struggle.

I know, and the Government know, we have not made a success of our equipment production to date. I like the latter part of the second memorandum. There the Minister of National Defence for Air has, in my judgment, exposed the position with sincerity and truth. He puts it this way, that our sources of supply of certain equipment have failed us. Our great error was that we depended on any source of supply but ourselves. One speaks of course subject to shadings and qualifications, but, by and large, there is where we failed, and our failure goes back, as I said before, not weeks and months, but still further.

One thing has hampered us up to now, if my information is right, and I know it is: there has been too much circuitousness and perhaps meticulosity in the deciding of contracts and the starting of work; and that policy has its root in the absence of a single and ample authority. In the last war we did not get to the establishment of that single and ample authority very swiftly. War was newer to us then than it has been in the last year. We had considerable authority, though, in a well financed committee, when we got the Imperial Munitions Board, which really meant the supremacy of one man, in whose business capacity and integrity the whole nation, whatever anyone might complain of, had confidence. That man is dead. But this Government should before now have selected a man for a similar position, and agreed with the Imperial authorities with regard to him, and given him the same ample authority, and should not have been under the necessity of shuffling between a Supply Board here and a British representative there, and of having references sent back and forth, with all the ensuing delays. The Minister of Supply has been overwhelmed. I beg the Government to select the man now. I have no doubt that if I could myself sit down with the Minister of Supply we could agree on a man in five minutes.

Hon. Mr. DANDURAND: Well, we agreed once.

Right Hon. Mr. MEIGHEN: Yes, but that was for something different, and the man in question did not have authority at all. I know he did not. That system is wrong. You cannot possibly meet an emergency like this under that system. It might have been right for a comfortable war, as some British statesman described it, but this is not a war of that kind. Agree on that man and give him authority, and get that acceleration which Lloyd George got in the last war, and which Beaverbrook is undoubtedly getting in this. Your national registration, your women's committees, your voluntary offerings from this person and that, here, there and everywhere, who want to do something, and the setting up of a ministry to see what can be done—all such things do not matter the turn of a hair, as compared with the overwhelming demand for planes. Get your man with abundant power at the top of that organization, and get him to-morrow. I know of nothing I would not do to help the Government get that done. That is an imperative requirement. Other things in other times and other circumstances might look big and imperious; they are small compared with that requirement.

I said I liked the latter part of the memorandum of the Minister of Defence for Air. There were some features of the other part I did not quite comprehend. I think these things could be made simpler. Our total military, naval and air personnel was put at about one hundred and thirteen thousand. Of these there were twenty-six thousand in the division and reinforcements overseas.

Hon. Mr. DANDURAND: There are ancillary troops.

Right Hon. Mr. MEIGHEN: I know a division consists of only fifteen thousand, and the ancillary troops number about four thousand. In addition there were sixty-four thousand described as being in Canada, apart, of course, from the naval or the air personnel.

We know four divisions have been authorized. One is over there and is now, I believe, well trained and certainly equipped. The other three authorized would total only about sixty thousand. But the Minister's words, if I caught the memorandum correctly, were that they were now under arms. If I know the meaning of those words, they mean not only fully equipped in point of attire and accoutrement of the person, but fully equipped also with weapons and instruments of war. If the words "under arms" mean anything in ordinary parlance that is what they mean. If I am wrong as to military parlance, let me be corrected. Those three divisions are not

under arms in that sense. As a matter of truth, many of the units in them are not recruited. I will not mention the figures, but the leader of the House knows that they are short—did I say thousands?—they are short tens of thousands. The reason is, I do not doubt, although I cannot vouch for it, that the equipment does not exist. You can probably recruit faster than you can equip and train. I do not know, but I am quite confident you can. The fact that there is authorization for these three units, one of which, I understand and hope, is soon to go, is no justification for giving the impression that all these men are under arms. They are not.

Australia, I believe, puts her figure at two hundred and fifty thousand men. But they are not under arms either.

Hon. Mr. DANDURAND: Would my right honourable friend say the Second Division—

Right Hon. Mr. MEIGHEN: I do not think the Second Division is fully under arms; I am confident it is not; and still less are the Third and Fourth Divisions.

Hon. Mr. DANDURAND: They are being organized.

Right Hon. Mr. MEIGHEN: But they are not under arms, and unless you include those authorizations, how do you get sixty-four thousand? So much for that.

What restrains the Government, I know, is the impossibility of getting equipment with sufficient swiftness. We did not start in time, and we did not start the right way. The toils in which we find ourselves to-day are mainly due to the fact that we did not start in time.

Perhaps it is worth recalling to the attention of the House that an announcement was made that the Second Division was for overseas, and soon to be dispatched.

I would drive home this truth. We have enlisted voluntarily and sent over from twenty thousand to twenty-six thousand men. We must support those men. We have no moral right to enlist men and send them overseas unless we are prepared to do our utmost, sparing no effort, suffering no restraint, to see that the cause in which they have imperilled their lives is won.

Hon. Mr. DANDURAND: That is the Government's duty.

Right Hon. Mr. MEIGHEN: That is what I want to applaud them for, if they will only go on and go right through. Where those men are is our best defence. Yes, the war will be infinitely nearer to us if another nation falls. There is our great defence, and I beg of the Government to let nothing whatsoever hinder them in their resolve to support those men and win the cause to which those men are committed.

As respects certain immediate steps which take the form of bills, I am behind them a thousand per cent. They are coming none too soon—not soon enough. Perhaps I shall have some comment to make on them, but it will be with the object of making the Government feel still freer to throw away all restraint, all past committals, and throw themselves into this crisis, the worst the world has ever known, with all the power of their personalities and all the might of the nation.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: I have nothing to add to the statements which I have placed before the members of the Senate. I think that in no uncertain tone the Government has dedicated the whole of Canada's strength to the defence of Canada and of Great Britain. We are all in accord as to that. I think that any one of us who spent an hour or two with the Minister of Munitions and Supply, the Hon. Mr. Howe, would find that the Minister had no superior in grasping a question, examining a problem, considering a tender, coming quickly to a conclusion, and placing an order. I do not think there is in Canada to-day a man who is better equipped than he to do such work.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: Statements have been made by him to which I would draw my right honourable friend's attention. Two statements made in the House of Commons in the last five or six days will, I think, completely satisfy my right honourable friend as to the judgment of the Hon. Mr. Howe and the rapidity with which he acts. Millions' worth of contracts are signed in a day. An order comes for things which can be procured only in the United States, and the matter is closed by telephone within an hour or two. I doubt that anyone who has followed closely what Mr. Howe has done during recent months, who has read what he has said, would think for a moment that he could be replaced at the head of his department. I do not think my right honourable friend suggested such a thing either.

I want to indicate to the Senate that we have strong and good men at the head of the most important departments. Looking on from the outside, we can criticize generally, but we must pay our tribute of praise when we look at the facts and follow from day to day the work these men are doing. I think we owe a debt of gratitude to these

men who are devoting themselves eighteen hours a day to doing what they believe to be their patriotic duty. I know that at six o'clock in the evening some of them have not been able to devote even five minutes to lunch. Their devotion is admirable; their intelligence is unexcelled, so far as I know, throughout Canada. They may have made mistakes, but when we remember that from day to day they are under pressure and are obliged to meet the production requirements and hold the whip over the manufacturers or urge them on with every possible incentive, we should recognize that these men deserve the thanks of the country. If my right honourable friend thinks he knows of any superman, he is welcome to give his name and I will bring it to the attention of the Government.

Hon. C. C. BALLANTYNE: Honourable senators, I thoroughly agree with everything the honourable leader of the House has said in regard to Hon. Mr. Howe. He is a very able man. He had a very gigantic task, he is performing it well, and the country is fortunate in having a man with such qualities as the leader has just referred to.

I do, however, want to point out to the honourable leader the fact—and I think he is familiar with it—that there has been a long delay in placing large orders for war materials. This is caused, I think, by a lack of co-operation between the British mission here and what is called the War Supply Board. During the last war, as my right honourable leader (Right Hon. Mr. Meighen) has stated, the British Imperial Munitions Board was under the able management of the late Sir Joseph Flavelle. He was surrounded by such capable men as the late Sir Charles Gordon, Frank Jones, J. W. McConnell, F. M. Southam, and many others, and on behalf of the British Government he placed orders with great efficiency. I understand that the policy followed by this Government—the honourable leader can correct me if I am wrong—has been that all contracts on behalf of the British representative here must pass through the Canadian War Supply Board.

Hon. Mr. DANDURAND: That has been done at the request of the British Government.

Hon. Mr. BALLANTYNE: I fully expected my honourable friend to say that. Nevertheless, the delays have been long and serious. I could refer to them at any length, but it would not be advisable to do so; and I believe that now, under Mr. Howe, things are in better shape. While I want to give full credit to the Government for what they have done. I do not want the impression to go abroad among the public that there have not been delays. There have been, and I trust they have now been overcome.

Hon. A. C. HARDY: Honourable senators, I do not desire to continue the debate on this question at any length, but I want to join the last two speakers in the tributes they have paid to Hon. Mr. Howe. I do not believe we quite realize, and it has not been brought out here to-day, the tremendous strain under which Mr. Howe is working. Not only has he to do the same work that Sir Joseph Flavelle and his board did, but he has also to sit in the House of Commons. When Lloyd George undertook to stir up things in England he did not sit in the House of Commons. He would attend once a week or once a month, as he saw proper. I believe that would be the proper thing for Mr. Howe to do in the present circumstances. As it is now, he spends six hours every day, the best part of the day, in Parliament. During part of this time he is answering questions, some of which are very trivial, but all require his attention and sap a great deal of the energy and strength that he might apply to his chief work. I believe that the Minister of Munitions and Supply should not be required to sit in the other House, and should appear there only from time to time when he desired to make a statement. I admit that I am not acquainted with our great captains of industry, but I have yet to learn of anyone living in Canada who is the superior of Mr. Howe. In fact, I could not name one who is his equal. But I do think he is overburdened, and I urge again that he be relieved of the necessity of sitting in the House of Commons while he is carrying on his tremendous war work.

Hon. J. A. CALDER: Honourable members, I thoroughly agree with the statement just made by the honourable gentleman from Leeds (Hon. Mr. Hardy). We all realize that Mr. Howe is a very able man, a good man for the job he is on. But he is a member of the Government, and as such he has many duties outside of the important thing to which he should be devoting all his time. In the present situation the question of supplies is in my view the only question, and to require him to attend Parliament hour after hour, and many Council meetings as well, and maybe to look after other things that I know not of, is asking far too much of him. His main job is a tremendous one, and he should be free to give his entire time to it. He has an abundance of work on that job alone.

I am not going to discuss the other matter that was mentioned, but I should like to express an opinion with regard to one phase

of it. I think that in the statement read by the honourable leader of the House (Hon. Mr. Dandurand) there was an intimation that the Government contemplates the making of some changes in the Cabinet.

Hon. Mr. DANDURAND: Or additions.

Hon. Mr. CALDER: Personally, I should like to see the Government give attention to one phase of that matter, and that is proper representation of labour in the Cabinet. As has been pointed out by my leader (Right Hon. Mr. Meighen), the Government's main work at the present time is the getting of supplies. Who makes those supplies? Labour. And unless labour is properly represented in the Government, you will never get the back of labour into this job. Look at what has happened in Great Britain. When Winston Churchill formed his new Government he had no hesitation at all in taking in men like Morrison and Bevin.

Hon. Mr. DANDURAND: There were leaders of the Labour party in Parliament.

Hon. Mr. CALDER: Yes, but they are labour men.

Hon. Mr. DANDURAND: I beg the honourable gentleman's pardon—they are not labour men; they are professors and highly cultured men.

Hon. Mr. CALDER: Well, I mean they are labour men in the sense that they are thoroughly attached to the labour movement.

Hon. Mr. DANDURAND: Oh, yes. They are at the head of the Labour party.

Hon. Mr. CALDER: Exactly, that is what I mean. They are labour men; they are real forces in the labour organization of Great Britain, recognized and accepted by labour men. What representatives have we in the Government at the present time to compare to those two men? They have no difficulty in appealing to the whole of labour in Great Britain to work twenty-four hours a day, three shifts, every day in the week, and so within recent weeks production in Great Britain has increased, I am told, somewhere around one hundred per cent. What I say is this, that in this situation, and in the interests of the industrialists themselves, who must necessarily play a very large part in it, it is very desirable that labour should have real representation in our Government. I would ask that the Government consider that matter, if changes or additions are to be made in or to the Cabinet.

Hon. WILLIAM DUFF: Honourable senators, I am sure that we must thank the honourable leader of the Government (Hon. Mr. Dandurand) for bringing to this Chamber to-night the two statements which he has read. They show to my mind and must show conclusively to everybody else's mind that the Government desires that we in this Chamber should know exactly, to the degree that it is feasible for us to know, what is happening in international and national affairs. I think that we all, in spite of our differences—and perhaps, as a partisan, I have as many differences as anyone has—must agree that that is so. We have to admit, of course, that it is impossible for the Government to give us all the information which we should like to have. But, after all, we must remember that the Government is in power—that it was returned on March 26 by an overwhelming majority. And we, whether we like the Government or not, must realize and submit to what the electors said on that day. That being so, honourable members, what is our duty in this time of crisis, for not only Canada, but the whole British Empire? We must have confidence and faith in this Government. I think every honourable member of this House, and every honourable citizen in this country, must agree with me that those who are in charge of the affairs of this country know much better than we do what the state of affairs is in Canada and throughout the Empire.

My right honourable friend the leader on the other side (Right Hon. Mr. Meighen) is right in saying that we have perhaps made mistakes and perhaps not gone far enough in the past. But what is the good of talking about that now? That is all past and done. I confess to being the greatest sinner in this Chamber. Ten years ago and fifteen years ago my voice was heard on the hustings in this country, and in another place, saying that there never would be another war; that we did not need to spend money for the defence of Canada or the defence of the Empire. But, honourable members, two or three years ago I realized the seriousness of the situation that had by that time developed, and I tried to recant when I saw that in spite of what I had said, in spite of what I had hoped and in spite of what every Christian in the world had hoped, there was danger of war. Then, on the floor of this Chamber, I endeavoured to show why this country should do something to help preserve the British Empire and Christianity. And now I think we have reached a stage where my right honourable friend will extend his hand across to me and say: "Let us all work together.

Let us forget what has happened in the past, because, although we have all sinned and are not worthy even to mention what was done in earlier years, we ought now to unite as citizens of the British Empire and as good Canadians and try to do what is in the best interest of this country."

Let us not stop now to criticize what was done in the past. Let us not criticize even the present Government. Of course, honourable members, if I had my way I perhaps should be the strongest critic of the Government in the whole of Canada. But in the present situation I am willing to join hands with the honourable senator from Alma (Hon. Mr. Ballantyne) and go so far as to say that the Minister of Munitions and Supply, the Minister of Marine and others are doing a good job for this country. I am willing to admit, honourable members, that the Minister of Munitions and Supply is a hard-worked man. He is, perhaps, the hardest-worked man in the Cabinet. I am willing to admit that now, and to forget all differences and criticisms, because for us in this country there is only one thing to do at this time, and that is to rally to the banner of Canada, of Great Britain, and of the Empire.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DUFF: I was delighted to hear the leader of the Government say that certain things are to be done. I was somewhat specially interested in what he said with reference to looking after Newfoundland. Well, I do not know what this country can do for Newfoundland. I do know that 3,700 fishermen from my native land, Newfoundland, are to-day in the North Sea, on trawlers and minesweepers, and not one Canadian is over there. I am not criticizing, but honourable members will recall that two years ago I endeavoured to show that this country should have a Royal Naval Reserve manned by our own fishermen. As one who has no axe to grind, no ulterior motive, let me try to impress upon the honourable leader of the Senate the wisdom of doing what I then suggested—of forming in Canada a naval reserve composed of our own fishermen. Then, if it becomes necessary to defend the shores of this country we shall have good naval men available as soon as the ships are ready for them; and if at any time we get a call to send some sailors overseas, we shall be able to answer the call. I know our men are willing to go. I know that on the Gaspé coast, on the north coast of the St. Lawrence, and from New Brunswick, Nova Scotia and Prince Edward Island, right down to the coast of Maine, every fisherman is willing and eager to do his duty. I have letters in my desk now from a hundred men who want to join up and be of some service to the country. Let us therefore, instead of criticizing any person or the Government, unite now to meet this serious situation. Let us all get together, no matter what our political differences may be, no matter what our leaders' differences may be, for if we are to preserve our freedom and our political institutions, now is the time for every man to do his duty, irrespective of his religion or his politics. Let us, I say, all get together to meet this crisis which within a few months may come even to our own shores. I believe, with my right honourable friend, that the first line of defence is not Canada—it is not the Nova Scotia coast. It is all very well for somebody to say, as I understand was said in the House of Commons, that he is willing to have conscription for Canada. I am opposed to conscription and to war, but if we are to protect Canada, if we are to protect this land which God gave to us, then I say we may have to defend ourselves in Greenland or in Iceland or even down in the south Atlantic.

Right Hon. Mr. MEIGHEN: Hear, hear.

Hon. Mr. DUFF: Let us not talk about doing anything for this land alone, because, so far as I know, and so far as other senators know, our line of defence may extend beyond the confines of this country. Therefore, I repeat, let us all get together, Liberals and Conservatives, Grits and Tories, Protestants and Catholics, and say: God gave us this land; we are going to defend it against any foe who may try to invade it.

Hon. R. B. HORNER: Honourable senators, I had not intended to take part in this discussion, but I am tired of hearing of what happened last March. Many brave men at this very hour are giving their lives in defence of all we hold dear, and I believe it is my duty to call to the attention of the Government certain things that to me appear to be of very great importance.

The honourable senator from Lunenburg (Hon. Mr. Duff) has made an eloquent plea to the Canadian people for unanimous support of measures to win the war, but I notice he linked with that plea a reference to the overwhelming and unquestioned mandate of the Government. I have read articles in the Press also referring to the "unquestioned mandate" given to the Government last March. I want to hear no more of that "unquestioned mandate." The vote in support of the Government was far from unanimous. In my district, which is in the Prime Minister's riding, he received less than half the votes. In this as in other instances the mandate certainly was

not "unquestioned". And I ask honourable senators to consider with shame how the campaign was conducted and the result arrived at.

I would call attention to an editorial on the attitude of the Globe and Mail during the general election. An article headed, "Government's Course Does Not Establish Confidence," says:

If, during the elections, the Globe and Mail did not give much leadership towards the election of a government that would get on with the war, it has since, as have many Canadians and many newspapers irrespective of party, indicated its impatience with party sham which glorifies the doing of things "rather more or less." Speaking in a front page editorial of the wave of dissatisfaction with the Government's war record, it says:

"In asking the people to trust you, although you are absent from the House, Mr. King, are you heeding this cry?"

In this editorial reference is also made to a speech delivered in the other House by the Minister of Agriculture. The editorial continues:

Yesterday they had an example of what they escaped by undertaking to think for themselves when Hon. James G. Gardiner, in the House of Commons, launched one of the most disgracefully partisan speeches heard in Parliament in recent years. As he spoke and Liberal members kept up a hilarious tub-thumping exhibition, sober-minded citizens must have been deeply shocked to realize that this could go on in a Canadian Parliament when thousands of youths are shedding their blood in a desperate struggle for national existence. The hustings were transferred to Parliament Hill for a speech that insulted the electorate and made a sham of all the professed devotion of a party Government to a sacred cause.—

Some Hon. SENATORS: Carried!

Hon. Mr. HORNER:

—We had the spectacle of Hon. James G. Gardiner fighting for the Liberal Party while the youth of the country are fighting for freedom.

Some honourable senators shouted "Carried!" just now. Their conduct reminds me of the attack made on Lord Northcliffe when during the last war he dared to criticize the British Government. Through his press he attacked the idol of the British people, Lord Kitchener, and the Government, for shortage of shells and lack of vigorous prosecution of the war. What happened? The Daily Mail and the Times were burned on the London Stock Exchange and his life was threatened. But later Lord Northcliffe was vindicated and given credit for very materially helping to win the war.

I should like to read this article on the "curse" of democracy:

In a speech at St. Louis the other day, Wendell L. Willkie, a Republican candidate for the presidential nomination, referred to "the curse of democracy." He did not mean that democracy was a curse, but pointed to one of its major flaws. He said: "The curse of democracy to-day in the United States as well as in Europe is that everyone has been trying to please the public. Almost nobody ever gets up and says what he thinks. He is afraid he will thereby lose the approval of labour or the approval of the unemployed or the approval of some other powerful faction. And this fear has altogether perverted the processes of democracy and sapped our strength."

I believe it is our duty to criticize where we believe criticism is necessary. I would call the attention of the Government to a state of affairs which surely could and should be remedied. I have personally met many young men who have volunteered for active service. Some have been accepted, but told they would not be required to report for a week or two. These young men, having paid their transportation expenses to the point of enlistment, are without resources to take care of themselves while awaiting the call to duty. In this connection I have under my hand a clipping from the Star-Phoenix of Saskatoon, dated June 13. It is a report of a meeting of the Trades and Labour Council:

"It is regrettable that the Government can't find shelter and food for those young men who have offered their lives in defence of this country," Mr. Dealtry remarked.

It was reported to the meeting that there were hundreds of young men in Winnipeg and many in Saskatoon, who had enlisted and were waiting to be called. Many of these, it was said, were in difficult circumstances, without food and shelter.

The least that could be done, some members believed, was the granting of single men's relief. One case was mentioned in particular where it was claimed that a young potential soldier had to pawn his watch to obtain a meal. After he had gone two days without food, he was finally taken in and sheltered by a kind Saskatoon woman, it was alleged. Any attempt to obtain even one meal per day for this youth from the Federal Government had failed, the informant said.

This whole discussion arose when it was charged that the company in charge of the construction of the airport here was violating its agreement that all labour be employed through the employment office here.

While residents of Saskatoon, including physically fit veterans of the first Great War, were refused employment, certain individuals were given work upon arrival in the city from somewhere else, it was said.

One of my criticisms of the Government is that in spite of the seriousness of the world situation it has, in the province of Saskatchewan, attended to the political end of the game. There has been a superabundance of provincial

officials to see that Liberal party politicians are placed wherever there is an opportunity for patronage. On the day of nomination the full provincial Cabinet was on hand, and it was announced that Prince Albert was to have a full No. 1 air training camp. I charge the Government has neglected to take care of our young men who offer to serve in the fighting forces of the country. While the Government has neglected to feed and shelter those volunteers, it has attended to politics. I am not afraid to criticize the Government for its neglect of duty.

One man I should like to see taken into the Government is the Hon. Major Herridge. He is one of the few who at the outset fully realized what the Government would have to do, and it is doing to-day just what he said would have to be done. I am talking for the benefit, not of any party, but of Canada as a whole.

Hon. Mr. DANDURAND: Is my honourable friend a follower of Mr. Herridge?

Hon. Mr. HORNER: Not necessarily.

An Hon. SENATOR: He has no followers.

Hon. Mr. LITTLE: Is that the best suggestion my honourable friend has to offer for the moment?

Hon. L. COTE: Honourable members, I do not think honourable gentlemen on the other side of the House should get too impatient with us. I for one stand in the position of many citizens in this country: those who are not in the confidence of the Government and neither know what is going on nor understand many things that have not been explained.

Last September I voted with other members in favour of Canada taking part in the war. We all realized then that we had three lines of defence: first, the Rhine; second, Great Britain; third, the St. Lawrence. I well remember the eloquent words of the right honourable leader on this side (Right Hon. Mr. Meighen) when he appealed to the spirit of sacrifice of the Canadian people and to the honourable sentiments which would flow from our dual inheritance of French and English ideals and culture, and said, "If we do not fight on the banks of the Rhine now, we shall later have to fight on the banks of the St. Lawrence and the Mississippi."

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. COTE: Those words were light itself; and in the altered conditions of recent days they are even truer now than they were then. One of our three lines of defence is gone. As a Canadian and a subject of a sovereign country which freely declared itself at war with Germany to save the altars of Christianity and the principles of democracy, I find, after nine months of war, no pride in the fact that on our first line of defence, that line of noble hearts and of steel, which extended from Abbeville on the Somme right down to the Italian boundary, there was not a Canadian soldier, a Canadian tank, a Canadian aeroplane nor a Canadian gun. The thing which has not been explained to me or to the people of Canada is why, nine months after our declaration of war, such a state of affairs should exist.

Hon. Mr. DANDURAND: I shall give the answer, if my honourable friend will allow me.

Hon. Mr. COTE: When I am through speaking.

Hon. Mr. DANDURAND: I would tell my honourable friend to consult the War Office in London.

Right Hon. Mr. MEIGHEN: Oh!

Hon. Mr. COTE: If that is the answer, I would say it is not a very brave answer for a record which strikes a great many of us as one of ineptitude.

Hon. Mr. DANDURAND: It is a reckless statement my honourable friend is making.

Hon. Mr. COTE: A record of ineptitude. However, let us forget the past.

Hon. Mr. ROBINSON: We never will.

Hon. Mr. COTE: Even if we forget the past nine months, all I have to say, in great humility, as a very unimportant member of this House whose advice may not count for much, is this: We have let down our first line of defence; for Heaven's sake do not let down the second.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: I simply make this remark to my honourable friend. The plans which govern the disposal of the British troops, including the Canadians, are made at the War Office in England. Under those plans Canada must proceed, and never for a moment has she hesitated to proceed to answer any call. Canada's First Division was overseas, ready to go wherever specified by the plans laid down. It started to go to Norway, and it was brought back to Aldershot. It started for the coast at Calais and Dunkirk, and it was brought back. Last week the War Office was ready to start sending the Canadian troops with other British troops to France, and they crossed over; but the War Office brought them back, because of events of which we all know. It is all very well to say that Canada had no men on the first line of

defence. It would have had some on the first line of defence if the War Office had deemed it advisable. I could tell honourable gentlemen how many British divisions were on the Continent, but I will not do so. I could tell how many divisions were being trained in England, including our own men, and why they were not on the other side of the channel, but I will not do so. Neither will I allow the escutcheon of Canada to be blemished by my honourable friend in this Chamber who says that Canada was derelict in its duty in not being represented on its first line of defence.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: Honourable members, I am sorry the leader of the House speaks as he does.

Hon. Mr. DANDURAND: Is not my right honourable friend sorry also that the honourable gentleman from Ottawa should speak as he did?

Right Hon. Mr. MEIGHEN: I do not like introducing the subject, but I must protest against the continual loading of something on the War Office of Great Britain.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: My first reason is that the War Office cannot defend itself; it cannot even demur in the slightest degree to a statement made by this Government. Therefore, such statements as we have heard are not fair. Secondly, I should like the leader of the Government to recall an explanation given to me which is not in accord with what he has said to-day.

Hon. Mr. DANDURAND: Would my right honourable friend repeat his remark?

Right Hon. Mr. MEIGHEN: I cannot go further than that. The honourable gentleman knows the circumstances.

Hon. Mr. DANDURAND: I should like to know them.

Right Hon. Mr. MEIGHEN: I am not saying the decision was wrong, but, as reported to me, it was not a decision of the War Office, and the honourable gentleman knows by whom it was made.

Hon. Mr. DANDURAND: I say in all sincerity that I do not recall any such incident.

Right Hon. Mr. MEIGHEN: I do, definitely.

Hon. Mr. DANDURAND: The facts I have stated are based on reality, and cast no slur on anybody. Surely the Canadian Government is not always to receive blows which should be directed elsewhere.

Right Hon. Mr. MEIGHEN: I might remind the honourable gentleman to this extent. I do not want him to find fault with me, because he has compelled me. Does he say it was the War Office which decided that the Canadian forces should not go to Calais?

Hon. Mr. DANDURAND: It was. After our commander had crossed over.

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND: With the authorization and approval of the War Office, he and his staff went to examine the situation, and when he came back and reported to the War Office the Canadian Division was retained in England.

Right Hon. Mr. MEIGHEN: On the recommendation of our own commander.

Hon. Mr. DANDURAND: On the report made by our own commander.

Right Hon. Mr. MEIGHEN: Yes.

Hon. WILLIAM DUFF: In view of what the right honourable gentleman says, that it is impossible for the British Government or the War Office to defend themselves, I can see his point. Of course it is impossible, because this war cannot be carried on if you and I and the public generally are to know all the details. The same thing applies, I submit, in all modesty, to the present Administration. A number of times I have felt that I should like to have more information, and I am sure the public from the Atlantic to the Pacific have felt the same way; but I realize that if we were given all the information we should like to have, some people in Canada or the United States or Europe would grasp that information and use it against us. When my right honourable friend tries to make a point of the fact that the British Government did not agree, or that the Canadian Government did not do what the British Government wanted—

Right Hon. Mr. MEIGHEN: Who said that?

Hon. Mr. DUFF: The right honourable gentleman said a moment ago that he felt the British Government had not agreed to a certain recommendation regarding what we should do respecting sending troops overseas.

Hon. Mr. DANDURAND: No, no.

Right Hon. Mr. MEIGHEN: No, no. What I said was this. First, that it was unfair

to attribute to the British Government any failure of our troops to be in the front line. That Government obviously cannot defend itself and cannot throw off any reflection that might be cast upon it.

Hon. Mr. DUFF: Quite right.

Right Hon. Mr. MEIGHEN: But I said that the decision not to transport our division to a certain place was reported to me as being the decision of our own commander. The leader of the House says the recommendation was made to the War Office.

Hon. Mr. DANDURAND: His report.

Right Hon. Mr. MEIGHEN: His report. Under those circumstances, the report being that of our own commander, I ask the House if it is fair to say the War Office is responsible.

Hon. Mr. DANDURAND: I simply referred to the statement which has reached us, I think, officially. If it has come officially I will submit it to the Senate. I think the whole history of General McNaughton's crossing over the channel to see what was taking place is told in his report to the War Office; and the conclusion arrived at by the War Office was that the Canadian troops should not be sent over. In fact, no other troops were sent over.

Right Hon. Mr. MEIGHEN: I am not objecting to the report or the decision.

Hon. Mr. HARDY: May I ask to whom General McNaughton reported? Was it to the War Office?

Hon. Mr. DANDURAND: Yes.

Hon. Mr. HARDY: That settles it, then.

FARMERS' CREDITORS ARRANGEMENT BILL

MOTION FOR SECOND READING

Hon. RAOUL DANDURAND moved the second reading of Bill 25, an Act to amend the Farmers' Creditors Arrangement Act, 1934.

He said: Honourable senators, this is a Bill with which the Senate is very well acquainted. I absolve any honourable member of the Senate from listening to the statement, because we have had numerous debates on this question in the last four years and honourable gentlemen know the subject by heart.

Here is the statement of the Minister of Finance, Hon. Mr. Ralston. When he presented the Bill he said:

The object of the Bill is to provide that the Farmers' Creditors Arrangement Act shall be in force in Manitoba as it is in Alberta and Saskatchewan. It will be remembered that this matter has been the subject of legislation at two previous sessions. In 1938, by amendment of the Senate, provision was made whereby the Act was terminated, as far as its effect in Manitoba was concerned, as of June 30, 1939. Then in 1939 legislation was introduced similar to that which I am proposing now, to provide for reopening the Act in Manitoba.

That legislation was not accepted by the Senate.

Since that time further representations have been received. The situation up to June 30, 1939, was as follows: From the time the Act came into force until June 30, 1939, when it expired as to future applications, 11,369 farmers in Manitoba had interviewed official receivers regarding their debts, and 4,714 had submitted proposals, of which 867 were awaiting final settlement on June 30, 1939. Since that time the board in Manitoba has been sitting, dealing with those cases which were outstanding as of June 30, 1939.

No more applications could be received after that.

Representations are made that of those who failed to submit proposals, a large number were from districts where adverse crop conditions had prevailed for a period of years, and therefore farmers had become so hopelessly involved that a proposal was not practicable at the time. Another suggested reason why proposals were not made before the expiration of the Act is that farmers who had not availed themselves of the benefit of it—or a number of them, at least—were those whose creditors, realizing that there was not any hope of collection, did not exert pressure, and therefore there was no incentive to ask for the benefit of the Act's provisions. The point is made now that one fairly good crop has changed this situation. It is said that the farmers are faced with legal proceedings by foreclosure, seizure and dispossession, and that every effort ought to be made to retain the farmers on the land as efficient producers.

That was the declared object of the legislation at the time of its introduction in the Senate by my right honourable friend opposite (Right Hon. Mr. Meighen), which introduction has since caused him deep chagrin indeed.

The Minister continued:

Honourable members will recall that according to its preamble the Act was enacted originally, not as a bankruptcy Act for farmers, but rather as a measure for the purpose of inducing farmers to remain on the land.

In April of this year the Legislature of Manitoba adopted a resolution, which is in the following terms:

Whereas large numbers of land mortgages and purchase contracts have been made in Manitoba under which debtor farmers undertook to make certain definite money payments out of their future income;

And whereas world markets, weather and other conditions in recent years have made the carrying out of a great many of such contracts in strict accordance with their terms even by the most honest and industrious farmers difficult and in some cases impossible;

And whereas in consequence of their default arising through no fault of their own, numerous Manitoba farmers were faced with the possible loss of their holdings by foreclosure, and for this reason it was considered necessary

and in the public interest that legislation should be passed to protect them from such foreclosure;

And whereas under the provisions of the British North America Act, since the subjects of bankruptcy and interest both come within the legislative authority of the Dominion Parliament, the Legislature of Manitoba could not authorize the reduction of debt;

And whereas since as aforesaid the Provincial Legislature could not reduce but could merely postpone debts, it passed The Debt Adjustment Act, 1932, and amendments thereto, which authorized the postponement of the creditors' remedies without reducing their claims;

And whereas by reason of the inadequacy of any provincial legislation to accomplish debt adjustment by actually reducing debts, the Dominion Parliament in 1934 passed The Farmers' Creditors Arrangement Act, 1934, under which, as long as it remained in force, a large amount of debt adjustment was accomplished in the Province of Manitoba;

And whereas notwithstanding the demonstrated value of The Farmers' Creditors Arrangements Act, 1934, as applicable in the Province of Manitoba and notwithstanding that The Farmers' Creditors Arrangement Act, 1934, was continued in effect in the Provinces of Alberta and Saskatchewan, the said Act was as a result of action of the Senate of Canada (accepted by the House of Commons as a compromise in a measure affecting other provinces), repealed as affecting Manitoba in the 1938 session, such repeal to become effective in June, 1939;

And whereas in the 1939 session of the House of Commons, following a request by this Legislature, a measure making effective The Farmers' Creditors Arrangement Act in Manitoba was passed, which measure was at that session defeated by the Senate;

And whereas the Government and Legislature of Manitoba, having been of the opinion for some considerable time prior to 1938 that the condition of mortgage and land contract debt in Manitoba was a long-term condition rather than a temporary or an emergent one and that to deal with it required judicial machinery of something more than a temporary character;

The Legislature of Manitoba passed in the year 1939 the King's Bench Amendment Act, 1939, establishing a Land Court, the essential features of which were as follows:

1. Such Land Court will be established as a division of the present Court of King's Bench in the Province of Manitoba presided over by a judge especially appointed for the purpose.

2. Such Land Court will in the first instance be empowered to postpone the fulfillment of obligations pending an investigation as to whether they can be fulfilled.

3. And if it be found that the obligations are impossible of performance, the Land Court will have power to reduce and write off part of the indebtedness.

And whereas since the said The Kings Bench Amendment Act, 1939, required for its effective operation enabling legislation to be passed by the Dominion Government, application was made by the Premier of Manitoba to the Right Honourable the Prime Minister of Canada in February, 1939, for the passage of enabling Dominion legislation and for the appointment of a judge to preside over the said Land Court;

And whereas the Parliament of Canada, as a means of meeting the land debt situation in Western Canada, in the year 1939 passed the Central Mortgage Bank Act, which, however, by reason of the outbreak of war, has not been made operative;

And whereas by reason of the facts that The Farmers' Creditors Arrangement Act, 1934, is now repealed in Manitoba, effective as from June, 1939, and that the Central Mortgage Bank Act has not been made operative therein, and that enabling legislation has not been passed to bring into effective operation the said Land Court, the citizens of the Province of Manitoba, for the adjustment of land debts now lack adequate facilities such as exist in the Provinces of Alberta and Saskatchewan by reason of the fact that The Farmers' Creditors Arrangement Act is still in effect in those provinces;

Now therefore be it resolved that the Legislature of Manitoba unanimously requests the passage by the Parliament of Canada of adequate enabling legislation to make The King's Bench Amendment Act, 1939, effective in the Province of Manitoba; or if the Dominion Parliament be not prepared to pass such enabling legislation, that in order to remove the present condition of injustice from which the Manitoba citizens suffer as compared with those of Alberta and Saskatchewan in the matter of debt adjustment legislation, the Dominion Parliament should re-enact The Farmers' Creditors Arrangement Act as applicable to the Province of Manitoba at the earliest possible time; and that copies of this resolution should be sent to the Right Honourable the Prime Minister of Canada and the members of the House of Commons and of the Senate.

Right Hon. ARTHUR MEIGHEN: Honourable members, the House will know, without my saying so, that I am opposed to this Bill. I am continually taunted with having introduced in this Chamber the Farmers' Creditors Arrangement Act. I have not lacked frankness in dealing with the history of the Act. Time and again I have freely and fully stated that in my judgment its introduction was an error, a mistake, the pursuit of a false legislative god.

Hon. Mr. DANDURAND: It was certainly a mistake to extend it to the East.

Right Hon. Mr. MEIGHEN: Why the fact that I have changed my mind with reference to this Act should be a matter for elation, I do not know. When the time comes that I have to defend and stand by everything I have ever done, though I feel it is wrong, then I shall not be fit to sit in any legislature.

I do not know any measure that so illustrates the weakness of democratic institutions as this one does. Here is the Legislature of Manitoba passing a resolution—all members agreeing to it—which asks Parliament to restore the Farmers' Creditors Arrangement Act in that province. For what purpose? In order that the Act may be restored and extended indefinitely on behalf of farmers having debts antecedent to the first of June, 1935, who had four years within which to apply under the Act for a measure of bankruptcy in their

behalf, but who did not make application, even after being warned by letter, a year in advance, that their opportunity to do so was to be withdrawn.

The honourable leader of the House tells us that this Bill is not bankruptcy legislation; that its object is to keep men on the land. Of course that is its object. Nobody's object in legislating is to make people bankrupt; the object is to do something with or for people. What the honourable leader says would be paralleled by a statement that a doctor is called in, not to treat a patient, but so that the patient may not die.

Hon. Mr. DANDURAND: Oh, no.

Right Hon. Mr. MEIGHEN: We treat cases under this Act as bankruptcy cases. That is the whole basis of the legislation.

Hon. Mr. DANDURAND: I beg my right honourable friend's pardon. I did not give that as my own statement. That was a statement by the Minister of Finance. I take it for granted, and I think I am right in so doing, that when the original Bill was introduced in the other House and later brought here by my right honourable friend, the main object was to keep men on the land.

Right Hon. Mr. MEIGHEN: Of course that was the object, but that does not say it is not bankruptcy legislation. It is undoubtedly bankruptcy legislation, nothing else. If that were not so, the Privy Council would never have upheld it; it was upon that ground that they upheld it. And the object of this bankruptcy legislation is to keep farmers on the land.

I have stated the purpose of this Bill in a nutshell—to restore operation of the Act indefinitely, with respect to debts incurred before the first of June, 1935, to farmers who for five years failed to make application for an adjustment of their debts, even though given a warning by letter a year before the Act was made ineffective in their province. The Minister says it is desired to have the Act brought into effect again in Manitoba because the Legislature voted unanimously in favour of that. I say that vote illustrates just the vulnerable thing about democracy. If one party in the Legislature wants this measure, the other party has to agree. In Manitoba there are far more debtors than creditors who would be affected by this measure: the creditors are mostly outside. Therefore, far more votes are to be obtained by supporting than by opposing the resolution asking for such a measure. Honourable members will see why the Legislature's resolution illustrates a feature of democracy which to-day does not stand quite as favourably before the world as it once did—that very feature which perhaps accounts for the failure of democracy to compare to advantage in very great struggles.

Hon. A. L. BEAUBIEN: Will the right honourable gentleman pardon me? Will he speak a little louder, please?

Right Hon. Mr. MEIGHEN: I am sorry if I am not speaking so as to be heard. I feel strongly enough about the legislation to speak very loudly. I have never at any time had one letter in favour of this legislation from any citizen not wanting something for himself. The blight of legislation of this character is to-day rotting the very morale of Western Canada.

An Hon. SENATOR: Hear, hear.

Right Hon. Mr. MEIGHEN: It is not this Bill only, but others and threats of more—threats of provincial measures to be enacted if this Bill does not pass. In Alberta the party that would promote the most legislation releasing debts of the most people would be elected. The debts were local; the creditors were outside—not altogether, of course, but in very great degree. Read the resolution of the Board of Trade of Winnipeg, which has been sent me through the mail—I do not know one man whose name appears on it—and you find you cannot borrow a dollar on farm property in Manitoba. Why? Because of the Farmers' Creditors Arrangement Act.

Hon. Mr. HAIG: Outside of Government loans.

Right Hon. Mr. MEIGHEN: Yes. The whole foundation of credit is gone. And why should it not go? Who in his senses would lend money in the face of legislation of this kind, with Governments on the rampage to sponsor such legislation for the sake of votes? Is anybody lending money in Alberta to-day? A man should have his head examined who would lend a nickel. Is anybody, except the Government, lending money in Manitoba? And the Government is not making loans as a business investment anywhere at any time.

Such is the effect of legislation of this sort. Are we to continue this thing indefinitely? Are we to make ourselves the recurring parents of this infamy? For it is nothing else. Legislation of this character, provincial as well as federal, has helped to destroy what is most vital to any community. Do not imagine there is no way of settling debts except by a compulsory scheme under a Bill such as this. This does not settle one debt for ten or even twenty settled in the ordinary way—the way debts have always been settled, by the creditor and the debtor getting together. No one is in a better position than the creditor

to estimate whether it is worth while keeping a man on his farm. The creditor has been in touch with that man and is interested in his farming. Repayments depend upon the intelligence and industry with which the farm is operated. The creditor will not lose a good farmer if he can do better by making a reduction in his debt and so keep him on the farm. I can tell you of scores of farmers who have never used the Farmers' Creditors Arrangement Act at all. I have been tied up with land ever since I went out west, and I have not had a single farm mortgage on which there has not been a compromise; but it never was necessary to come under the Act. The resolution of the Manitoba Legislature is purely political. The object on both sides is to deserve votes. Each side vies with the other to gain votes. And this Senate is asked to endorse such conduct.

Hon. A. C. HARDY: Honourable senators, I desire to say a few words about this Bill because I have always felt very strongly against the Farmers' Creditors Arrangement Act. The right honourable leader on the other side (Right Hon. Mr. Meighen) expresses himself as repentant for what he did some years ago. And well he may be. I think that he and the sponsor of that legislation in another place had at least a strong impression that the Bill would appeal rather to our higher instincts, and that the integrity of the great mass of farmers in Canada would play its part in the administration of the Act. But the legislation seems to have fallen down in every way it possibly could.

The right honourable leader has dealt with certain points so clearly that very little remains to be said. One can give instances of travesties of justice and fairness in the operation of the Act. Not only have certain farmers needlessly taken advantage of the legislation, but officers appointed to administer it have gone from one end of a province to the other actually drumming up business. Where is this movement going to stop? As the right honourable gentleman has said, this amending Bill is not limited in its duration, and I have no doubt that, under the great stress and strain to which we in Canada shall be subject for a good many years to come, once this Bill is passed, other provinces will ask for similar legislation; perhaps Prince Edward Island, certainly Ontario.

I am absolutely opposed to the Bill and intend to vote against the motion for second reading. I have every respect for what the Minister of Finance said, that bankruptcy of the farmer is not being dealt with in this Bill, but the Farmers' Creditors Arrangement Act has brought many bona fide creditors very close to bankruptcy. We see them all over the country, men who knew very little about investments except in farm property, and in many cases they have lost anywhere from 20 to 50 per cent of their life savings. What I object to most of all is that the well-to-do farmer will take advantage of such legislation and go back on his farm without sacrificing one acre of land or one head of stock.

I hope the Senate will deal with this Bill as it has dealt with similar measures in the past.

Hon. A. L. BEAUBIEN: Honourable members, I do not think that when the Farmers' Creditors Arrangement Act was introduced in 1934 by my right honourable friend (Right Hon. Mr. Meighen) it implied political motives any more than does the resolution recently passed unanimously by the Legislature of Manitoba.

Hon. Mr. KING: Hear, hear.

Hon. A. L. BEAUBIEN: To-day we find Saskatchewan and Alberta enjoying the privileges of the Farmers' Creditors Arrangement Act. The debt situation in Manitoba is parallel to that in Saskatchewan and Alberta. Surely the members of the Legislature of Manitoba are closer to the people of the province and better acquainted with their problems than the members of this Chamber can be. The Federation of Farmers' Associations in the province has passed resolutions asking that Manitoba be put back where it was in 1938. The Farmers' Creditors Arrangement Act was enacted in 1934 because prices of farm commodities had gone down to a very low level, and farmers found themselves burdened with debt and unable to sell their products advantageously in order to meet their obligations. What do we find to-day? Farm products are again at a low level. Because of the economic situation which has developed since the outbreak of war our markets are gone, and to-day we in Western Canada have to face still lower levels for what we produce.

I know that the Farmers' Creditors Arrangement Act has shortcomings, and that men for whom it was not intended have taken advantage of its provisions; but any legislation is open to abuse. On the whole, the Act has served a very useful purpose in keeping many farmers on the land who would otherwise have had to abandon their farms.

I might say to my right honourable friend that the mortgage companies are not so much opposed to the enactment of this Bill as he seems to think they are. It should not be overlooked that this amending Bill might prevent more drastic legislation being passed

by the province. I think this honourable House should take cognizance of the fact that the Farmers' Creditors Arrangement Act is absolutely necessary in Manitoba. Its privileges should never have been withdrawn from the province. I am confident that other honourable senators who come from Manitoba will agree with me that conditions there warrant this legislation. We are not trying to force it on any other province. All we are asking is that Manitoba shall enjoy the same privileges as it did prior to 1938, privileges which Alberta and Saskatchewan still enjoy, and which are badly needed in Manitoba.

Hon. W. M. ASELTINE: Honourable senators, I am opposed to this Bill and intend to vote against the motion for second reading. I think I perhaps have had more experience of the operation of the Farmers' Creditors Arrangement Act than any other member in this House.

Right Hon. Mr. MEIGHEN: Hear, hear.

Hon. Mr. ASELTINE: I have had, I was going to say, hundreds of cases before the board of review in Saskatchewan; at any rate, I have had a great many. I have on different occasions acted for both debtor and creditor. In Saskatchewan, as honourable members know, we have some nineteen judicial districts, with an official receiver in most of them, and in some districts two or more official receivers and two boards of review. These boards of review go about the country all the time accompanied by a retinue of stenographers and other officers, all at great expense to the province. It is my opinion that before this Bill comes up for third reading the honourable leader opposite (Hon. Mr. Dandurand) should furnish information as to costs of administration of the Act in Saskatchewan. I think we shall find they are well nigh prohibitive. The Act has been in force in the province for five years or more.

An Hon. SENATOR: Six years.

Hon. Mr. ASELTINE: I hope that something will be done to put an end to its operation, for I am confident that the majority of our people do not want it at all.

What does the Act do? In a few words, it results in taking away from the unsecured creditor—the doctor, the local merchant, the implement man, or some other person who has no security—almost the whole amount of the debt. It does not affect the mortgage companies very much, because in most cases the mortgage, with the accumulated interest, taxes and insurance, has not reached the full value of the land. But if a person has lent a farmer $500 and has taken a second mortgage, his debt will be cut down to about $100, and he may not get even that.

In our province this Act has more or less resulted in a racket. For example, a man who contemplates coming under the Act and making an application will allow his farm to run down and become overgrown with weeds; he will allow the buildings to get into disrepair, and will not paint them or do anything about the place. Then in a year or two he will make an application under the Act. When the valuator comes around to make an inspection the land of course has a reduced value, although the adioining land may be producing 35 or 40 bushels of wheat to the acre. If a vendor offers to take the land back and cancel the debt, his offer is not considered, because the board of review has no authority to deal with it: all the board can do is to consider the case and deal with it in accordance with the valuations made by the Soldier Settlement Board inspectors.

Let me give an instance of which I have personal knowledge. A year ago a certain farmer made application under this Act to have two purchase contracts reduced. This man had other land, which was in good shape, but, instead of paying for the land which he had bought on these two contracts, he purchased seventy or eighty or one hundred head of stock, bought Diesel tractors and combination harvesters, and accumulated some of the best machinery around that part of the country, all of which he paid for. In spite of the fact that evidence was given of his other holdings, these two contracts were reduced by some $2,000—and, lo and behold! the next day he drove out of the local garage in a fine new car, fully paid for. He did not dare go out on the street with it until his application was heard. That is probably an extreme case, but there are others like it.

Another case, on which I appeared personally just before coming down here, was that of a man who sold a quarter-section of land. It is one of the finest areas in our whole district, and is situated a mile and a half from a good town. The soil is a heavy gumbo, capable of growing from twenty to twenty-five bushels to the acre every year; the water does not run off it; in fact, the land is almost perfect. The valuation fixed for this by the inspectors was something like $2,500, and the contract was reduced to about that figure by the board, despite the fact that I was able to show that I had several offers of $25 an acre, or $4,000, and one offer, with a smaller cash payment, of $30 an acre, or $4,800.

I know of another case where a farmer went up to his neighbour and said: "I want $4,000, I will give you a first mortgage on my half-section. I am going to sell the land to another neighbour. The cash payment will be $4,000, and we shall both go on the mortgage, and you will have lots of security." Later an application was made under the Act. The farmer who advanced the money had borrowed it from the bank and was paying eight per cent on it because he was not able to pay it back. This mortgage was reduced by some $1,500, and, notwithstanding that, the person who made the mortgage was allowed an equity in the agreement for sale.

Some of these things are very hard to comprehend. We would not object so much to this kind of thing if we had any right of appeal, but when the board of review makes a finding there is absolutely no appeal from it. If I were asked to make a suggestion it would be that if it is necessary to keep legislation of this kind in force it should be different legislation.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. ASELTINE: If some adjustment has to be made which cannot be made privately, power should be given to the courts. We have in Saskatchewan nineteen district court judges who have very little to do; we have a large number of King's Bench judges who have even less to do. It seems to me that these courts and judges could be empowered to deal with these matters, and then if the creditor or the debtor was not satisfied, the case could be appealed and dealt with intelligently. As a matter of fact, we have legislation in Saskatchewan right now—I think there is similar legislation in Manitoba—under which a mortgagee who desires to foreclose his mortgage proceeds in the usual way. If the mortgagor wants relief he enters an appearance to the writ, and his case comes up before the Local Master or the Judge in chambers, who has full power to investigate all the circumstances and make such order as he sees fit with regard to giving an extension of time and that sort of thing. I must admit that he has no power to reduce the rate of interest or to cut down the amount owing for principal.

For the reasons I have stated I am opposed to this kind of legislation. I could give other reasons as well. I agree entirely with what was said by the right honourable leader on this side of the House (Right Hon. Mr. Meighen) and by the honourable senator from Leeds (Hon. Mr. Hardy). Under these circumstances I do not see how I can do anything but vote against the Bill.

Hon. Mr ASELTINE.

Hon. H. A. MULLINS: Honourable senators, perhaps I should say a word on this matter. I have lived in Manitoba for a great many years and know something about the situation there. The credit of Manitoba is gone as a result of the foolish legislation that has been passed in that country.

I went into a financial institution in Toronto the other day—in fact, I went into two of them just to try them out—to see where they lent their money. They told me they would not lend a dollar in Western Canada, because they did not know what was coming next.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MULLINS: They said, "We would rather take three per cent on bonds and put them in the vault than take chances on the foolish legislation that is likely to come next."

I do not believe Manitoba wants this Bill.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MULLINS: I had a great deal to do with putting the Act into effect. I appointed the inspector who was located in the town of Hamiota. The situation is pretty well cleared up now, and I think we had better try to bring back the credit of Western Canada so that we can go to a corporation and say, "I have three hundred and twenty acres of land, well fenced, without any weeds on it, and with good water and a good house," and can borrow money on it. Plenty of money would be available if it were not for foolish legislation in the Western Provinces. That is what has ruined the Western country. I am in favour of doing away with the Act.

Hon. J. J. HUGHES: Honourable senators, as I intend to vote against this Bill—

Hon. Mr. DANDURAND: I am surprised.

Hon. Mr. HUGHES My leader says he is surprised. I intend to vote against the Bill because it is infamous and lends itself to all kinds of dishonesty. In some provinces it has been used as a racket on a wholesale scale. There might be some merit in it if it were properly administered, but it seems to have the effect of demoralizing those appointed to administer it, and all connected with it.

The right honourable leader on the other side has said sufficient to convince me, and, I think, any honourable member of this House, that this kind of legislation should not be passed. In the province from which I come, I think the Act is more dishonestly administered than in any other part of Canada. There are three Maritime Provinces, and, taking

the rural population of each and comparing the expenditures in each, I find that the administration of this Act cost 900 per cent more in Prince Edward Island than New Brunswick, and 3,600 per cent more than in Nova Scotia. These facts were before the office in Ottawa, but the officials here approved of that kind of thing.

Hon. Mr. COPP: It was bad enough in New Brunswick.

Hon. Mr. HUGHES: Well, you were 900 per cent better than we were. That is the kind of thing this legislation is capable of performing. Surely if debt adjustments are needed in the Western Provinces or in any part of Canada, we can get legislation of some reasonable character for giving redress to those who are entitled to it. In this instance everything that is improper seems to be done, at least in the province that I come from. An honourable member who spoke a little while ago gave some instances to show how the Act has worked. I know of one case in Prince Edward Island where a farmer applied for redress under this Act, and one of his creditors came to the board of review and offered not only to pay all his obligations, but to give him a substantial sum of money in addition, yet the board cut his debts by about sixty per cent. The board of review is something shocking—or, at all events, that board of review was.

I can give another illustration. The official receivers were paid, I think, $30 for every case they brought, regardless of what happened to it. They went around canvassing, telling their friends and any man they could find who had any debts whatever: "Allow me to make an application for you. It will cost you nothing, and it will be $30 in my pocket, no matter how the case goes." Well, they would be given permission to make application. Hundreds of cases were brought in that way. And besides, cases were brought in which were outside the scope of the Farmers' Creditors Arrangement Act. The board of review sat from time to time, trying to determine their jurisdiction with respect to those cases, and could not come to a decision. They would hear a case again and again, and every such hearing cost the Government of Canada about $100.

Right Hon. Mr. MEIGHEN: That is why they could not come to a decision.

Hon. Mr. HUGHES: I know why. It was too profitable for them. The judge became temporarily ill. Another judge had to take his place, and he wiped the whole thing off the slate in a day or two. He said, with respect to a certain case, that an application should never have been made under the Farmers' Creditors Arrangement Act; that the proper tribunal to deal with the case, if it should have been heard at all, was the Exchequer Court. Things like that were going on. To say there is need for legislation which makes such proceedings possible in any part of Canada, is shocking. We are told that this Bill should be passed in order that Manitoba may not be denied privileges that Saskatchewan and Alberta have. They are not privileges. Manitoba has not the right to get infamous help such as this Act gives. This Act should be not merely repealed, it should be cremated. It is a disgrace, an outrage, and should be wiped off the Statute Book of Canada.

I might mention another thing. My leader (Hon. Mr. Dandurand) was trapped into doing a thing here that shows how legislation of this kind will demoralize people connected with it. The office in Ottawa used to make a report every year on the working of the Act. A report was submitted to my leader with regard to business conditions in Prince Edward Island; a report prepared, not by Mr. Gordon, the Administrator of the Act, but by some organization. It was infamously, viciously, and idiotically untrue, but the honourable leader read it and it went on the records of this country. I deem it to be my duty to point out the enormity of the thing. The honourable leader knows, I think, who trapped him into doing that.

Hon. Mr. DANDURAND: The document was signed.

Hon. Mr. HUGHES: The document was signed by the official. An official who would do that is not fit to be a civil servant in Canada. The official who signed the report did not prepare it. I know he did not, because he was not familiar with the conditions. If he did prepare it, he is even worse than I think he is. It was prepared by the junto and given to him. These are the men who were getting thousands of dollars a year for the kind of work they were doing under this Act. And now we are asked to continue and to extend the Act. I am going to vote against it.

Right Hon. Mr. MEIGHEN: Hear, hear.

Hon. Mr. HAIG: Honourable members, I move adjournment of the debate.

Hon. Mr. ROBINSON: That is what I wanted to move.

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

DIVORCE BILLS

SECOND READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the second time:

Bill M, an Act for the relief of Elma Jane Harris Aspell.

Bill N, an Act for the relief of Edith Leanora Holland Bonet.

Bill O, an Act for the relief of Dorothy Lavinia Worsley Baker.

Bill P, an Act for the relief of Eugene Belanger.

Bill Q, an Act for the relief of Rebecca Cohen.

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

THE SENATE

Wednesday, June 19. 1940.

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

Prayers and routine proceedings.

PRIVATE BILL

FIRST READING

Bill R, an Act to incorporate Sisters Servants of Mary Immaculate.—Hon. Mr. Hayden.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill S, an Act for the relief of Ethel Cahan Naihouse.

Bill T, an Act for the relief of John Roy Fumerton.

Bill U, an Act for the relief of Paul Edouard Tardif.

Bill V, an Act for the relief of Pearl Aizanman Morris.

Bill W, an Act for the relief of Molly Goldfarb Goldberg.

PRIVATE BILL

THIRD READING

Bill L, an Act respecting The Cedars Rapids Manufacturing and Power Company.—Hon. C. P. Beaubien.

NORTHWEST TERRITORIES BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK presented the report of the Standing Committee on Banking and Commerce on Bill 12, an Act to amend the Northwest Territories Act.

He said: Honourable senators, the committee have examined this Bill and report the same with one amendment, which is not of serious import to the purpose of the Bill.

Hon. Mr. HAIG moved that the report be taken into consideration at the next sitting of the House.

The motion was agreed to.

YUKON BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK presented the report of the Standing Committee on Banking and Commerce on Bill 11, an Act to amend the Yukon Act.

He said: The committee have examined this Bill and beg leave to report the same with a number of amendments. These do not affect the principle of the Bill.

Hon. Mr. DANDURAND moved that the amendments be taken into consideration to-morrow.

The motion was agreed to.

AGRICULTURAL PRODUCTS CO-OPERATIVE MARKETING BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK presented, and moved concurrence in, the report of the Standing Committee on Banking and Commerce on Bill 24, an Act to amend the Agricultural Products Co-operative Marketing Act, 1939.

He said: The committee have examined this Bill and made certain minor amendments.

The motion was agreed to.

THIRD READING

Hon. Mr. MARSHALL, with the leave of the Senate, moved the third reading of the Bill.

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

PRIVATE BILL

FIRST READING

Bill X, an Act to incorporate Quebec and Montmorency Railway Company.—Hon. Mr. L'Espérance.

SECOND READING

Hon. Mr. L'ESPERANCE, with the leave of the Senate, moved the second reading of the Bill.

Hon. Mr. DANDURAND: Will the honourable gentleman state briefly its purpose?

Hon. Mr. L'ESPERANCE: The explanatory note to the Bill is as follows:

Since 1895 the Quebec Railway, Light & Power Company has operated a tramway system in the city of Quebec and a line of railway extending some thirty miles from Quebec to Cap Tourmente, on the north shore of the St. Lawrence River, and passing through Montmorency Falls and Ste. Anne de Beaupré. This line of railway is known as the Montmorency division of the company, and it connects with the Canadian National Railways and the Canadian Pacific Railway Company. The Canadian National Railways run their trains to Murray Bay over this division.

It is desired to incorporate a new company to acquire and operate the Montmorency division of the Quebec Railway, Light & Power Company, as a separate undertaking, inasmuch as the tramway division provides transportation services of a different character for the city and district of Quebec.

The terms and conditions of any acquisition by Quebec and Montmorency Railway Company will be subject to the approval of the Board of Transport Commissioners and the Governor in Council in the manner provided by the Railway Act.

I may say that this Bill passed the Senate in 1936, but failed to pass the House of Commons because of delay occasioned by the fact that the city of Quebec wanted a clause added to give more protection to the city. Such a clause has now been inserted in the Bill, which will be considered in committee to-morrow. I am assured that the city of Quebec has no objection to the Bill as it is.

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

REFERRED TO COMMITTEE

Hon. Mr. L'ESPERANCE: I move that the Bill be referred to the Standing Committee on Railways, Telegraphs and Harbours.

Hon. Mr. DANDURAND: I would suggest to my honourable friend that, since there was previously some opposition to the Bill, the city of Quebec should be notified that it is coming up to-morrow.

Hon. Mr. L'ESPERANCE: I am informed that there is no objection to the Bill. The City Solicitor has seen the Bill and says it is all right.

The motion was agreed to.

CANADIAN ACTIVE SERVICE FORCE EQUIPMENT

INQUIRY AND DISCUSSION

Hon. CHARLES E. TANNER rose in accordance with the following notice:

That he will call the attention of the Senate to the inquiry and answers thereto tabled by the Government on June 6 instant, in reference to equipment of the Canadian Active Service Force, and will inquire if further information may be expected.

He said: Honourable members, I should like to make a few brief comments with regard to certain inquiries which I made, and the replies given by the Department of National Defence, presumably by gentlemen who are high up in the command of military matters in this country. I find it difficult to regard their replies in a serious way. There appears to be a disposition on the part of these gentlemen to make a secret of things that are not secret at all, and to becloud matters that are known the world over. Why they do that, I am at a loss to understand.

One of my great delights is to read the periodicals and the Press of England, where the public are taken into the confidence of the Government and are fully informed of what is being done, what is being made, what mishaps or disasters have occurred, and what is of advantage to the people. I will admit there may be some secret matters, but not everything pertaining to a war is secret. The Prime Minister of Great Britain makes no secret of colossal disasters, of losses of material and of men. On the contrary, he goes before the House of Commons and speaks right out about these things. Why does he do that? Because he wants to stimulate the people to greater effort. And if the people of this country are to be stimulated to greater effort they must be taken into the confidence of the Government and of the men who are in command of our defence forces.

What happened in England when the Germans produced their magnetic mines? English scientists went to work and produced a mechanism for rendering the mines ineffective. Well, that was not kept a secret. I do not know about other honourable members, but I saw pictures of the thing in the London illustrated papers. There were photographs of it as it was being placed on ships, and detailed descriptions were given. Had such an invention been developed in our country, I presume our defence officials would treat it as a most profound secret, and nobody would hear about it. Whenever a new aircraft is developed in England the people are told of it. Not a great while ago there were, in the same periodicals I am

referring to, pictures and full descriptions of a plane called the Defiance. And in papers like the London Illustrated News and the London Sphere I have read a detailed description of every tank produced in England, including particulars of every item entering into the construction of the tank. But here we should not be told a thing about such matters, and if we inquired from our friends down at military headquarters they would say, as they have been saying, that it was not in the public interest to give out the information.

I am just as desirous as the honourable leader of this House is that our people should put their whole effort and energy back of the Government. We are all delighted to know that there is to be more serious, determined and vigorous prosecution of this war. That is as it should be, because the fact is, though a great many of our people do not seem to realize it, that Canada is a principal party in this war, not a subsidiary. We are told that Canada is a nation, and we are proud of that. Last September we assembled here and declared war on Germany, and not many days ago we declared war on Italy. We took these steps on the same footing as England did, as an independent and free people. What else is there for us to do but make war to the very best of our resources in manpower and in materials? I should hope that not a Canadian would ever think of saying that we will retire from this war. We must go on. And if our national war effort is to be supported by all the people, then the people must have an unshakable confidence in those who are at the head of the Government. Such confidence cannot be built up if our leaders refuse to give information about matters that should not be regarded as secret—military matters that are known about in Germany, in England, in the neighbouring country to the south, and all over the world.

I am particularly interested in some questions I asked a while ago, replies to which were given on the 6th of this month. I would remind honourable members that when the First Canadian Division went overseas we were told, times without number, that they were fully equipped. That statement was given out over the radio, in the press and on the platform. My questions were not asked because of some personal curiosity. I have been amazed at the number of people who have communicated with me because they are interested in these questions. They are people who have sons, husbands or brothers overseas, and they want to know whether their kindred were properly equipped before going overseas. And I take the liberty of declaring that they have a right to know.

So I put a number of questions on the Order Paper. The first five were elementary. They simply asked what the equipment of a Canadian division is. The word "establishment" was used in the inquiry, because that is the military word to express what I was trying to get information about, namely, how many guns of one kind and another—Bren automatics, trench mortars, smaller trench mortars, anti-tank guns, lorries, Bren gun carriers, platoon lorries, field kitchens, tractors, and so on—go into the making of a Canadian division.

But the men down at Defence headquarters say they cannot give an answer to that question, because the information is contained in a book printed in London, which has a padlock on it, and they dare not open it except to show the contents to some person in authority. Well, I made some inquiry, and I have no doubt there is a book, and I quite appreciate that it contains some matters which should not be disclosed to the enemy. But in the list of questions I submitted, not one secret weapon was mentioned. Many of the weapons were used in the last war, and to-day the Germans are using them, as are the British and the French. They are the ordinary weapons of modern times, and there is no secrecy at all about them. The Germans know how many the British have; the British know how many the Germans have, and how many the French have. I would not suggest for one minute that our Defence officials are not fully acquainted with all these details. No doubt they could come here and, without looking at the book at all, give information on all the items that I made inquiry about. I know military men, men who never saw the book, but who served in the last war, and I asked them about the equipment of a Canadian division. They said they could tell me the whole of the particulars in half an hour. The other day, in one of the Ottawa papers, I saw the full details of a German division. If it were a matter for amusement, one would have to smile at the refusal of officials to answer the inquiry. Weeks ago I read in English periodicals everything about the kinds and numbers of weapons used in modern armies. One of these publications, issued not long ago, is in my Ottawa apartment now.

Hon. Mr. DANDURAND: Then why did my honourable friend seek information that he already had?

Hon. Mr. TANNER: I wanted it to be given officially. My point is that these gentlemen down in Defence headquarters are trying to make a secret out of something which is not secret. I wanted to get the facts

from them, so that there would be no question as to accuracy. I am not criticizing the honourable leader of the House (Hon. Mr. Dandurand). I am directing attention to gentlemen down at headquarters, who contend that matters that are known about all over the world should be treated as profound secrets, and who announce that Canadian soldiers are fully equipped when sent over to England, whereas that is not so.

Hon. Mr. DANDURAND: That is the question.

Hon. Mr. TANNER: I fail to understand why they persist in telling the people of this country that the First Division went over to England fully equipped. Why did they not come out plump and plain and say, "No, the division is not fully equipped, but when it gets to England we will see to it that it is fully equipped." I shall not dwell further on the point. There is the simple truth.

My honourable friend will observe that in the English Press and periodicals information of this kind is published, whereas here we can get no information at all. And so with respect to the answers to my questions brought down yesterday. I see in English papers pictures showing the manufacture of depth charges and the other munitions referred to in my inquiry. The whole thing is disclosed to the British people, and that is why they are displaying such confidence in their Government.

This is my sixth question:

Of all the equipment, arms, vehicles and the like referred to in the foregoing questions and the answers thereto, what equipment, arms, vehicles and the like are being manufactured in Canada?

That is a pertinent question, and I did get an answer to it. The answer discloses that the only items of equipment manufactured in Canada for the First Division were:

Mechanically propelled vehicles except tracked vehicles, Bren guns, and 3-inch mortars.

Those are the only three items of equipment for the First Division that were being manufactured in Canada. To that answer is appended this note:

A plant is being set up in Canada for production of 25-pr. guns. Orders have been given for manufacture of carriers.

There is the proof conclusive that the First Division was not fully equipped when it sailed for England.

I am not attacking anyone; I am simply pointing out the facts. I think the public have a right to know the truth, that at the time these answers were prepared, out of the score of necessary equipment those were the only few that were being made in this country.

Now the next question:

From what sources of manufacture and production, respectively, is the First Canadian Division of the Canadian Active Service Force supplied with each class of the arms, equipment and vehicles and the like above referred to?

This is the answer:

Wheeled mechanically propelled vehicles from Canada; tracked mechanically propelled vehicles from United Kingdom; Vickers machine guns from available stocks in Canada; Bren light machine guns from the United Kingdom; mortars from the United Kingdom; anti-tank rifles from the United Kingdom; 25-pr. equipment from the United Kingdom; anti-tank guns from the United Kingdom.

Right Hon. Mr. MEIGHEN: What is the date of the answer?

Hon. Mr. TANNER: June 6. That was the situation then. Without making what could be regarded as an attack on anybody, I am bound to say I do not think that is very creditable to Canada—a country that could and should have been making every one of these things. We as a nation are not in this war merely as a helper; we have been in it since September as a principal, as a nation that has declared war against Germany. That being the case, we should in the meantime have been making war to the utmost of our resources. That is the view I take, and when I find that up to June 6 we have been doing so little to provide essential war equipment, I feel that this is not creditable to Canada.

Let me refer again to the Bren gun. I can get no information with respect to the first five questions of my inquiry. Why is it we get so much publicity about the Bren gun when we cannot be told about the other articles of warfare? Every day or so it is announced that Bren guns are in production and that the company making them is six months ahead of production. If it is not right to give out information with regard to other weapons, why should the Bren gun be advertised so much? That question has been revolving in my mind for some time. I cannot reconcile this difference. If there must be secrecy about other implements of war, why should there not also be secrecy about the Bren gun? That is one more reason why I have come to the conclusion that this refusal on the part of military headquarters to tell us about things that are so well known is all camouflage in an attempt to hide their delays.

Right Hon. Mr. MEIGHEN: The honourable member says there is publicity about Bren gun production. Can he tell us whether there is any Bren gun production in Canada yet?

Hon. Mr. TANNER: I do not know, but I notice that for over two weeks a question has been on the Order Paper as to how many Bren guns have been produced. As yet no answer is forthcoming.

Hon. Mr. DANDURAND: I understand that the Bren gun has been in production for some time.

Hon. Mr. TANNER: I do not know.

Right Hon. Mr. MEIGHEN: What is meant by "in production"?

Hon. Mr. DANDURAND: That it is being turned out.

Right Hon. Mr. MEIGHEN: Will the honourable gentleman tell us, within any figure he cares to name, how many Bren guns have been turned out in Canada, delivered complete?

Hon. Mr. DANDURAND: I will not ask my right honourable friend to put his question on the Order Paper, since I have a sufficiently good memory for me to answer it to-morrow.

Right Hon. Mr. MEIGHEN: Then I do not need to put my question on the Order Paper. It is on Hansard.

Hon. Mr. DANDURAND: Yes.

Hon. Mr. TANNER: The statement given out to the Press the other day by the Minister of Transport was to the effect that Bren gun production was six months ahead of the stipulated time.

Right Hon. Mr. MEIGHEN: Oh, yes.

Hon. Mr. TANNER: It might be, for it is two years since the contract was made. The company ought to be away ahead of schedule. But the point that struck me was this: why are we not told how many guns have been produced and delivered to our military authorities? That is the point which interests the public. "Six months ahead of production" does not mean anything at all to the general public. It might mean only a dozen guns; it might not mean even so many. There is the trouble, the reluctance to give the people specific information.

Now I come to question 8 of my inquiry:

From what sources of manufacture and production respectively is each class of the arms, equipment and vehicles and the like referred to above now available or becoming available for the Second Canadian Division of the Canadian Active Service Force?

We know that the First Division did not take over a single Bren gun. It did take some old Vickers guns, which, though very good, are nothing to be compared with the Bren. All the Bren guns were supplied to the division by the British authorities. Now I ask this question: Are we going to furnish our Second Division with equipment manufactured in Canada? This is the answer:

The equipment for the Second Division will probably be in exactly the same position as the equipment for the First Canadian Division.

I have said that in my opinion the answers to my inquiries with respect to the equipment supplied to the First Division were far from creditable to this country. But this answer with respect to equipment for the Second Division is unquestionably discreditable to Canada. To think that when we send over another division we shall be in no better condition to equip it than we were to equip the First Division when it went overseas! That is the statement of the military authorities of this country.

Hon. Mr. DANDURAND: The honourable gentleman would have to establish that the First Division was not sufficiently equipped to cross the ocean.

Hon. Mr. BLACK: Was the First Division sufficiently equipped to go into battle?

An Hon. SENATOR: No.

Hon. Mr. BLACK: No. It did not have a machine-gun made in Canada, nor a tank.

Hon. Mr. DANDURAND: I will answer my honourable friend now, though he has not the floor. The First Division was sufficiently equipped for the training it was to undergo in England.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BLACK: Not at all. It was not sufficiently equipped to go to war. As part of the British Empire we ought to equip our men to fight, and not send them over to depend for arms on the charity of Great Britain.

Hon. Mr. DANDURAND: My honourable friend should know that equipment was being manufactured in England, but not in Canada, and it could not have been manufactured here at the time.

Hon. Mr. BLACK: It ought to have been.

Hon. Mr. DANDURAND: Yes, persons are very wise while sitting in their offices or in this Chamber.

Hon. Mr. TANNER: Surely, honourable members, this proud nation should have been able to equip its soldiers. We have been told so often that we are a proud nation. We declared war on a barbarian power. Having had to depend wholly on Great Britain for the equipment supplied to our First Division, surely when our next division embarked this

proud nation should send it over with all the equipment necessary to enable our men to meet the enemy at the battle-front. But this answer says: "No, we do not expect to do so; we must depend on England to equip our next division."

Hon. Mr. DANDURAND: We buy from England.

Hon. Mr. TANNER: How can England equip our troops? Surely it is our duty to prepare the necessary equipment not only for our own men, but for England's as well.

Hon. Mr. DANDURAND: We are doing so in certain lines now.

Hon. Mr. TANNER: Well, that is my protest.

Tanks were mentioned a few moments ago. I notice how the tanks are being advertised. There seems to be no hesitation at all about telling us that we are going to make three hundred tanks.

Hon. Mr. DANDURAND: But without the engines.

Hon. Mr. TANNER: Sure. That is the trouble. My honourable friend thinks the Canadian army will never need tanks. If we are going to battle against the Huns we must have tanks. They are the implements that won the fight against the French. Surely we are not going to send Canadian soldiers, to meet the enemy some time in the future, without providing them with tanks to meet tanks. I do not know what my honourable friend thinks, but what I think is this, and it can be taken for what it is worth. This war will not be finished until the British soldiers, the soldiers from Canada, from Australia, New Zealand and South Africa are fully equipped with every implement of war to fight Germany—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. TANNER: —and march into Germany, devastating the country as they go, until they come to Berlin and lay down the law to those barbarians and make a real peace.

Some Hon. SENATORS: Hear, hear.

Hon. J. A. McDONALD: Honourable senators, I have but a very brief statement to make.

Few men have had the opportunity I have had to meet the manufacturers and the labouring men of Canada. I have just travelled from Halifax to Vancouver, and have been in the closest association with our manufacturers, and I want to say that they are among the most patriotic and loyal citizens we have in this country. Thousands of them are willing to work without a dollar of profit, and to many of them their employees are as their families. Among the labour men of Canada, who are the best on this continent, there are two philosophies, the International and the National. Both are powerful, and they are well represented by clear-headed men who, I think, should be called into consultation with the Government of Canada.

I notice in the deliberations of the Senate and of the House of Commons that there is in some quarters too much preaching of blue ruin; too much of the idea that we are going into this war because we are afraid, because there is a terrible tragedy impending and the clouds are very, very dark. I do not think the British Commonwealth of Nations is fighting for any such reason at all. When I read Churchill's speech every drop of blood in me jumped. No man could read that wonderful address without realizing the justice of our claims and experiencing a feeling of certainty as to the end.

I am not entering into any criticism. The Government have made a certain move in connection with conscription—God bless them for it! But there is something else. I am a Canadian, but I am also a citizen of the British Commonwealth. I have at home a piece of parchment for which I would die. I am not worthy of it. It says that I am an adviser—and I am, though in a very weak way, to be sure—to King George of England.

Some Hon. SENATORS: Hear, hear.

Hon. J. A. McDONALD: We should praise England, Scotland and Ireland, and be proud we are British. In saying this I am not reflecting on anybody, for in every province I have found the people loyal and willing to do their part. I cannot see why there should be any of this talk of blue ruin. We have the best banking system and the finest financial institutions in the world. They will carry us through. I cannot understand the permeation of the idea that a terrible tragedy is impending. I am proud of my British ancestry and I love British institutions. As I say, I am a Canadian. But what of the England of Nelson, the Scotland of Montrose, or the Ireland of Wellington? Some people speak disparagingly about Ireland, but I would remind you that at Louvain, the Irish, with anything they could get their hands on, drove the enemy back three times, and with proper support would have driven them into Germany. Let us dispel the idea that we are fighting because we have to. We are fighting for British principles. My heart goes out to every bit of ground and every stretch of water over which

the Union Jack flies. It is all this we are fighting for; not just for Canada. I remember that when my mother was dying she passed me a small piece of paper she had brought from the Old Country—that grand old country where the Nazi banner will never float over the tomb of Nelson or Wellington. It bore these lines:

He slams his door in the face of the world
if he thinks the world too bold;
Sometimes he'll curse—
But he opens his purse
To the sick and the weak and the old.

He is slow to give to woman the vote, and
slower to pick up her fan,
But he gives her room
In her hour of doom,
And dies for her like an Englishman.

So God Bless the Union Jack! Rule Britannia! I am not afraid. I do not believe we should be disheartened. My sons have joined the colours, not because of conscription, not because they are fighting for civilization or Christianity—God will look after that—but because they are behind the British flag, and all it stands for, and so am I.

DEPARTMENT OF MUNITIONS AND SUPPLY BILL

FIRST READING

A message was received from the House of Commons with Bill 41, an Act to amend the Department of Munitions and Supply Act.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of the Bill.

He said: Has my right honourable friend read the Bill?

Right Hon. Mr. MEIGHEN: Yes, I have. I think the Bill will have to go to a committee. It is really a new measure. It is the Bill I spoke about to the honourable gentleman.

Hon. Mr. DANDURAND: Yes, I know. My reason for putting the question is that the Bill, if it receives second reading, can perhaps be disposed of in committee and get third reading in time to receive the Royal Assent along with the other Bill we have been expecting, which authorizes the Government to take control of man-power and wealth.

With the leave of the Senate I would move the second reading of this Bill, and in doing so would read the remarks made by the Minister in introducing the Bill in the House of Commons. He said:

Hon. Mr. McDONALD.

The Department of Munitions and Supply Act was passed by the session of Parliament held in the week between September 6 and 13, 1939. The Act was actually proclaimed on April 9, 1940. In the meantime the work which is now carried on by the department was carried on by the War Supply Board. The regulations of the War Supply Board were somewhat similar to the original Department of Munitions and Supply Act. As the work of the department developed, certain wider authority than given by the Act was given to the War Supply Board. Also certain changes in practice developed through experience, which were not the practices set out in the Department of Munitions and Supply Act. When the Act was proclaimed it was of course necessary to continue all the undertakings of the War Supply Board and to continue the procedure very much as it had been carried on by the War Supply Board.

The purpose of these amendments is, first, to bring the Department of Munitions and Supply Act into conformity with the amendments to the Act which were made by Order in Council under the War Measures Act to enable the department to function and to take over from the War Supply Board without interrupting the procedure. A second purpose is further to enlarge the powers of the department under the Act and to revise the procedure, primarily for the purpose of permitting a considerable degree of decentralization of the work carried on by the department. It has been found utterly impossible to assemble in Ottawa a sufficient staff to handle all the multiplicity of undertakings that the department has in hand at the present time. The Act provides that certain Government owned and controlled companies shall be established and headed by business men chosen by the Government who will be able to carry on certain operations as companies rather than as part of a departmental staff.

That, I think, covers the general purpose of the amendments to the Act. It is exceedingly difficult to discuss any of them in detail until the Bill itself is distributed—

These remarks were made on the resolution to amend the Act.

—but of course I shall be glad to answer, as far as I can, any questions that may occur to honourable members in the meantime.

I will content myself with this summary explanation, as I intend, if the Bill is given second reading, to move reference to the Banking and Commerce Committee.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. Dandurand, the Bill was referred to the Standing Committee on Banking and Commerce.

THE WAR SITUATION

REPORT OF DEBATE

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN: Honourable members, in reading our Hansard of yesterday I find, at page 174, something

I do not dispute having said, but which I should not have said had I understood what preceded.

Hon. Mr. MURDOCK: How is it that the rest of us have not got a copy of Hansard?

Right Hon. Mr. MEIGHEN: I have just got the sheets that are sent for revision.

I quote as follows, from page 174:

Right Hon. Mr. Meighen: Honourable members, I am sorry the leader of the House speaks as he does.

Hon. Mr. Dandurand: Is not my right honourable friend sorry also that the honourable gentleman from Ottawa East should speak as he did?

Right Hon. Mr. Meighen: Yes, I am. I do not like introducing the subject, but I must protest against the continual loading of something on the War Office of Great Britain.

The only words to which I wish to call attention are "Yes, I am." I certainly never intended to say anything of the kind as regards the statement by the honourable senator from Ottawa East (Hon. Mr. Coté). I do not doubt that I did say it, because the honourable senator from Ottawa East came to me shortly afterwards and asked me if I was rebuking him, which I denied.

Hon. Mr. HARDY: Well, you should have said it.

Right Hon. Mr. MEIGHEN: Consequently, I do not deny that the Hansard report is correct. But the reason I answered my honourable friend's question in that way was that I misunderstood what he asked me. I thought he asked me if I did not regret that the War Office had to interfere with the dispatch of our men to France. Sometimes one does not get the exact meaning of what is said. I know the honourable leader must have said exactly what appears in Hansard. Therefore, I want to make it perfectly clear that, far from rebuking the honourable senator from Ottawa East, I concurred fully in what he said. Indeed, nothing has ever been said in the other House or in this House, in my hearing, with which I more heartily agree. So for the revised Hansard I have struck out those words to which I referred, because they have an application I never intended.

Hon. Mr. DANDURAND: That means my right honourable friend concurs in the remarks made by the honourable gentleman from Ottawa East (Hon. Mr. Coté)—

Right Hon. Mr. MEIGHEN: Hear, hear.

Hon. Mr. DANDURAND: —in criticizing the fact that no Canadian soldier, Canadian tank, Canadian aeroplane nor Canadian gun took part in the battle in France. I offered to give my honourable friend the answer, and he asked that I wait until he had finished speaking. I also suggested that he consult the War Office in London. His response was:

If that is the answer, I would say it is not a very brave answer to a record which strikes a great many of us as one of ineptitude.

To that I replied:

It is a reckless statement my honourable friend is making.

Then I answered the honourable gentleman and showed that the Canadian Government had not been remiss in their duty, and that the War Office were responsible for the fact that none of our troops were in France. My right honourable friend (Right Hon. Mr. Meighen) then said he was sorry that I spoke as I did. I asked him if he was not sorry also that the honourable gentleman from Ottawa East spoke as he did. To this my right honourable friend replied:

Yes, I am. I do not like introducing the subject, but I must protest against the continual loading of something on the War Office of Great Britain.

Of course, the latter part of that answer showed what was uppermost in my right honourable friend's mind. Now he adds that he agrees with the statement of the honourable senator from Ottawa East. The kernel of that statement was an implication that the Canadian Government were remiss in their duty, because there was no Canadian representation on the Rhine. Surely my right honourable friend does not share in such a view.

Right Hon. Mr. MEIGHEN: I share fully in what was said by the honourable senator from Ottawa East. He never intended to imply that at the moment the dispatch of a Canadian contingent was under consideration a wrong step was taken in not dispatching it. That was not in his mind, nor was it in mine. The point he made was this, that the conflict began and ended in France without our having taken steps which would have enabled us to be represented in that struggle.

Hon. Mr. DANDURAND: The honourable senator from Ottawa East said we had three lines of defence—the Rhine, Great Britain and Canada—and that the first line had gone before we had any soldiers there to defend it. I answered that our troops were in England in the latter part of December, or early in January, and that responsibility for their not being sent to France lay on the shoulders of the High Command or the War Office. I now repeat that statement. Our troops, not completely trained, had been sent to England, where they were to finish their training.

While they were being trained over there, six British divisions were also undergoing training along the same lines. But neither any one of those six divisions nor our division was sent across to France. We could not ask that our division be sent to France until the War Office decided, in the light of general plans and policies, that it should be sent. Of course, we are an autonomous country and had a word to say, but the plans under which our troops would have been dispatched across the Channel remained, quite naturally, under the direction of the High Command. That being so, I refuse to accept the statement that the Canadian Government are responsible for our First Division being absent from the Rhine when the hour struck. It should not be said in this Chamber that the Canadian Government were remiss in their duty because none of our troops were sent to France.

Hon. Mr. COTE: Honourable senators,—

Right Hon. Mr. MEIGHEN: May I say just one word? The fact that our troops went over to England in January does not mean that any Government could have sent them to the battle-field. They went over without any equipment to fight with, because there was lack of production here, and, even if they had had any equipment, they were untrained in the use of it. Consequently they had to be provided with equipment in England and trained there. The whole policy of failure to provide equipment and training in time resulted in the situation which the honourable member from Ottawa East depicted and which I deplore—a situation for which this Government, and no other, are responsible.

Hon. Mr. DANDURAND: I have great respect for my right honourable friend's abilities, but I doubt whether anyone could have made as rapid strides as the Government did from the third of September to the time our troops left for England.

Right Hon. Mr. MEIGHEN: The Government should have made a start long before.

Hon. Mr. DANDURAND: I will tell my right honourable friend, on the authority of the Canadian Journal of Commerce, which speaks for the Federation of Chambers of Commerce, that the success of the Mackenzie King Government in the recent election was due to the fact that at the head of key departments they had placed men in whom the country had confidence. The statement was made on every hand that the Government won the day on the 26th of March because they had carried on well right from the outbreak of war. I am saying that, not to emphasize the result of the election, but simply to point out that when the people were consulted they felt they could place confidence in men they knew, rather than in a shadow government that was being suggested.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: And I may say this,—

Right Hon. Mr. MEIGHEN: My honourable friend is pretty sensitive on this subject.

Hon. Mr. DANDURAND: I want to say this, that I do not like the state of mind of my right honourable friend and his friends around him. Instead of offering constructive suggestions, they simply criticize and disparage the Government's work. They never express a word of satisfaction for the strides that have been made. All kinds of questions are asked as a basis for criticism.

Hon. Mr. HARDY: And rumour.

Hon. Mr. DANDURAND: I say it is unworthy of the Upper Chamber of Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MURDOCK: May I appeal to my honourable leader (Hon. Mr. Dandurand)? We all want to help in winning this war; so I suggest that a cable be sent to the British Government requesting that the services of General Gort be dispensed with, and that three or four members from the other side of this House be drafted.

Hon. C. MacARTHUR: Honourable senators, I shall not detain you for more than a minute.

Hon. Mr. COPP: Take an hour.

An Hon. SENATOR: Two hours.

Hon. Mr. MacARTHUR: The right honourable leader on the other side (Right Hon. Mr. Meighen) said he wanted to have certain words deleted. That is a question for the House. I submit that yesterday the honourable senator from Saskatchewan North (Hon. Mr. Horner) and the honourable senator from Ottawa East (Hon. Mr. Coté) most unnecessarily interjected a very controversial subject. I deprecate and regret, particularly in these serious times, the acrimonious debate which followed. The right honourable leader opposite could do nothing less than disapprove the remarks which precipitated that bitter discussion. For the life of me I cannot understand the attitude of the honourable senator from Ottawa East (Hon. Mr. Coté). Is he pitting his judgment against General McNaughton's and that of the War Office in London? Actually, he

is doing so. What is to be gained now by saying there was not a Canadian soldier on the Rhine?

Hon. Mr. COTE: That is a fact.

Hon. Mr. MacARTHUR: Of course it is a fact. Does the honourable gentleman think there was no reason for that fact? Does he think his intelligence greater or his judgment sounder than that of the able men in charge of military affairs overseas? Why did Canadian soldiers not take part in the fighting in Norway? They were started on the way, but those in authority considered it wiser to bring them back to England. Does the honourable gentleman from Ottawa East rate his judgment against that of the High Command? If so, why did he not take charge of those operations?

Hon. Mr. COTE: Why did we not manufacture tanks?

Hon. Mr. MacARTHUR: The honourable gentleman complains there was not a single Canadian soldier on the Rhine. Where do we get with that talk? There was good reason for our soldiers not being at the front.

I have something further to say. Why do we hear so much about the Bren gun? Why is the matter brought up so often and made so much of? My honourable friend knows why. He knows that Maclean's and Colonel Drew and the horde of lesser critics have told us that the Inglis company had nothing but a shell of a factory and would not for a long time be in a position to turn out Bren guns. But those critics are now confounded, for the company is on mass production and ahead of schedule, with its men working seven days a week. Does the honourable gentleman want them to work eight? The right honourable leader opposite asks, "How many Bren guns have been finished?" Whether any have been finished I do not know, but if they are not finished there is good reason for the delay. There will be plenty of Bren guns finished in a comparatively short time, and we shall be ahead of the game. If there is failure to make adequate deliveries, the company's executives should not be in charge of production. The right honourable leader of the Opposition is very astute and puts very awkward questions. How many guns are being produced I do not know, but I do know we have men in charge working from eighteen to twenty hours a day, and you cannot better them. The honourable gentleman from Saskatchewan North has suggested Herridge as one who would "step up" things. He might; I do not know. However, Herridge would be unknown but for the fact that he is a brother-in-law of a former Prime Minister of Canada. If that is the best suggestion the honourable gentleman can make, he had better devote his attention to matters on which he is better informed.

Hon. J. A. CALDER: Honourable members, I do not know what question is before the House, but I feel I should say a word or two. We all know the situation that confronts Canada. The other day Winston Churchill said, and I think very wisely, that if we spend all our energy in considering the past we shall lose the future.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: I would suggest to every honourable member that we refrain from unnecessary criticism, particularly with regard to the past. We all know mistakes have been made. We know that any other Government would have made a thousand mistakes. All Governments whose countries are at war have made appalling mistakes. We should not be where we are to-day if human nature had not failed, and failed woefully. We have to expect these things in the conduct of this titanic struggle, notwithstanding that those in authority may exercise their very best judgment. After all, man is but mortal, and every mortal is prone to make mistakes and do all sorts of things that should not be done.

Hon. Mr. DANDURAND: Errare humanum est.

Hon. Mr. CALDER: Exactly. I plead with every member that from now on to the end of this session he endeavour to avoid discussion such as we have had on two or three occasions during the last few days.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: Let us look to the future. Let us all join together and do what we can in order to help the Government, those in authority, those who must act for us and for the people of Canada. Let us as a body willingly do everything we can in order to attain that end. Let us forget the past and look entirely to the future.

There is one word I would say to the honourable leader opposite (Hon. Mr. Dandurand), and I know he will not be offended. He welcomes only what he regards as constructive criticism; and any criticism offered should be constructive and helpful. He has been in the thick of all that has been done to carry on national affairs up to the present time, and he feels that the Government have done well; that is, he feels they have done their best. He does not like to be criticized himself, nor

to hear criticism of his fellow Ministers. That attitude is only human. He resents such criticism, and shows his resentment, and then somebody on this side immediately tries to hit back. That is our trouble. Let us keep a tight rein on our feelings and not show resentment at all. I suppose I should not attempt to give advice to this honourable body, but I am sure everyone who is listening to me is quite certain that I am correct in suggesting what in the present situation our conduct should be.

Hon. L. COTE: Honourable members, I think that in all fairness I should be allowed —although we are all out of order—to add a few words. I do not think I deserve any abuse or opprobrium for what I said yesterday. We have a Government who stated to us that they would carry on as a party Government, and that the existence of an Opposition was essential for the purpose of criticizing them and holding them in check. That principle was stressed during the last election—and I would remind honourable members that last night I did not mention the last election. It was stressed by the present Prime Minister that what he described as Union Government was impossible in this country and would result in chaos and class war. In accordance with that doctrine we have an Opposition, and I cannot understand why the speech I made last night should raise such antagonism and resentment. Yesterday I was not talking politics: I did not refer to the elections of last March. An honourable member from the opposite side did mention the elections and the "unquestioned mandate" obtained from the people by telling them that the maximum was being done to defeat the enemy. I repeat, I did not mention the elections, but I rose in my seat to give expression to sentiments that were at the bottom of my heart. I expressed myself very clearly. I did not discuss whether or not, when the battle in France was lost, it was advisable to send our troops across the Channel to be sacrificed, and no words I used yesterday can carry any implication to that effect. But, uninformed as I am, as is any member who is not a Liberal and therefore is not persona grata with the Government, and having no source of information except the statements addressed to us from time to time, I did express the feeling that, Canada having as a free nation declared war on Germany and voluntarily engaged in the titanic conflict, and having been at war for nine months, some Canadian tanks, Canadian aeroplanes, or Canadian guns, and some Canadian soldiers should have been on the first line of defence. That is all I said.

Right Hon. Mr. MEIGHEN: Hear, hear.

Hon. Mr. COTE: Surely that is a matter which needs explanation. Maybe honourable senators opposite imagine we are thinking of politics all the time. We are not.

Some Hon. SENATORS: No, no!

Hon. Mr. COTE: They must realize the anguish of Canadians who ask themselves the question, "Why is it so?" Surely nobody last October prevented us from manufacturing tanks or aeroplanes or other war equipment.

An Hon. SENATOR: That is the question.

Hon. Mr. COTE: Possibly there is an answer. If there is, I shall be happy indeed. But after listening to the explanations offered and the abuse heaped on me from the opposite side of the House, I say that every word I said yesterday stands and I have nothing to withdraw.

Hon. Mr. MacARTHUR: There was nothing abusive.

Right Hon. Mr. MEIGHEN: And I may add, notwithstanding the far too frequent exhibitions of anger by the honourable leader of the House (Hon. Mr. Dandurand) towards anything in the nature of criticism, notwithstanding the boisterous barracking of honourable gentlemen opposite—

Some Hon. SENATORS: Under provocation.

Right Hon. Mr. MEIGHEN: —and the puny advice of punier minds, I intend to pursue exactly the course I have pursued: to support what I feel deserves support, to criticize what I feel deserves criticism, and particularly to resent attempts to foist on another nation responsibility for the conduct of Canada.

Hon. Mr. MURDOCK: And the course that the right honourable gentleman—

Right Hon. Mr. MEIGHEN: This is the puny mind.

Hon. Mr. MURDOCK: —has pursued has been to demonstrate on every possible occasion his resentment of the defeats which he has suffered at the hands of the electorate.

Some Hon. SENATORS: No, no.

Hon. Mr. MURDOCK: I say yes.

Some Hon. SENATORS: No, no.

Hon. Mr. MURDOCK: Nothing but political resentment and antagonism has actuated the right honourable gentleman from the first day that I saw him in this House.

Some Hon. SENATORS: Boo! Boo!

Hon. Mr. MURDOCK: Boos do not settle the things that this Government is trying to settle. The men who have uttered what we have heard right here on this floor during this session have done more harm to the interests of the British Empire and the French nation than the parachutists who, a few weeks ago, were dropped down in Belgium and Holland. They are poor sports, who cannot tolerate the lickings they have taken on various occasions in the political arena, and who demonstrate their resentment here on every possible occasion.

Some Hon. SENATORS: Boo!

Hon. Mr. DANDURAND: If my right honourable friend would allow me to give him some friendly advice—I think I am his senior—I would suggest that he, having borne the load of government for years, should occasionally show a little sympathy for the men who are now carrying the load.

Right Hon. Mr. MEIGHEN: I have done so, and have expressed my sympathy many times. I think the honourable gentleman knows that, but I do not expect it to sink into the minds of certain others around him who talk the most.

Hon. Mr. MacARTHUR: If the honourable gentleman from Ottawa East (Hon. Mr. Coté) was referring to me as being abusive, I may say I resent the reference. I was not abusive. All I say to him and to the right honourable gentleman is that they receive all the information that we on this side receive. Why should they complain if the Government withhold information which it would be prejudicial to divulge? If the honourable gentleman wants information, let him go to the authorities. He gets everything that we on this side of the House get.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following bills were severally read the third time, and passed:

Bill M, an Act for the relief of Elma Jane Harris Aspell.

Bill N, an Act for the relief of Edith Leanora Holland Bonet.

Bill O, an Act for the relief of Dorothy Lavinia Worsley Baker.

Bill P, an Act for the relief of Eugene Belanger.

Bill Q, an Act for the relief of Rebecca Cohen.

FARMERS' CREDITORS ARRANGEMENT BILL

SECOND READING

The Senate resumed from yesterday the debate on the motion for the second reading of Bill 25, an Act to amend the Farmers' Creditors Arrangement Act, 1934.

Hon. JOHN T. HAIG: Honourable senators, this is not the first time a Bill dealing with this subject has come before this House. The first Bill was introduced into the Senate in the session of 1934—

Some Hon. SENATORS: Louder.

Hon. Mr. HAIG: —and was passed into law. It affected all mortgages and agreements made in Canada prior to the 1st of June, 1935. In 1938 the legislation was amended so as to provide that in certain provinces the law should expire on the 31st of December of that year, and in British Columbia and Manitoba on the 30th of June, 1939.

I shall not take up very much time in discussing this matter, because it has been very ably dealt with by previous speakers. We now have a request by the Government of the day to pass a Bill reinstating the province of Manitoba under the Act. It has been admitted, I think, that legislation of a public nature which applies to only one province is not good legislation. If legislation such as we have before us were proper with respect to Manitoba, it would be just as proper with respect to every other province in Canada. But the principle of the Bill is wrong.

The question every honourable senator is asking himself is why this Bill makes provision with respect to Manitoba. A number of honourable senators have asked me why this legislation is requested by that province. That is a fair question, and I shall try to answer it. A peculiar thing happened. In Manitoba, during the session of 1937, the Conservative Opposition accused the Liberals of having allowed the Act to be cancelled, so far as that province was concerned. The Liberal Government denied this, and blamed the Senate. The argument has continued ever since. In the session of 1939 the Manitoba Government brought in an amendment to the King's Bench Act, whereby power was given for the adjustment of mortgages; but it was no good without the consent of the Dominion, and the Dominion would not give its consent. Then last session this Parliament passed the Central Mortgage Bank Act, which enabled the Government to put up part of the losses on mortgages. That Act is still on the Statute Book. To-day Manitoba would rather have the Central Mortgage Bank Act

than the Farmers' Creditors Arrangement Act, and the only reason the present Bill is before us is that the Government of the day have refused to put the Central Mortgage Bank Act into force.

Hon. Mr. HUGHES: Why?

Hon. Mr. HAIG: I cannot answer.

Right Hon. Mr. MEIGHEN: Ask the Government.

Hon. Mr. HAIG: I am one of the two members on this side of the House who voted in opposition to that Act; therefore I am quite candid in saying that if it were in force the present legislation would not be asked for.

What happened in Manitoba? In that province we have a Debt Adjustment Act, or Mortgage Postponement Act, which has been in force since 1931.

Hon. Mr. SHARPE: That Act only postpones.

Hon. Mr. HAIG: It says that no proceedings can be taken without the consent of the Debt Adjustment Board. What happens before that board? I have appeared before it more than once. Suppose I am acting for a mortgagee. I ask to be allowed to take proceedings. If the mortgagor says, "My farm is mortgaged for $5,000, but it is worth only $4,000," the board says, "Is that true?" If I say I do not think the farm is worth more than $4,000, the board then says, "We will not allow you to take any proceedings," and there I am. The farmer is in possession of the land, getting the crops, and I am able to get nothing. So I go outside and make a deal with that fellow. The Farmers' Creditors Arrangement Act applies only to debts incurred before 1935.

In June of 1938, when Manitoba was removed from the effect of the Farmers' Creditors Arrangement Act, Mr. Bracken directed the Chairman of the Debt Adjustment Board to write to every farmer who had ever applied to them and tell him the Dominion Act would go out of force in one year, unless it was extended. I wrote to Premier Bracken and asked him the following questions:

1. How many applications were made to the board between the 1st of June, 1938, and the 30th of June, 1939?

2. How many people were notified by the Debt Adjustment Board at Winnipeg, under the chairmanship of Mr. Rutherford, that the Act would go out of force on the 30th of June, 1939?

3. How many of these people applied for adjustment under the Act after the notice?

Yesterday I received the following night letter:

Hon. Mr. HAIG.

Your letter tenth brought to my attention on arrival this morning. Cannot answer questions one and three, as we do not have administration Farmers' Creditors Arrangement Act. Respecting question two Debt Adjustment officials advise notice went to some twelve thousand names on their records.

Twelve thousand people were notified that they had a year within which to put in their applications, and there was a receiver for the province who was getting fifteen dollars for every application put in—

Hon. Mr. HUGHES: Thirty dollars.

Hon. Mr. HAIG: No, no.

Hon. Mr. HUGHES: It is thirty dollars in our province.

Hon. Mr. HAIG: —yet the total number who responded in a year was 1,047, or less than one-eleventh of the number who had applied to the board from 1931 to 1938.

I have received two letters from Manitoba about this Bill. One is from Mr. Bracken and one is from the Winnipeg Board of Trade. Mr. Bracken says, "Pass it." The Board of Trade says, "Do not pass it." I have lived in Manitoba nearly all my life, and except for the Bracken Government and the Conservative Opposition, I have not had one word asking me to support this Bill. Not another soul has requested it. Yet in the Legislature I am blamed for the repeal of the Act as respects Manitoba. It is said, "This man Haig did it."

Hon. A. L. BEAUBIEN: I understand the Federation of Farmers' Associations wrote.

Hon. Mr. HAIG: Yes, but they did not write to me; neither did they write to the honourable member from Manitou (Hon. Mr. Sharpe). He did not even get a letter from John Bracken.

Hon. Mr. SHARPE: Oh, yes, I did.

Hon. Mr. HAIG: I beg your pardon.

Now, honourable gentlemen, the title "The Farmers' Creditors Arrangement Act" is a misnomer. When the legislation was passed, it should have been called "An Act for the benefit of First Mortgagees," because they are the only ones it benefits. When I am acting for a first mortgagee and get a notice of application under this legislation I smile. I say to him: "You are a lucky dog. You are going to have the mortgage on the farm, and all the other debts are going to be wiped out—the doctor's bill, the merchant's bill, the grocer's bill"—

An Hon. SENATOR: And the lawyer's bill?

Hon. Mr. HAIG: Yes, and the lawyer's bill, too. "The second mortgage will be wiped out, and the only liability against the land will be the first mortgage. That is your security. You are a lucky dog."

Now, what about the farmer? The records of the Land Titles Office show that within the last six months more farm land has been sold than was sold in the previous ten years. I can speak with some knowledge. In my own office I have seen sales go through at $30 an acre for land that was bought a year ago at $15.

Is the Act needed in Manitoba? I claim it would work to the disadvantage of the people of that province. It would destroy the farmer's credit. The honourable gentleman from Marquette (Hon. Mr. Mullins) was quite right in saying that financial institutions will not lend money to Western farmers to-day. The Act as it stands now applies to debts contracted before 1935, and people who have money to lend are afraid to lend it to farmers, because next year the date limit may be extended to 1940. Suppose there was a demand for such an extension, what answer could we give? Could we refuse? Not at all. And if the Act is a good thing with respect to debts incurred as late as 1940, why would it not be good for debts that may be incurred in the future, in 1941 or 1942 or any later year? Besides, why should the Act not be in force in Ontario and in Quebec? Why is Manitoba selected?

If we restore this Act in our province it will ruin our farmers, because it will fool them into thinking they are being helped, when as a matter of fact they will not be helped at all. As a practising lawyer in Manitoba I say to you quite candidly that the Act will not assist one debtor out of every thousand in that province. My right honourable friend the leader on this side (Right Hon. Mr. Meighen) referred to the fact that all parties in the Legislature voted in favour of the resolution asking passage of this Bill. Conservative, Liberal and C.C.F. members alike voted for it. The explanation is simple. If the Government are going to try to fool the voters, the Opposition will try to fool them too. That is all it amounts to.

Hon. A. L. BEAUBIEN: Was the legislation introduced with the object of fooling the people in 1934?

Hon. Mr. HAIG: I will come to that. When the legislation was introduced in 1934 it was felt that farmers would not stay on the land unless some measure of the kind was passed to help them. That was a wrong view, I think, and, to be quite candid, I thought so at the time too. But in 1938 I was one of those who asked that the Act be continued in force in Saskatchewan and Alberta. Why did I do that? My reason, which will be found in the record, was that there had been such bad crops in those provinces that many farmers were discouraged and did not have the heart to carry on under their heavy burdens. But that was not true of Manitoba. In 1937 our province had a good crop, except in the southwest corner, and a good price was got for it.

I know that some people in Manitoba will say it is good politics to pass this Bill. I do not believe it is. As I have already said, it will not be of any help to our farmers, but it will hurt them when they want credit. I think legislation of this kind is a bad thing for the country in general, because our people should stand on their own feet. And, as I have already remarked, I cannot recall being asked by a single farmer to have the Act restored in Manitoba. My honourable friend from Parkdale (Hon. Mr. Murdock) said the other day that I made some speeches in the last campaign. Well, I never was asked any question about this Act, and so far as I know it never was mentioned on any platform. Certainly the Press never reported any reference to it. There is no demand in the province for this Bill. The measure would not have been heard of but for a little row in the Manitoba Legislature. I say quite candidly that the Conservative members of that Legislature are principally to blame for the measure. The welfare of the farmers and townspeople of Manitoba is of more importance to me than any slight political advantage that might accrue to the provincial Conservative party through passage of the Bill. I say that in the best interests of Manitoba and of Canada as a whole the Act should not be restored to effect in that province. I would ask honourable members to vote against the Bill.

Hon. A. D. McRAE: Honourable senators, perhaps I, as a Westerner, should make some observation on the remarks of the honourable junior senator from Winnipeg (Hon. Mr. Haig), lest the mistaken idea arise that there is a great land boom in the West. I think it is safe to assure honourable senators that sales at $30 or more an acre are for land within fifty miles of a city, and the purchasers are white-collared farmers like myself.

Hon. Mr. HAIG: Oh, no.

Hon. Mr. McRAE: They keep pretty close to the city.

Hon. A. L. BEAUBIEN: They buy the land for a hobby.

Hon. Mr. McRAE: As to the Bill itself, I am disposed to look at it in a broad way. A couple of years ago, when an amendment to the Act was before us, I favoured the withdrawal of the Act from operation in Manitoba and its continuance in Saskatchewan and Alberta. That was largely because I understood little use had been made of the Act in Manitoba. Now we have a unanimous resolution from the Manitoba Legislature asking for restoration of the privileges that are available in the other two Prairie Provinces. Here I want to say that I have not the slightest interest in Manitoba politics, but I am interested in the farmers of that province and of the West in general. Of course, none of us likes the principle of this legislation, but in these days, when we are conscripting life and property, objections which we formerly made to such measures as this really mean little or nothing. Taking a long-range view of the situation in our Western country, I feel that if I had a mortgage on Western farm property and the interest was not being paid, I should not lose much time in getting a readjustment on a basis of present values, and encouraging the farmer to stay on the land. As I see the after-the-war period, I believe that a proper readjustment of indebtedness at this time would result in less loss to a mortgagee than he would suffer without such readjustment.

We heard from one of our honourable members to-day that Canadian manufacturers are eager to produce war munitions and supplies, crying to get into production. Well, I want to remind the House that work of that kind is done on a profit basis. We all know it was found impossible to get manufacturers to produce war supplies at a profit of five per cent. I ask the honourable junior senator from Winnipeg (Hon. Mr. Haig) and every other honourable member this question: How would farmers look on the situation to-day if they could make five per cent profit on their efforts?

Hon. Mr. SHARPE: Hear, hear.

Hon. Mr. McRAE: I believe the farmers are the only citizens of our country who, in addition to paying their share for the war through increased costs for almost everything they buy, are obliged to make a further heavy contribution by selling their produce at less than cost. Our three Prairie Provinces have one main crop, wheat, and when I look ahead and contemplate the situation our farmers out there will be in after this war is over, whether we win or lose, I shudder at the consequences.

For these reasons I am reversing the stand which I took the last time an amendment to this Act was before us, and I intend to vote for the Bill.

Hon. J. W. deB. FARRIS: Honourable senators, I do not feel I have a great deal of licence to speak on this Bill, as it affects a province other than my own. However, when amendments to the Act were before the Senate two years ago I was given the duty of introducing them, and I still feel a certain responsibility in connection with the discussion that took place at that time. I listened with interest to my honourable friend—I was going to say "my learned friend," because one almost falls into a legal controversy on this matter—from Winnipeg South-Centre (Hon. Mr. Haig), particularly when he made certain statements, which might be called admissions, as to what at times motivates a parliamentary opposition. I think that perhaps one of the main issues before us at present is the attitude that is being taken in the Senate with regard to another parliamentary body. We heard it stated here last night and again to-day that it was unfair to make any criticism of the British War Office in connection with responsibility for war policy, because they were not here to answer for themselves.

Right Hon. Mr. MEIGHEN: Will the honourable gentleman excuse me? The point was, not that they were not here to answer, but that they could not answer, no matter where they were.

Hon. Mr. FARRIS: Of course, that would bring me to another point. The Government of this country also cannot answer with regard to certain war efforts.

Right Hon. Mr. MEIGHEN: They can answer, all right.

Hon. Mr. FARRIS: Not always. There are times when it is not in the public interest that they should answer. My right honourable friend knows that quite well.

My right honourable friend has not merely made allegations against the entire Legislature of Manitoba, but has indicted it in no uncertain terms. It seems to me that this democracy, to which the right honourable gentleman has frequently referred, has features which might well be considered. It is enough to make one wonder about the condition democracy is in, when the leader of a great party in this House indicts a Legislature as to its motives, notwithstanding that there is no representative of the Legislature present to answer to the indictment. I would make a suggestion. In view of what has occurred, I think that representatives of the Manitoba

Legislature, or the provincial Government, should be heard by members of this House, and it seems to me that the logical way to bring that about is to allow the Bill to go through second reading, have it sent to the committee to which the previous amendment to this Act was referred, and invite the Prime Minister of Manitoba to appear and tell us whether the request for the Bill is a political matter.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: Honourable members, I have not a right to speak again, but I think I should, as I have just received a telegram from Mr. Bracken, the Prime Minister of Manitoba. Before reading the telegram I want to say that, even had I not received it, I should have had no objection to the Bill being given second reading, on the understanding that, though I am definitely opposed to the measure, I think there should be a reference to committee in order that we may hear those who want to be heard. I have never opposed the sending of any bill to a committee for such a purpose.

I might add that Mr. Bracken does not contend he cannot make an answer to anything that has been said. I have never known him to remain quiet when he wanted to speak, and I can say the same of the leader of the Opposition. Mr. Bracken's telegram reads as follows:

> Re Farmers' Creditors Arrangement Act amendment. Have been informed, from the course that the debate on second reading in Senate has taken, that there is a possibility that the motion for a second reading of this measure may be defeated. If there is a prospect of this motion being defeated, may I respectfully urge that the Bill should at least be sent to committee, and that before final vote is taken members of the Manitoba board of review should be called before the committee to give evidence as to whether in their judgment from practical experience there is a good reason for the Act again being made effective in Manitoba. I am sending a similar telegram to the Government leader, the Honourable Mr. Dandurand.
>
> John Bracken,
> Premier of Manitoba.

I know the chairman of the board of review, and have the highest possible regard for him. Though I think I know as much about this subject as even that very highly regarded man, I certainly will not be a party to denying him or the board of review or Mr. Bracken, if he cares to come, a chance to be heard.

Hon. Mr. DANDURAND: I suppose, if this Bill is to go to a committee, it would be the Standing Committee on Banking and Commerce.

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND: Then I think we should also notify the Winnipeg Board of Trade, which has sent me a long resolution in protest against the Bill. It is but fair that that important body be given an opportunity to appear before our standing committee.

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

REFERRED TO COMMITTEE

Hon. Mr. DANDURAND moved that the Bill be referred to the Standing Committee on Banking and Commerce.

Hon. A. L. BEAUBIEN: Before the motion is carried, may I ask the honourable leader of the House (Hon. Mr. Dandurand) whether it is the intention of the chairman of the Standing Committee on Banking and Commerce to notify parties who have requested permission to present their views?

Hon. Mr. DANDURAND: Yes, the Clerk of the Committee will see that they are notified.

The motion was agreed to.

WAR CO-OPERATION COMMITTEE

APPOINTMENT OF ADDITIONAL MEMBERS

Hon. C. P. BEAUBIEN: With the leave of the Senate and at the request of both leaders, I move that Honourable Senators Marcotte and Buchanan be added to the Committee on War Co-operation.

The motion was agreed to.

NATIONAL RESOURCES MOBILIZATION BILL

Hon. Mr. DANDURAND: I understand that Bill 43, an Act to confer certain powers upon the Governor in Council for the mobilization of national resources in the present war, may reach us from the House of Commons this afternoon. I would suggest that we return here at 8 o'clock.

Right Hon. Mr. MEIGHEN: From what I have heard, I think it will be here this afternoon.

At 6 p.m. the Senate took recess.

The Senate resumed at 8 o'clock.

Hon. Mr. DANDURAND: Honourable senators, I was expecting a Bill from the Commons, but that House has adjourned until to-morrow without giving the measure third reading.

ARRIVAL IN CANADA OF THE GOVERNOR GENERAL DESIGNATE

Hon. RAOUL DANDURAND: Honourable senators, I should like to read to the House this statement which the Prime Minister imparted to the Commons at 6 o'clock this evening:

I am happy to be in a position to inform the House that the Governor General designate, the Right Honourable the Earl of Athlone, and Her Royal Highness the Princess Alice, Countess of Athlone, have arrived in Halifax this afternoon.

The Earl and Countess of Athlone were accompanied, from England, by the Secretary to the Governor General, Sir Shuldham Redfern, the Honourable Ariel Baird, Lady-in-Waiting to Her Royal Highness, and Captain T. R. C. Goff, A.D.C.

Upon arrival in Halifax, this afternoon, the Earl of Athlone and the Princess Alice were met by the Under-Secretary of State, and by members of the staff of Government House. His Honour the Lieutenant-Governor of Nova Scotia, the Premier of the Province, and representatives of the Defence Services and of the Royal Canadian Mounted Police were also present.

The Earl of Athlone and Her Royal Highness and their party are proceeding by special train to Ottawa. It is expected they will arrive on Friday morning at 11.30 o'clock, daylight saving time.

Upon the arrival of the special train at the station in Ottawa, the Governor General designate and Her Royal Highness will be met by His Excellency the Administrator and members of the Government. The Ministers of foreign powers accredited to Canada, the Commonwealth representatives, the Mayor of Ottawa and the members and associate members of the Defence Council will also be present.

In view of the gravity of the international situation, it has been thought appropriate that the ceremonial features in more normal times associated with the installation of Governors General should be reduced to a minimum. Accordingly, arrangements have been made for the installation and swearing-in of the Earl of Athlone to take place immediately following arrival in the Capital. The official party will proceed direct from the railway station to the Senate Chamber, where the ceremony will take place at twelve o'clock noon.

Honourable members and others who are to be invited to the ceremony of installation will shortly receive printed copies of an official programme which has been prepared for the occasion.

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

THE SENATE

Thursday, June 20, 1940.

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

Prayers and routine proceedings.

BEAUHARNOIS LIGHT, HEAT AND POWER COMPANY BILL

THIRD READING

Bill 9, an Act respecting the Beauharnois Light, Heat and Power Company.—Hon. Mr. Copp.

PRIVATE BILLS

THIRD READINGS

Bill F, an Act respecting a certain wharf of Saguenay Terminals Limited.—Hon. Mr. Beauregard.

Bill X, an Act to incorporate Quebec and Montmorency Railway Company.—Hon. Mr. L'Espérance.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill Y, an Act for the relief of Muriel Agnes Martin Beech.

Bill Z, an Act for the relief of Alfred Reinhold Roller.

Bill A2, an Act for the relief of Sarah Kerzner Spilberg.

Bill B2, an Act for the relief of Christina Smith Dunlop Andrique.

Bill C2, an Act for the relief of Anna Shepherd.

SHELL PRODUCTION

INQUIRY

Hon. Mr. CANTLEY inquired of the Government:

1. Who are the persons or companies in Canada now manufacturing (a) shell bodies, (b) other parts to complete shells, (c) explosives for shells? Where are the plants located?

2. What are (a) the calibres of shells being manufactured, (b) the quantities respectively ordered of each calibre of such shells?

3. What are the respective quantities of high explosive shells and shrapnel shells?

4. What are the dates respectively of contracts and orders under which such shell bodies, parts and explosives are being manufactured?

The Government is requested to identify contracts in the books recording the activities of Defence Purchasing Board and War Supply Board.

5. What is the quantity now completed and delivered of each calibre and type of shell by each of the contractors?

Hon. Mr. DANDURAND: I have the following answer to the honourable gentleman's inquiry:

It is not in the public interest to divulge information of this kind.

Some Hon. SENATORS: Hear, hear.

COMMONWEALTH AIR TRAINING PLAN—PICTOU SURVEY

ORDER FOR RETURN

Hon. C. E. TANNER moved:

That an order of the Senate do issue for a return, namely, copies of communications and reports made to departments of government by the persons who on behalf of the Department of Transport and the Air Branch of the Department of National Defence inspected and surveyed lands at the town of Pictou, Nova Scotia, which were suggested by the Board of Trade of that town as suitable site for air training under the Commonwealth Air Training Plan.

The motion was agreed to.

PROSECUTION OF THE WAR—REGULATION OF LABOUR CONDITIONS—NAVAL DEFENCE

DISCUSSION

On the Orders of the Day:

Hon. RAOUL DANDURAND: Honourable members, before the Orders of the Day are called I should like to place on Hansard this minute of a meeting of the Privy Council, approved by His Excellency the Administrator on June 19, 1940:

The Committee of the Privy Council have had before them a report, dated June 15, 1940, from the Minister of Labour, representing as follows:

The Government has received from representative bodies of industry and of labour expressions of their desire to co-operate with the Government in the present crisis to the end that the industrial capacity of Canada requisite to the successful prosecution of the war may be utilized to the fullest possible extent.

The establishment and maintenance of good relations between firms engaged in the execution of war contracts and the production of necessary materials therefor and their workpeople is of the utmost importance at this time, and the same is true indeed of the operations of distributive agencies and of services required to meet the needs of the civil population. In wartime the safety of the nation must be the first consideration of all patriotic citizens and no element in the community can be permitted to benefit from wartime necessities. The best interests of industry and labour are inseparable and since organized society alone makes possible industrial production to the mutual benefit of those engaged therein, the needs of the community at large, especially under war conditions, must be regarded as paramount.

The development of Canada's war effort has not been hampered to date by the occurrence of any serious labour troubles, and means have happily been found, through negotiation, conciliation and enquiry, of dealing effectively with any disputes as to wage rates and working hours which have arisen. While the causes of industrial unrest have not thus far arisen from the war, they might well be accentuated by it. It is clear that any differences that might arise would extend beyond wage scales or hours of labour and include the right of association in labour bodies and the right of organized workpeople to enter into collective agreements through which they may be expected to exercise a more organic influence on the processes of industrial life; all of them aspirations which, under wise direction, will make for the removal of prejudice and for fuller co-operation between employers and employed. Statutory provisions have been made since the outbreak of hostilities to obviate the making of undue profits on war work, and the operation of the Wartime Prices and Trade Board is designed to safeguard the interests of the consuming public against undue enhancement of the prices of the necessaries of life.

The policy is re-affirmed which was previously announced by the Prime Minister of Canada, that the full weight of the Government's power will be exerted to prevent the exploitation of wartime needs by any form of profiteering.

It would conduce to the removal of misunderstandings and to the extension of common interests and national purpose were a declaration to be made by the Government at this time of certain principles for the regulation of labour conditions during the war, the acceptance of which by employers and workpeople would make for the avoidance of industrial strife and the utmost acceleration possible in the production which is so essential in present circumstances.

The Committee, on the recommendation of the Minister of Labour, advise, with respect to the foregoing, that the following principles for the avoidance of labour unrest during the war be approved:

1. That every effort should be made to speed production by war industries;

2. That fair and reasonable standards of wages and working conditions should be recognized and that where any temporary adjustments in remuneration are made, due to war conditions, they might well be in the form of bonus payments;

3. That hours of work should not be unduly extended, but that where increased output is desired it should be secured as far as practicable by the adoption of additional shifts throughout the week, experience during the last war having shown that an undue lengthening of working hours results in excessive fatigue and in a diminution of output;

4. That established safeguards and regulations for the protection of the health and safety of the workers should not be relaxed, but that every precaution should be taken to ensure safe and healthful conditions of work;

5. That there should be no interruption in productive or distributive operations on account of strikes or lockouts. Where any difference arises which cannot be settled by negotiation between the parties, assistance in effecting a

settlement should be sought from the Government conciliation services, and failing settlement of the difference in this manner, it should be dealt with in accordance with the provisions of the Industrial Disputes Investigation Act, which has been extended under the War Measures Act to apply specifically to all war work.

6. That employees should be free to organize in trade unions, free from any control by employers or their agents. In this connection, attention is directed to section 11 of the provisions of Chapter 30, 3 George VI, an Act to Amend the Criminal Code, under which it is declared to be an offence, subject to prescribed penalties, for any employer or his agent wrongfully and without lawful authority to refuse to employ, or to dismiss from employment, any person because of his membership in a lawful trade union, or to use intimidation to prevent a workman from belonging to a trade union, or to conspire with other employers to do either of such acts.

7. That employees, through the officers of their trade union or through other representatives chosen by them, should be free to negotiate with employers or the representatives of employers' associations concerning rates of pay, hours of labour and other working conditions, with a view to the conclusion of a collective agreement;

8. That every collective agreement should provide machinery for the settlement of disputes arising out of the agreement, and for its renewal or revision, and that both parties should scrupulously observe the terms and conditions of any agreement into which they have entered;

9. That workers, in the exercise of their right to organize, should use neither coercion nor intimidation of any kind to influence any person to join their organization;

10. That any suspension which may be made of labour conditions established by law, agreement or usage, requisite to the speeding of wartime production, should be brought about by mutual agreement and should be understood as applying only for the period of emergency.

The foregoing declaration by the Government of principles for the regulation of labour conditions during the war is necessarily subject to the provisions of any enactment by the Parliament of Canada or made under its authority for the purpose of meeting any special emergency whereby the national safety of Canada has become endangered.

The Committee further advise that the attention of employers in meeting their requirements as to labour supply be drawn to the available facilities of the local offices of the Employment Service of Canada in all of the provinces, where thousands of skilled and semi-skilled workers whose training and experience qualify them for war work and employment in industry generally have already been registered, and that advantage be taken of this service to the fullest possible extent.

Many employers have established contacts with trade unions in meeting their requirements as to labour supply, and the Minister of Labour is of opinion that the more general adoption of this practice would assist in the avoidance of unnecessary labour shortage.

All of which is respectfully submitted for approval.

A. D. P. Heeney,
Clerk of the Privy Council.

Hon. Mr. DANDURAND.

I shall give to Hansard a copy of this Order in Council, which I lay on the Table, so that honourable members of the Senate may be able to peruse it at leisure.

Right Hon. Mr. MEIGHEN: I did not just catch the authority of the document. What is it?

Hon. Mr. DANDURAND: It is an Order in Council stating the policy established by the Government with respect to dealings between employers and employees.

Right Hon. Mr. MEIGHEN: It struck me as being more than that.

Hon. Mr. DANDURAND: Perhaps my right honourable friend would postpone his remarks until he has had an opportunity of reading the document.

Right Hon. Mr. MEIGHEN: I have reason for saying a word now. In what I heard actually read I could find nothing to which to take exception. I am somewhat mystified, however, by an Order in Council setting out Government principles in relation to employers and employees. I do not know just why this is done. Maybe the query is not very important.

Hon. Mr. DANDURAND: It has been done because of representations that have come from employers and from employees, in an effort to avert difficulties that may be looming up. There is in some quarters an agitation which may terminate in strikes; so the Government has felt that it should strengthen the arm of the Labour Department by laying down principles governing employers and employees during the war.

Right Hon. Mr. MEIGHEN: Then, maybe, I can be of a little help by saying what is in my mind on the subject. I think that the appreciation of war's imperious demands on the part of labour has been on the whole gratifying. There have been indications of friction, and there has been friction, at different points. I suppose that is inevitable. But, having in mind the war, and nothing but the war, it is important that we should give no encouragement to movements merely initiating tendencies which ultimately result in an increase in the cost of living and general inflation, for that does no good to labour or to anyone. A movement for an increase in salaries outside of labour will have the same effect. Anything the Government can do to control the tendency will be beneficial.

Capital cannot make money in this crisis. It is not going to be allowed to do so. I doubt if capital can remain intact. We do not know.

Certainly its demands and aspirations have to be subordinated to the necessities of war.

Just the other day, in a circular, I think it was, I saw an indication of a desire on the part of the Labour Department, I think, for various scales of overtime pay, and the like. Such a desire can lead only one way. It can lead only to higher costs and inflation, and, therefore, to the continual embarrassment of Government in financing the war. It can do no good to anybody. I call attention to that because I am obsessed with the idea that the impending crisis must, of necessity, monopolize our attention.

While I am on my feet, if the House will consent, I should like to read an article which has impressed me greatly, just in order that it may be on the record of this House, and therefore more widely available to our people. This article, which appears in to-day's Globe and Mail, is one of a regular series by Mr. Walter Lippmann, a very eminent and very able American writer attached to The New York Times. I shall not read it because of its application to our neighbours. He wrote it for that reason, no doubt. But such objective is none of our business; their decision is their own. I shall read it because of its application to Canada, and because, if it sinks into the minds of the people of this country, it will assist this Government, or any government, in meeting the unheard of demands that are now upon us. This is the article:

On these things there is for all practical purposes unanimous agreement: First, that the United States will resist with force the entrance of the Axis powers into the territories of the Western Hemisphere. In the Senate there was no dissent on this far-reaching commitment; in the House virtually none. Second, that in order to make good this commitment, the United States will need, in case of a total victory by the Axis, a navy nearly twice the size of the existing navy. There is no opposition in Congress to authorizing such a navy. Third, that in case of a total victory by the Axis, ordinary commercial dealings between the European Continent and the Americas will be impossible in that on the European side trade will be conducted by dictatorial governments exercising a monopoly of exports and imports, and that against such a monopoly individual American traders will be helpless. A few Congressmen may have failed to grasp this point, but the American people, with their long experience of the danger of monopoly, will grasp it quickly enough.

There is, furthermore, agreement which, though not unanimous, is very substantial, that the need to defend this hemisphere, the need to double the fleet, and the need to organize trade against the dictation of a European monopoly arise only because the Allied control of the seas between Europe and America is threatened with destruction. But for that no one would feel called upon to reaffirm the Monroe Doctrine. No one would feel called upon to construct another navy. No one would be appropriating billions for armaments, imposing huge taxes or getting ready for universal service. No one would be considering the abandonment of the principle of private dealings in foreign trade and the substitution of what, if the plan is to be effective, will be in essence the complete Government regulation of foreign trade.

Because all these difficult and distasteful measures are forced upon us by the danger of a victory by the Axis, a very substantial part of the people are convinced that the support of the Allied resistance is a vital interest of the United States.

I repeat, I am reading this because of its practical application to Canada.

Seeing all these things, there is nevertheless division of opinion and confusion of counsel as to what measures the United States should now take. The Congress is ready to authorize another navy. It is not willing to face the fact that this second navy cannot be constructed in less than four years. Yet Hitler has conquered the Continent of Europe in five weeks. The Congress is not willing to face the fact that if Hitler conquers Great Britain this summer, he may capture the British and French navies. Combined with his own navy, with the Italian navy, and with the immense navy now under construction in British shipyards, he will not only possess at once, at most within a few months, overwhelming naval superiority, but he will be able to outbuild the United States in a race of armaments. The second American navy, which now exists only on paper, would already be outmatched even if it existed. And before this second navy can be built, the naval power of Hitler's Europe will have an even greater margin of superiority than it may possess before the summer is over.

Unwilling to face candidly this very real danger of the immediate future, Congress and a section of the public are for a policy of inaction now on the ground that the United States is too weak to defend its vital interests. The reasoning is curious. All are agreed that we must make ourselves strong enough to protect our vital interests in the future even though a totalitarian Europe allied with Japan has a crushing naval superiority in the world. But to-day, when the Allied sea power still stands, to-day when the United States still is the second greatest naval power in the world, we are told that this nation is too weak to move quickly and decisively to safeguard its vital interests. But if it is too late to move to support the British resistance and to make as sure as we can that, if the British are defeated in Europe, the fleet will not fall into Hitler's hands, then it will be much more too late to maintain our naval defenses if the British fleet, now turned against Hitler, is turned against us.

* * *

It is irresponsible and misleading to divert the attention of the American people from this, the most vital matter in their history, by political outcries about "going to war." The question is not whether we shall "go to war." The question is whether we shall act now so that this hemisphere can in fact be defended. And whatever action is necessary should be considered not in the light of legal doctrines and political slogans, but in the light of whether it promises to result in our maintaining a truly adequate naval defense in this hemisphere. If we take measures now to make as certain as we can that the Allied fleets do not fall to Hitler, and that they are not turned against

this hemisphere, we shall be acting in our own most immediate interests. What these measures are to be called, either in Berlin or Rome, or by our own isolationists, is of no consequence. All that matters is that the second American navy, which cannot be built for four years, shall not be outmatched before it is built by the captured ready-made navies of Europe.

In the perspective of history it will seem almost incredible that the United States, possessing a great navy, should have been paralysed into inaction at a time when events were happening, which, if they are allowed to run, will render that navy impotent to defend the vital interests of this hemisphere. Men will point to Russia, supposedly the ally of Germany, exposed as we are not exposed to the furious power of the German Army, yet clear enough about its interests to occupy the border states and fortify itself against the victorious Nazis. And they will wonder what happened to the Americans, in what manner their minds were duped and their spirits doped, that they were unable to pull themselves together and take measures to safeguard the power of their navy, the navy which is their first and only reliable means of defence.

The application to the present position in Canada is as manifest as the reasoning is powerful and unanswerable.

Hon. Mr. MURDOCK: Honourable senators, may I in a few words refer to the Order in Council just placed on our record, in respect of relations between employer and employee under war-time conditions? I am quite sure that my right honourable friend opposite (Right Hon. Mr. Meighen) will recall that in the latter part of 1918 the Government of which he was a member presented in another place an Order in Council which made the McAdoo Award, as passed in the United States, applicable to about 150,000 Canadian railroad men. So we have distinguished precedent for the presentation of this Order in Council here to-day.

Right Hon. Mr. MEIGHEN: I only wish it were more distinguished and more valuable.

YUKON BILL

CONCURRENCE IN COMMITTEE'S REPORT

On the Order:

Consideration of the amendments made by the Standing Committee on Banking and Commerce to Bill 11, an Act to amend the Yukon Act.

Hon. F. B. BLACK: Honourable senators, before the motion is put for third reading of this Bill as amended by the Banking and Commerce Committee, I desire to propose an additional amendment. It is that between "following:—" and "(1A)", as appearing in the second amendment made by the committee, the following be inserted:

2. The said section 26 of the said Act is further amended by adding thereto as subsection 1A the following:

Then the proposed new subsection 1A follows. This amendment to the committee's second amendment is submitted by our Law Clerk, who says that it is necessary in order to complete the committee's amendment. I would move that this further amendment be agreed to.

Hon. Mr. DANDURAND: Honourable members, this Bill was reported to the House yesterday by the Committee on Banking and Commerce, with two amendments, which appear on pages 97 and 98 of the Minutes. I could not hear what my honourable friend has just suggested.

Hon. Mr. BLACK: As the report emerged from the committee, no provision was made for the enacting words whereby the proposed subsection 1A would become part of the basic Act. The further amendment I have just proposed is designed to effect this purpose.

Hon. Mr. ROBINSON: It does not change the meaning in any way?

Hon. Mr. BLACK: It does not change the meaning in any way.

The Hon. the SPEAKER: I would call the attention of honourable members to the fact that there is no motion at present before the House. Concurrence in the amendments has not been moved.

Hon. Mr. BLACK: I would move that the Bill be not now read a third time—

Hon. Mr. COPP: No motion has been made for third reading. The Order is for consideration of the committee's amendments.

Hon. Mr. DANDURAND: Perhaps the honourable Chairman of the Banking Committee (Hon. Mr. Black) would move that the report be not now concurred in, but be further amended, or that it be sent back to the committee for further consideration.

Hon. Mr. BLACK: It will be clear to members of the committee who are present in the House that the proposed further amendment does not change the meaning of the Bill as amended in committee, but simply improves the second amendment. Perhaps it would be in order to move that the committee's amendments be not now adopted, but that they be further amended by the insertion of the words that I have already read.

Hon. Mr. SINCLAIR: The amendment proposed by the honourable senator is an addition to the amendments reported by the committee. If I may, I would suggest that we adopt the committee's amendments, and on the motion for third reading the honourable senator could move to have the Bill further amended.

Hon. Mr. BLACK: I am agreeable to any procedure that may be preferred, so long as the desired object is achieved.

Hon. Mr. DANDURAND: I would move that the amendments made to this Bill by the Standing Committee on Banking and Commerce be concurred in.

The motion was agreed to.

MOTION FOR THIRD READING—
DEBATE ADJOURNED

Hon. Mr. DANDURAND moved the third reading of the Bill, as amended.

Hon. Mr. BLACK: Honourable senators, I would move that the Bill, as amended, be not now read a third time, but that it be further amended by inserting between "following:—" and "(1A)", as appearing in the second amendment made by the committee, the following:

2. The said section 26 of the said Act is further amended by adding thereto as subsection 1A the following:

I do not need to repeat the explanation that I have already given for this further amendment.

Hon. Mr. DANDURAND: In order that we may know the precise effect of the additional amendment, I will move adjournment of the debate until the next sitting.

The motion was agreed to.

NORTHWEST TERRITORIES BILL

REFERRED BACK TO COMMITTEE

On the Order:

Consideration of the amendment made by the Standing Committee on Banking and Commerce to Bill 12, an Act to amend the Northwest Territories Act.

Hon. JOHN T. HAIG: Honourable senators, this Bill deals with the question of court jurisdiction in the Northwest Territories, that part of Canada north of the established provinces. A large part of the Territories is north of the provinces of Manitoba, Saskatchewan, Alberta and British Columbia, but the eastern part is north of Ontario and Quebec. The present Northwest Territories Act provides that jurisdiction in civil matters in the Territories west of the 80th meridian of west longitude shall lie in the courts of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. The Bill will give Ontario courts, in addition, exclusive jurisdiction in civil matters in the portion east of the 80th meridian.

Another object of the Bill is to make clear that the provincial courts have surrogate powers in the Territories. This will remove a doubt that has existed in the minds of some judges.

I am not a member of the Banking and Commerce Committee, but the chairman and the committee as a whole furnished me with every facility for presenting my ideas before it. Representatives of the Department of Mines and Natural Resources urged acceptance of the Bill in its present form, except for one amendment that was made in committee, and they stated that they hoped to prepare within the next four or five years a general amendment to all legislation concerning the Northwest Territories.

Fundamentally, jurisdiction as to law for any part of these Territories should rest in the province lying south of that part. That is to say, for the part of the Territories north of Manitoba, the jurisdiction should be in Manitoba courts; for the part north of Saskatchewan, it should be in Saskatchewan courts; for the part north of Alberta, it should be in Alberta courts; for the part north of British Columbia, it should be in British Columbia courts; for the part north of Ontario, it should be in Ontario courts, and for the part north of Quebec, it should be in Quebec courts. But it may be some years before the change is brought about. A large part of the fur-trading business in the Territories, at least ninety per cent of it, is done by the Hudson's Bay Company, with headquarters in Manitoba. The mining business, just developing, is, I should say, largely done by companies with headquarters in Ontario.

My suggestion is that this Bill be referred back to the committee for amendment. The committee should be instructed that in surrogate matters the courts of every province should be given jurisdiction. At the present time, if a person in the Northwest Territories dies intestate there is provision for an official of the Department of Mines and Natural Resources to take out letters of administration. It seems to me that in the circumstances this is reasonable. But as to civil matters I suggest that west of the 89th meridian, which is the boundary between Manitoba and Ontario, legal action should be taken in one of the Western Provinces; east of that meridian, in one of the Eastern Provinces. That is the substance of my proposed amendment.

I know it is not the practice to refer a Bill back to a committee for reconsideration; and I am not taking this course because I do not happen to be a member of the committee which has dealt with this Bill. I think it is fundamentally right that civil actions in that great territory which mainly is north of the four Western Provinces should be dealt with in

those provinces. Of the population of the Northwest Territories, about 2,500, not including Eskimos, the majority live north of those four provinces. The fur trade is practically all controlled by persons or companies in those provinces. It is argued that Ontario should have jurisdiction in civil matters because many of the mining companies operating in the Northwest Territories have their head offices in Toronto. There is some ground for that argument, but I believe that when amending an Act we should take what is the reasonable course, and in my opinion the reasonable course in this case is along the lines I am urging. No part of the Northwest Territories is north of Ontario; the great bulk of it is either north of the four Western Provinces or north of the province of Quebec. Under the Bill as drafted, the only province which would benefit is Ontario. In my judgment this province has no claim to the business in that part of Canada, except on the ground that its investors are interested in mining enterprises there. But if persons in Ontario invest money in the Alberta oil fields, that does not give the courts of their province any jurisdiction in Alberta. The Great Powers tried to apply a similar principle to China, but failed miserably.

I move, seconded by Hon. Mr. Aseltine, the following motion:

That the report of the Committee on Banking and Commerce on Bill 12, an Act to amend the Northwest Territories Act, be referred back to the committee with instructions to amend the Bill to provide that in reference to surrogate powers all the provinces of Canada have jurisdiction in the said Territories and that as to civil matters all east of the 89th meridian of west longitude shall be under the jurisdiction of the Superior Courts of the provinces of Ontario, Quebec, Nova Scotia, New Brunswick and Prince Edward Island and that all west of the 89th meridian of west longitude shall be under the Superior Courts of the provinces of Manitoba, Saskatchewan, Alberta and British Columbia, and that the Bill be amended in committee accordingly.

Hon. Mr. HUGHES: Would that not be an arbitrary order to give to a committee? The committee would have no discretion.

Right Hon. Mr. MEIGHEN: The House is above the committee.

Hon. Mr. HUGHES: Yes, but is it proper for the House to act in that way?

Right Hon. Mr. MEIGHEN: That is the way it is always done in the Commons.

Hon. Mr. HUGHES: But is it right?

Right Hon. Mr. MEIGHEN: The House of Commons is right.

Hon. Mr. HUGHES: Is it always right?

Right Hon. Mr. MEIGHEN: Usually we deal with amendments on motion for third reading.

Hon. Mr. HAIG: The course I have taken is that followed at Westminster, and it is prescribed by the rules of the Senate and the House of Commons. I may add that this is always the procedure followed in the Legislature of Manitoba. I am not trying to be arbitrary. I have purposely drafted my motion in general terms.

Right Hon. Mr. MEIGHEN: I do not intend to speak at length. I shall support the amendment, but it appears to me to be in error where it states the Bill should be amended so that the "provinces" shall have jurisdiction. It should read "courts of the provinces." The provinces cannot have any jurisdiction.

Hon. Mr. HAIG: I would ask that my motion be amended accordingly.

Hon. W. D. EULER: Honourable senators, not being a lawyer, I rise with a certain degree of hesitancy to enter into a discussion of a legal matter. The proposed change was pretty fully discussed in the committee, and I think a substantial majority of its members decided in favour of the report. I quite agree with the honourable the junior member from Winnipeg (Hon. Mr. Haig) that any litigation arising in the Northwest Territories should, if possible, be assigned to the provinces directly south. Departmental officials explained that at the present time this was practically impossible, but four or five years hence it would be feasible.

My honourable friend makes a distinction between probate business and other civil matters that might arise. There may be a basis of reason for the distinction, but the officials of the department expressed the view that such a division would introduce unnecessary complications, and that it would be better to wait until certain developments had taken place, when arrangements could be made to give to the courts of each province jurisdiction in the territory which lies directly north of it.

I do not altogether agree with my honourable friend when he intimates that the litigation which arises in the Northwest Territories affects only the people in the Western Provinces, and that therefore all such cases should be tried in the courts of those provinces. It was stated before the committee that, for instance, some wealthy individual or corporation in Ontario—I am not taking any sectional stand in this matter—could prejudice a poor man living in a Western province by forcing

him to fight his case before the courts in Toronto. But it was also disclosed by the Deputy Minister of Mines that, as a matter of fact, cases had arisen where the plaintiff was a poor man residing in the city of Toronto. It would be just as great an injustice to force him to appear in court at Calgary, Edmonton or even Vancouver as to bring a poor litigant living in the Territories down to Toronto. At any rate it was thought right —and it seems to me reasonable—that the courts of all the provinces might as well be given equal jurisdiction in the Territories. This would appear to be all the more reasonable in view of the fact, as I understand, that the Act now contains a provision whereby a judge may order that a case be tried at a point convenient to one of the litigants. This provision, in my opinion, disposes of the objection that a poor man might be forced to have his case tried at a place far distant from his home.

I feel, honourable senators, that the report of the committee as presented should be adopted.

The motion of Hon. Mr. Haig was agreed to: contents, 25; non-contents, 19.

Hon. Mr. ROBINSON: I have not voted, as I am paired with the honourable senator from Royal (Hon. Mr. Jones).

Hon. Mr. WHITE: I am paired with the honourable senator from London (Hon. Mr. Little).

PRIVATE BILL

SECOND READING

Hon. Mr. PATERSON, on behalf of Hon. Mr. Hayden, moved the second reading of Bill R, an Act to incorporate Sisters Servants of Mary Immaculate.

He said: Honourable senators, in the absence of the honourable senator from Toronto (Hon. Mr. Hayden), I move the second reading of this Bill, and when it has been read the second time I shall move that it be referred to the Standing Committee on Miscellaneous Private Bills.

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

DIVORCE BILLS

SECOND READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the second time:

Bill S, an Act for the relief of Ethel Cahan Naihouse.

Bill T, an Act for the relief of John Roy Fumerton.

Bill U, an Act for the relief of Paul Edouard Tardif.

Bill V, an Act for the relief of Pearl Aizanman Morris.

Bill W, an Act for the relief of Molly Goldfarb Goldberg.

BUSINESS OF THE SENATE

The Hon. the SPEAKER: A motion to adjourn is in order.

Hon. Mr. DANDURAND: Will honourable members kindly wait a moment, so that I may secure information as to when an important Bill that is on its way to us from the House of Commons is likely to reach us?

Right Hon. Mr. MEIGHEN: We could adjourn during pleasure, to return at the call of the bell.

Hon. Mr. DANDURAND: I move that the Senate adjourn during pleasure, to reassemble at the call of the bell.

The motion was agreed to.

The Senate adjourned during pleasure.

The sitting of the Senate was resumed.

Hon. Mr. DANDURAND: Honourable senators, I would suggest, it being 6 o'clock, that we return to this House at half-past eight.

At 6 p.m. the Senate took recess.

The Senate resumed at 8.30 p.m.

Hon. Mr. DANDURAND: Honourable senators, the Bill we are expecting from the other House has not yet been received, but there is a possibility that it may come over around nine o'clock. I would suggest that we adjourn during pleasure, subject to recall at the sound of the bell.

The Senate adjourned during pleasure.

The sitting was resumed.

NATIONAL RESOURCES MOBILIZATION BILL

Hon. Mr. DANDURAND: Honourable senators, I had been informed that after the Bill which we are expecting had been given third reading in the Commons it would be here within five minutes. At the last minute an amendment was carried, which must be typewritten, and I am informed by the Clerk

that we shall have to wait a little longer before the Bill reaches us. I am wondering whether we should adjourn during pleasure.

Right Hon. Mr. MEIGHEN: I understand the amendment which is taking so long to inscribe is to the effect that Orders in Council passed under this measure must be laid on the table of the House of Commons the day they are passed, if Parliament is sitting, or, if not, on the opening day of the succeeding session, unless the Governor in Council deems it not in the public interest to do so.

Hon. Mr. DANDURAND: That is, if Parliament is sitting, the Order in Council is submitted to the House of Commons the same day?

Right Hon. Mr. MEIGHEN: Yes. It must be tabled that day if Parliament is sitting. If Parliament is not sitting, the Order in Council must be published in the Canada Gazette, unless the Governor in Council otherwise decides. I am sure there is no one in this House who will not realize that those words are just so much eye-wash: they mean nothing at all. It is a pity we could not go on without having to wait for senseless verbiage.

Hon. Mr. DANDURAND: Perhaps the House of Commons in its wisdom is satisfied with those words. If my right honourable friend has made an error in telling us what the amendment is—

Right Hon. Mr. MEIGHEN: If I have?

Hon. Mr. DANDURAND: Yes.

Right Hon. Mr. MEIGHEN: I received my information from a senator who was in the Commons gallery.

An Hon. SENATOR: He has not got it quite right.

Right Hon. Mr. MEIGHEN: I think it is right enough.

Hon. Mr. DANDURAND: Honourable senators, I present a Bill which, in its first-reading form, has been in our hands for the last three days. It is entitled:

An Act to confer certain powers upon the Governor in Council for the mobilization of national resources in the present war.

Perhaps I should read the Bill, which is very short. It is as folows:

Whereas by reason of developments since the outbreak of the present war a special emergency has arisen and the national safety of Canada has become endangered; and

Whereas it is, therefore, expedient to confer upon the Governor in Council special emergency powers to permit of the mobilization of all of the effective resources of the nation, both human and material, for the purpose of the defence and security of Canada, and

Whereas it is expedient that the said powers should be conferred upon the Governor in Council during the continuation of the state of war now existing:

Therefore His Majesty, by and with the advice and consent of the Senate and the House of Commons enacts as follows:—

1. This Act may be cited as The National Resources Mobilization Act, 1940.

2. Subject to the provisions of section three hereof, the Governor in Council may do and authorize such acts and things, and make from time to time such orders and regulations, requiring persons to place themselves, their services and their property at the disposal of His Majesty in the right of Canada, as may be deemed necessary or expedient for securing the public safety, the defence of Canada, the maintenance of public order, or the efficient prosecution of the war, or for maintaining supplies or services essential to the life of the community.

3. The powers conferred by the next preceding section may not be exercised for the purpose of requiring persons to serve in the military, naval or air forces outside of Canada and the territorial waters thereof.

4. The powers conferred by this Act shall remain in force only during the continuation of the state of war now existing.

5. Every order or regulation passed under the authority of this Act shall be tabled in Parliament forthwith if Parliament is in session and, if Parliament is not in session, within two weeks of the opening of the session next following the making of such order or regulation.

From the statement of my right honourable friend (Right Hon. Mr. Meighen) I take it for granted that this is the clause which has been amended.

Hon. C. P. BEAUBIEN: Yes.

Hon. Mr. DANDURAND: This is the concluding section:

6. The Governor in Council may prescribe the penalties that may be imposed for violations of orders and regulations made under this Act, and may also prescribe whether such penalties shall be imposed upon summary conviction or upon indictment, but no such penalty shall exceed a fine of five thousand dollars or imprisonment for any term not exceeding five years, or both fine and imprisonment.

I think the terms of this Bill are quite clear, but to indicate to honourable senators what can and will be done under this Bill, I must go back to the statement of the Prime Minister which I read to this Chamber on Tuesday last.

Before doing so, I may say that when introducing this Bill to the House of Commons the Prime Minister declared it was important emergent legislation which should be promptly dealt with. The Bill has been before the House of Commons from Tuesday evening to the present time. It is due to the patriotic

spirit of honourable senators, as expressed by the right honourable leader on the other side, if I am able to move first, and then second, and perhaps third reading of the Bill to-night. Most of us have followed the discussions which have taken place in the other House, and even if we have not read the Commons Hansard we have, through the morning and evening Press, been informed daily of the progress of the Bill.

In order that honourable members may have an idea of what is intended to be done under this legislation, I shall now read again the Prime Minister's statement to which I have already referred, and which indicates for what purposes this Bill is before Parliament.

Immediate measures were taken at that time to assist in the naval defence of Newfoundland. In the light of recent events, additional responsibility has been assumed for the military defence of strategic areas there. I am pleased to be able to announce that Canadian armed forces are now on duty in Newfoundland.

What I shall relate as to the activities of the Government of Canada will indicate what can be done, even outside of the sending of troops to Great Britain. I may say that most of the things that have been done have been done at the request of the British authorities.

The House has already been informed of the contribution which Canada is making in the West Indies by replacing British troops with Canadian troops, on garrison duty, and thus relieving British forces for other duties.

The Government agreed some weeks ago to a request of the United Kingdom Government that Canadian troops should assist in the defence of Iceland. The first contingent of a Canadian expeditionary force have already landed in Iceland. Further units have been detailed and will follow shortly. I need hardly point out the strategic importance, not only to the security of the north Atlantic sea lanes, but to the defence of this continent, of maintaining control of Iceland.

It will be observed that Canadian troops have been and are still being sent to the West Indies and to Iceland to replace British contingents which are returning for the defence of Great Britain.

The increased seriousness of the military situation abroad and the marked expansion of all three branches of our armed services in Canada have served to arouse widespread interest and concern throughout the country regarding the raising and training of recruits. . . . Additional measures are proposed in connection with the recruitment of Canada's armed forces. . . . So far as man-power is concerned, it will relate solely and exclusively to the defence of Canada on our own soil, and in our own territorial waters. It will enable the Government to make the most efficient use of our man-power for the varied needs of modern machine warfare. It is of the utmost importance to realize that success in war to-day depends upon the use of men for the kind of work tor which they are best fitted. The armed forces are only a part of the essential equipment of war. The skilled worker in the factory, the transport worker and the farmer, to mention only a few, are as essential to the effective prosecution of war as the soldier, the sailor and the airman.

Mobilization of our resources will not, however, be confined to requiring the services of men and women. The Government will have power under the provisions of the Bill equally to call property and wealth, material resources and industry to the defence of Canada.

The Bill is intended to remove any doubt as to the power of the Government and the will of Parliament that the whole material resources of the country should be available whenever they are required to meet the needs of the war.

The operation of the measure will be confined to the period of the war.

Recruitment for service overseas will be maintained on a voluntary basis. No difficulty has been experienced and no difficulty is anticipated in raising by the volunteer system all the men required for service outside Canada. . . .

A complete inventory of Canada's manpower and other resources, properly classified, affords a necessary basis for some of the further essential measures of home security and defence, which I have announced. A national registration of Canada's manpower will accordingly be instituted at once. . . . This will have the following immediate advantages:

The national registration will constitute an additional precaution against "fifth column" activities such as sabotage and espionage, which conceivably might become more menacing as external threats grow more serious. In this way it will add to our internal security.

National registration will also provide the Government with an inventory of the mechanical and industrial skill of our population. Such an inventory will prove valuable in affording additional information on the extent of our resources of skilled labour which can be drawn upon to meet the needs of essential wartime industries. It will also show the directions in which intensive industrial and technical training is most urgently needed to provide an adequate supply of labour to meet the growing demands of our war industries and other essential services.

I should like here to express the warm appreciation of the Government of the valuable work already accomplished through the voluntary registration of women, undertaken as a spontaneous contribution to the development of Canadian efficiency in wartime. The fullest use will be made of the results of the register now being completed.

It is the intention of the Government also to establish without delay a new department of government to be known as the Department of National War Services, to be presided over by a Minister of the Crown.

I find in looking over the statement of the Acting Minister of Defence, which followed the remarks of the Prime Minister, that recruits are now being enlisted at the rate of approximately 800 a day, and yesterday, I think, I saw the figure had gone beyond 1,200. The whole situation with regard to recruiting these troops has been reviewed over the week-end, and instructions have been issued for the purpose of intensifying activity.

I now await the first reading of the Bill.

FIRST READING

The Hon. the SPEAKER: Honourable senators, a message has been received from the House of Commons with Bill 43, an Act to confer certain powers upon the Governor in Council for the mobilization of national resources in the present war.

The Bill was read the first time.

SECOND READING

Hon. Mr. DANDURAND: With the leave of the Senate, I move the second reading of the Bill, seconded by the Right Hon. Mr. Graham.

Right Hon. ARTHUR MEIGHEN: Honourable members, this measure is one of the most momentous and at the same time one of the most extraordinary ever presented to Parliament. It bears a euphonious and inoffensive title—which I doubt not was cautiously and skilfully chosen—"The National Resources Mobilization Act, 1940." As all of us know, this is a measure for the conscription of men, money and material for the war.

The Bill brings to me many memories, and I know the memories it summons back are indeed poignant to members of the present Administration, particularly to those who have long been associated with our public life.

I take definite and positive exception to the form and character of the Bill which this Government now presents, and for which it seeks the approval of Parliament. I am not in accord with the scope of the measure. But I do not intend to oppose it. I am going to support it. With its principle I am in the fullest accord; with its object I am in complete agreement, and I do not propose even to move to amend it to a form in which I most earnestly think it should be. The House may be surprised that I do not ask that the Bill be put into such more ample form and be made to contain such provisions as I say, with all the force that is in me, it ought to be in and ought to contain. Under ordinary conditions it would be easy, and certainly justifiable, to move that the Bill be not now read a second time, but that it be amended in such a way as to lay down principles upon which this tremendous enterprise shall be operated—to provide that Parliament shall decide on what conditions, with what safeguards and by what machinery of administration the liberty of the subject is to be so relentlessly invaded as it is by this measure. That duty is the proper, the predestined function of Parliament.

I do not move an amendment, for this reason. Assuming that it would be passed in this House—and I have no cause to think it would not be, for it would be a proper and right step to take—we have to consider where we should be then. We should have a measure properly amended in a very important feature, but a measure which I know from what has occurred lately in the other Chamber would not be accepted by the Government and the Government's majority in that Chamber. Consequently, nothing but delay and perhaps an unnecessary measure of friction would result. I am therefore going to content myself with lodging my distinct and most vigorous protest against the form of this legislation, and with giving my reasons therefor.

First, though, I ask honourable members to consider the primary object of this Bill, its scope, and its consistency. The Bill provides that the persons of all Canadians shall be placed without reservation at the disposal of the Government of the day for such duties as that Government may assign to them. Though much has just been read about allocating men to this function and to that, any allocation apart from allocation to our armed forces, in the air, on water and on land, amounts to little or nothing. Once assignment to the armed forces has been effected, further allocation follows of itself. Give industry work to do—planes, tanks, munitions to produce; refuse to take into the army men who cannot be spared from specific industries, and those not taken will find their places in those specific industries. Similarly women will find their places when work is there to be done. Though we talk a lot about putting this man here and that man there, and the real object of the measure is somewhat confused thereby, the one purpose that amounts to anything is to see that we do not fail in our military duty, the imperious demand of this hour.

The Bill provides that men can be conscripted for service in our armed forces throughout the Dominion, but it adds that no one upon whose shoulders the Government places its hand can, after he is required to join, be sent out of Canada or beyond the three-mile limit. I am a thousand per cent in agreement with the idea that we should use common sense in the gathering of our armed forces. To leave this major duty of a citizen to pure caprice in the day of the nation's peril is the veriest folly and nonsense. The Bill in this essential principle is right. But the Government, in limiting its application to the defence of Canada, provides that conscripted men stay in Canada. If they fight by sea and pursue an enemy, they stop at the three-mile limit. They then come back, and volunteers must be found to take up the chase.

Now, I ask, what other defence is there but defence of Canada?

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: Have we up to now been defending some other people and not ourselves? Is this country content that its sons be compelled to engage in any defence so long as we know it is not a defence of maximum value to the Dominion? Do we go through the hollow mockery of saying that we have been unselfish idealists in sending our soldiers to the help of Britain and of her Allies in France? Why not be honest and say we sent them there because there we defended Canada best, because that was our first line, and ought to have been our safest line? Are not the men whom we now send to England going there in the defence of Canada? There is no one in this Chamber who does not know that at this hour, and at every hour up to now, the way best to secure the defence of Canada is and has been to strengthen the Allied line.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: And there is no one who knows it better than do the members of the Government; there is no one who knows it better than does the Prime Minister. The Prime Minister told us only a few days ago that we should not wait until the enemy reached here, but we should go out and defeat him. He said:

> The way to meet an aeroplane or submarine attack is not to wait until the enemy reaches your shores, but to go out and meet him and try to prevent him from ever reaching your shores.

Every common-sense person agrees. That is what we have been doing. And I wonder if there is anybody who says that service where it can be of greatest effect is of less importance to our country than is service where it can be of least effect.

But the restraints the Government feel themselves under bring them within the narrow, inconsistent terms of this Bill. That narrowness and that inconsistency result from an attempt to fit the policy of the present into the contortions of the tragic past.

Hon. Mr. HAIG: Hear, hear.

Right Hon. Mr. MEIGHEN: Everyone in this House knows the truth of that statement just as he knows his name. The honourable leader of the House (Hon. Mr. Dandurand) read a few moments ago a speech which came originally from the lips of the Prime Minister, and in which it was said there had been no difficulty whatever in obtaining plenty of volunteers for service overseas. I do not dispute the correctness of that assertion. But the numbers required were meagre, and the reason for their being meagre we all know. We came into this conflict utterly unprepared, although we had abundant notice. We were leisurely and slow in getting equipment and becoming prepared. So we could not absorb the men. That is the most generous interpretation to put upon our conduct up to now. That we have had enough men to answer the call for overseas service is, I suppose, correct, within the narrow limits of that call.

I do not, however, follow the logic of the contention that compulsion is not necessary to get men to fight outside the country, but that we must apply compulsion to get them to fight inside the country.

Hon. Mr. DANDURAND: And to cover far more services than that.

Right Hon. Mr. MEIGHEN: The intent cannot be confused in that way. The object of the Bill is to implement the necessities of the army, navy and air force. You will never need to compel men to work for wages. You cannot do so if you try. After you have got your military, your air and your naval requirements attended to, the allocation of those left to other spheres will follow automatically. So the position the Government find themselves in is illogical, and this makes it necessary for them to propose to us the most preposterous of reasoning. Who would suggest that the sons of Canada are more ready to fight in Europe than they are to fight in this country? But that is what the Government are compelled to say. We are told there are plenty of men who are volunteering to fight overseas—that no compulsion is necessary to get them for overseas service. How then can it be suggested to sensible people that if the sons of Canada are thoroughly ready to go overseas to fight for this nation, they are not also ready without compulsion to fight within our own domain?

The Government know that this hour is so dark that black clouds are hovering over the hills of this nation, and they know they cannot depend long on hazard or caprice of any kind. That is why they are before us with this measure. But implicit in the measure is the illogical character of the whole policy; and through it can be seen clearly, as through a glass, the tragic record of the past.

Well, here it is. I will not stand in the way of any steps, however vigorous, being taken by the Government. Not only will I not stand in the way, but I will help the Government in every manner within my power. And I have helped them. I do not know anyone in this Dominion who has laboured harder than I have to rouse this

country to some appreciation of the peril which was coming upon us. I do not know anyone who started to warn of the peril sooner than I did, in this House and throughout the country, over a period, not of months, but of years. And the peril certainly has come. The more virile the means proposed for facing it, the more eager I shall be to support them.

But what is the nature of this measure? I said it was unprecedented. It is unprecedented in those features which rob Parliament of its inherent rights and assert those rights on the part of the Government. We have had compulsory military service statutes in Canada before, not after a few months of war, but after years of war. But the Government of that day did not come to Parliament and ask that a blank cheque be given them by way of a measure of this character, which, though invading the subject's most precious liberties to a greater degree than has all other legislation we have passed in years, deprives Parliament of the right to define the safeguards and principles which are to govern its operation.

The legislation of 1917 set out all the various classes who were to be called, and the order in which they were to be called. No other order could be taken by the Government. The nature of the tribunals who were to do the selecting was defined. It was stipulated that those tribunals should be local, each one consisting of two members, and the selection of those members was provided for in the fairest way that the wit of men could devise. The Government did not take power to select them. The Act provided that one member should be chosen by a Committee of Selection, a committee established by joint resolution of both Houses, and thus all members of Parliament of all parties had something to say in the choice. And as everyone knows, that Committee of Selection was not a partisan committee. The other member of each local tribunal was to be chosen by the local judge of the district, whoever he might be, by whomever he might have been appointed. Thereby it was made clear that there would be the utmost fairness as between parties, races and creeds in the determination of what men should go and what men should stay. Further, the Act went on to provide for appeals and the determination of those appeals, and for their removal from everything in the nature of Government interference, and particularly of party interference. And the party Government that had been in power decided as well that a measure of such character should have the sponsorship of an administration as thoroughly national as could be formed. Before it was given effect such an administration was found. If it had been possible to create an administration more widely representative than the one that was obtained, the heart of the Prime Minister of that day would have rejoiced.

But now we are asked to place the life and the property of every Canadian in the hands of a party Government, and to authorize that Government to decide by Order in Council the principles to be applied in making selection, and by Order in Council to nominate tribunals, if indeed there will be any tribunals; by Order in Council to decide on the classes that are to be called and the order of their calling; by Order in Council to specify the nature of the appeals and the courts or officials to whom they may be made. The passing of this Bill will give the Government power to restrict where they want to restrict, to widen where they want to widen, to protect where they want to protect, to control the whole gigantic operation in harmony with their own sweet will. Parliament is asked kindly to step aside, to abandon its functions and leave them to the Government. I wonder if any honourable members recall that loud champion of the rights of Parliament who has thundered through this country over the past thirty years. I do not need to mention his name. He is now the author of the most flagrant defiance of parliamentary rights ever addressed to any free parliament in the civilized world. Such defiance is the very essence of this Bill. It is the solemn duty of Parliament to lay down principles, safeguards, and mechanism for the operation of a measure which invades things so sacred as those invaded in this Bill. That duty the Government call on us to abandon and surrender. This House is helpless by itself. It can only delay. It must surrender or be accused of obstructing the making of war.

What is the answer of the Administration? We are told, "This is an emergency." Certainly it is an emergency. An emergency fell from the skies of Britain when the war broke on the 1st of September. Did the British Government come and say, "We want Parliament to let us seize the persons of the men of this country, and force them into the army along our way of thinking; we want Parliament to have nothing to say about the principles at all"? They did nothing of the sort. Within two days they introduced a Bill embodying principles which the Government had to follow, and placing safeguards around the rights of the subject. That Bill provided that there could be no favouritism anywhere, that there must be fair and honest methods of selecting the men and of appeal—methods approved by the people's representatives. Why is that course not followed now?

Hon. Mr. DANDURAND: It has been.

Right Hon. Mr. MEIGHEN: It has been? This Bill follows it?

Hon. Mr. DANDURAND: The Bill carried in the other House by, I think, a vote of 156 to 2.

Right Hon. Mr. MEIGHEN: It will be carried here—unanimously. But that does not change the character of the Bill.

Hon. Mr. DANDURAND: But it affirms the principle of the authority of Parliament.

Right Hon. Mr. MEIGHEN: I am going to vote for the Bill, but that does not affect the nature of the measure. The Government should submit to Parliament, for Parliament's review and decision, all these vital principles and the whole scheme of operation. Cannot the Government prepare such a measure? They should be able to do so in half a day. They would not have one-tenth of the work we had to perform when the ground had to be pioneered twenty-three years ago. We now have the precedents of the British laws of twenty-four years ago and of to-day. We have the precedent of our own law of 1917. No doubt it could be improved upon. A measure thus framed should be submitted to Parliament. Parliament should review it and decide whether the safeguards thus proposed are fair and right, whether the principles of application are right, whether the classification is right, what classification should be called first, what second, third, fourth, fifth and tenth. This is the business of Parliament, and this business we are forbidden to enter into. The Government demand that we vote them authority to do these things in their own majestic way. I protested about this yesterday to a member of the Government—a member well known to the leader of this House. "Oh," he said, "we will do all that, and we will tell you about it afterwards." That Minister frankly told the truth. Such is the purpose of the Administration, the purpose printed right here. Orders in Council are to do what Parliament alone should do.

We have sat now for some weeks and have tried to do our best with the measures before us. What kind of measures have we had? Just petty peanut legislation—amendments to the Yukon Act, amendments to the Northwest Territories Act, recurrence of the Farmers' Creditors Arrangement Act, something about agricultural products—just legislative chicken-feed, as everyone in this House knows. But when there is something of consequence to which we could address ourselves, something than which there has never been anything of more consequence in Canada for a quarter of a century, the Government say: "We have not time to prepare it. We want you to give us a blanket authority, and we will pass the real legislation by Order in Council." I tell them it is just as easy to prepare for Parliament as to prepare for the Governor in Council. It does not take a moment longer to draft and submit legislation than it does to draft it and pass it by the Governor in Council.

Why, then, is Parliament affronted? Why, then, are this Government asking for something in relation to the liberty of the subject such as has never been asked for in any Parliament of Britain, in any Parliament of this Dominion, or in any Parliament of any other British Dominion? I protest against the denial of parliamentary rights embedded in this legislation, and I warn the country against the application of this law, inasmuch as the whole application of it and the principles governing such application are torn from the hands of the people's representatives and gathered under the wing of a party Administration.

Now I have made my protest. To the extent this Bill goes, notwithstanding its abhorrent features, I will support it. There is no use in moving amendments; they would only cause delay. I would rather have this Bill than nothing. But from the indictment I lay against the Administration I venture to say there is no escape in the minds of honourable members, and I am certain there will be no escape in the minds of the people of Canada.

The Hon. the SPEAKER: The question, honourable senators, is on the second reading of this Bill.

Hon. Mr. DANDURAND: I have looked around to see if any other members desire to speak. If not, I will close the debate in a few words.

Hon. Mr. COTE: Is it the intention of the Administration to call men to the colours in the near future, to enlist them under this proposed legislation?

Hon. Mr. DANDURAND: My honourable friend is a distinguished member of the Bar. He has read this Bill and therefore knows the powers vested in the Government, and I cannot understand why he should put such a question.

Hon. Mr. COTE: It is because I have some legal understanding that I can read the Bill. It vests the Government with authority to conscript men. My question is: Is it the intention of the Government to use that authority soon?

Hon. Mr. DANDURAND: Soon?

Hon. Mr. COTE: Soon. My question is not intended to be embarrassing. I am asking for information.

Hon. Mr. ASELTINE: When does the Government intend to act?

An Hon. SENATOR: In the next war!

Hon. Mr. DANDURAND: My honourable friend apparently has not read clause 2:

> Subject to the provisions of section three hereof, the Governor in Council may do and authorize such acts and things, and make from time to time such orders and regulations, requiring persons to place themselves, their services and their property at the disposal of His Majesty in the right of Canada, as may be deemed necessary or expedient for securing the public safety, the defence of Canada, the maintenance of public order, or the efficient prosecution of the war, or for maintaining supplies or services essential to the life of the community.

He desires to know in what manner and at what time these powers will be exercised. They will be exercised as the Government finds it convenient and imperative to exercise them, and it will do so as it would have done without the passing of a Bill—for the protection of Canada. I would draw attention to the fact that under our militia law men can be called to the colours for the defence of Canada. I remember the Borden Government hesitated to utilize this authority to organize military expeditions for service abroad, and I believe that it obtained specific powers for that purpose in order to make sure it was not violating the Militia Act. We have always had embodied in our law authority for the Government to raise men for the defence of Canada.

My right honourable friend (Right Hon. Mr. Meighen) says, "But where does that defence of Canada begin, and where does it end?" We know very well we are fighting the battle of the commonwealth of nations, including nations who are not active. I am surprised to hear speeches as to Canada's duty in this war without hearing that Canada is leading in every movement that goes to help Great Britain.

Hon. Mr. COTE: Is that intended to be a reply to my question? My question does not relate to the exercise of all these powers, but is simply this: In view of the special and great emergency, the existence of which we in Canada recognize, is it the intention of the Administration to conscript men for the defence of Canada? And, if so, when will it be done?

Hon. Mr. DANDURAND: It is for the Governor in Council to pronounce and fix that date. He has not acted on a Bill not yet passed, and I have no authority to speak in such a matter before he has been vested with the necessary authority.

Hon. Mr. COTE: Is it the intention of the Government to act when the Bill is passed?

Hon. Mr. DANDURAND: It is somewhat of an insult to the Government of the day to ask it if it intends to utilize the powers it is seeking from Parliament.

Hon. Mr. COTE: May I interrupt to say that I had no intention of offering any insult. I did not ask whether it intended ever to use this Bill. If such were my question, it would be insulting. My question was: "How soon does the Government intend to call the soldiers to the colours?"

Hon. Mr. DANDURAND: My honourable friend should explain what he means by "How soon."

Some Hon. SENATORS: Oh, oh.

Hon. Mr. DANDURAND: Is it a question of a few hours or a few days?

Hon. Mr. COTE: Yes. Is it a matter of days or weeks or months? That is what I mean.

Hon. Mr. DANDURAND: The Government will act according to the best interest of Canada and the defence of Canada.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. COTE: Then I take it that the Government has not yet decided what are the best interests of Canada.

Hon. Mr. DANDURAND: My honourable friend cannot put that question to me. The Government of Canada has approved of this Bill, and in the statement of the Prime Minister, which preceded the Bill and is a preamble to it, honourable gentlemen will find the intentions of the Government.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: All we are asking is a question as to time. Does the Government intend to exercise the power to conscript as soon as the Bill is passed? Or does it not?

Hon. Mr. DANDURAND: The Government will act as soon as it feels that it is important to do so.

Right Hon. Mr. MEIGHEN: The Government says it is very important now; that there is an emergency, a special emergency. Does the Government say it will act as soon as the Bill is passed?

Hon. Mr. DANDURAND: The Government is charged with the responsibility of defending the country, and it has adopted this legislation in order to do so. My answer is that it will do so in due time.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. CALDER: Surely, when we consider the circumstances under which we are called upon to pass this Bill, and the urgent request of the Prime Minister for speed in the other House, the Government should be prepared to make a statement, officially and openly, as to its intentions in reference to putting this measure into operation. Is Parliament not entitled to that information? We are asked to-night to put through the three readings of the Bill. Why? Because it is urgent.

Hon. Mr. HOWARD: Does that not answer the question?

Hon. Mr. CALDER: No. The Government should not have any hesitation in answering. Why should there be any quibbling?

Hon. Mr. DANDURAND: Here is the statement of the Acting Minister of Defence on the very question. The procedure will be this:

> Every able-bodied man in Canada will in due course—

Right Hon. Mr. MEIGHEN: In "due course."

Hon. Mr. DANDURAND:

> —be given an opportunity of training in the use of arms, so as to come to the defence of the homeland. This training, after due consideration is given to the requirements of the naval and air forces, will be entrusted to units of the non-permanent active militia, which will be recruited voluntarily or filled under the terms of the new legislation, according as the facilities for training and accommodation permit.

Already my honourable friend asks me, "How soon will the Government act?"

Right Hon. Mr. MEIGHEN: "In due course."

Hon. Mr. DANDURAND: It is already acting.

Right Hon. Mr. MEIGHEN: "In due course," the Minister says. That is just a masterpiece of caution and confusion.

Hon. Mr. KING: No, no.

Hon. Mr. DANDURAND: The Government must train these men. A thousand recruits are being raised every day.

Right Hon. Mr. MEIGHEN: Under the Bill? Will the honourable gentleman say they must be called up at once when the Bill passes?

Hon. Mr. DANDURAND: We are recruiting from day to day.

Right Hon. Mr. MEIGHEN: That is not under the Bill at all.

Hon. Mr. LAMBERT: May I ask how long the process of national registration took in connection with compulsory service in the last war?

Right Hon. Mr. MEIGHEN: We started at once appointing our tribunals and going right at it.

Hon. Mr. MURDOCK: Surely, honourable members—

Right Hon. Mr. MEIGHEN: It is getting pretty hopeless now.

Hon. Mr. MURDOCK: Surely honourable gentlemen have not heard what was read to them to-night. In another place, a couple of days ago, the Minister of National Defence for Air said:

> As a matter of fact, yesterday one thousand four hundred and sixty-three men were enlisted and looked after.

Hon. Mr. BALLANTYNE: For overseas.

Right Hon. Mr. MEIGHEN: That is voluntary enlistment.

Hon. Mr. MURDOCK: As long as that record continues there is surely no particular "hurry-up" necessity for utilizing a compulsory measure of enlistment.

Right Hon. Mr. MEIGHEN: Then why rush through three readings of this Bill in a night? Why can the Prime Minister not wait?

Hon. Mr. MURDOCK: That is a fair question. The simple reason is that we do not want the poor sports and poor losers saying a little later—

Some Hon. SENATORS: Oh, oh.

Hon. Mr. MURDOCK: —that recruiting is falling off, and that the Government did not take the necessary action to compel reasonable service for the Dominion of Canada.

Right Hon. Mr. MEIGHEN: That is pretty cheap.

Hon. Mr. MURDOCK: Honourable gentlemen know that; and the question "How soon" is just technical buncombe from a lawyer skilled in that kind of thing.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. COTE: I rise—

Hon. Mr. DANDURAND: If my honourable friend will allow me—

Some Hon. SENATORS: Oh, oh.

Hon. Mr. COTE: I rise to a point of order. I will very humbly request that the gentleman who has just spoken those words, which are entirely unparliamentary, withdraw them.

Hon. Mr. MURDOCK: I will do no such thing, because I regard them as well placed.

Hon. Mr. COTE: I do not care what the honourable gentleman's mind tells him. What he thinks should not govern the amenities of this House, nor be a rule in this House.

Hon. Mr. MURDOCK: Oh, we are on to you.

Hon. Mr. COTE: I would ask His Honour the Speaker—

Hon. Mr. MURDOCK: We have got your number.

Hon. Mr. QUINN: We got yours long ago.

Hon. Mr. COTE: I would ask His Honour the Speaker to make a ruling.

The Hon. the SPEAKER: I did not hear the words about which the honourable senator from Ottawa East (Hon. Mr. Coté) is complaining. If he will kindly state the words, I will make a ruling.

Hon. Mr. COTE: The honourable gentleman referred to my statement as pure buncombe, the result of a mind versed in that sort of thing. That was the meaning of what he said.

Right Hon. Mr. MEIGHEN: Those were virtually his words.

Hon. Mr. COTE: They were virtually the words he used.

Hon. Mr. HORNER: It was an insinuation that the honourable senator from Ottawa East is practised in that sort of thing.

The Hon. the SPEAKER: I should be inclined to agree, honourable senators, that if an honourable member feels certain words offend him, those words should very likely be withdrawn.

Hon. Mr. HAIG: Honourable members, before the honourable leader makes his reply to the right honourable leader on this side—

Hon. Mr. DANDURAND: I am closing the debate.

Right Hon. Mr. MEIGHEN: Not yet.

Hon. Mr. KING: Oh, yes, that was understood.

Right Hon. Mr. MEIGHEN: The point of order must be decided.

Hon. Mr. COTE: The point of order must be brought to a conclusion. His Honour the Speaker has made a ruling.

Right Hon. Mr. MEIGHEN: We want the withdrawal.

Hon. Mr. COTE: Something remains to be done, and I think it is up to the honourable member from Parkdale (Hon. Mr. Murdock).

Hon. Mr. DANDURAND: I do not know what expression the ruling is on.

Right Hon. Mr. MEIGHEN: It does not matter about that. His Honour the Speaker has ruled. Now we want the withdrawal.

Hon. Mr. MURDOCK: What words are wanted withdrawn?

Right Hon. Mr. MEIGHEN: They were just repeated, and you heard them.

Hon. Mr. MURDOCK: Oh, no, he did not repeat them.

Hon. Mr. DANDURAND: I think the honourable gentleman said he objected to the word "' buncombe."

Hon. Mr. MURDOCK: Well, I want to live the rest of my life consistently and logically. I want to feel that I am ready to speak the truth as I see it from day to day, and I have regarded a lot that I have heard—

Right Hon. Mr. MEIGHEN: Mr. Speaker, I ask that your ruling be enforced. We are not here to listen to a speech now. It is a question whether or not your ruling is to be enforced.

Hon. Mr. MURDOCK: You did not like to hear the truth. That is what hurts.

Right Hon. Mr. MEIGHEN: Mr. Speaker, I ask you to intervene. You have made your ruling. Is it to be enforced or ignored?

The Hon. the SPEAKER: I asked the honourable senator from Ottawa East (Hon. Mr. Coté) to submit to me the words of which he complains. He stated them, but I was unable to hear him distinctly. However, the ruling of the Chair is that if the honourable member feels offended at certain words, those words ought to be withdrawn.

Hon. Mr. MURDOCK: My honourable friend is attempting to confuse the issue. However, I will recognize his tender feelings and withdraw the words.

Hon. Mr. HAIG: Honourable members, I presume I have the right to ask a question of the honourable leader of the House (Hon. Mr. Dandurand). Orders in Council passed under this Bill are to be tabled forthwith if Parliament is sitting, and any passed while Parliament is prorogued are to be tabled at the next session. How are we to know the terms of any of these Orders in Council issued during parliamentary recesses? Suppose Parliament prorogues on the first of August and the following day an Order in Council calls all men between the ages of twenty-one and twenty-four to the colours, how will the men concerned find out about that?

Hon. Mr. DANDURAND: The Order in Council would be published in the Canada Gazette. Any such Order which concerns the people at large will be given wide publicity, so that everyone concerned will have notice of it.

Hon. Mr. HAIG: All the Orders in Council will be immediately published in the Canada Gazette?

Hon. C. P. BEAUBIEN: An amendment was made to the Bill in the other House.

Hon. Mr. HAIG: I have not got the amendment.

Hon. C. P. BEAUBIEN: It has not reached here yet.

Hon. Mr. HAIG: Then, I cannot consider the Bill yet. I want to know what the amendment is.

Hon. Mr. DANDURAND: Section 5 of the Bill was amended in the other House to read as follows:

> Every order or regulation passed under the authority of this Act shall be tabled in Parliament forthwith if Parliament is in session, and a copy thereof sent to every member of the House of Commons and of the Senate, and if Parliament is not in session, then every such order or regulation shall be forthwith published in the Canada Gazette, and copies thereof sent to every member of the House of Commons and the Senate forthwith.

Right Hon. Mr. MEIGHEN: Utterly worthless.

Hon. Mr. HAIG: I want to ask another question, and I shall be satisfied if the honourable leader answers with a "Yes" or "No." We have been told that there is urgent need for this measure. In the calling up of men, will the Military Service Act classifications be followed? Has any consideration been given to that?

Hon. Mr. DANDURAND: This will be carried on by regulations embodied in Orders in Council.

Hon. Mr. HAIG: I am afraid my honourable friend does not appreciate my question. Has any consideration been given to what classes will be set out in the regulations?

Hon. Mr. DANDURAND: I cannot answer without having further information. Of course, classes within certain ages will be called up as necessity arises. I suppose the first class will cover men of twenty-one years of age.

Hon. Mr. HAIG: Is it the intention of the Government to set out in the regulations the various classifications? As I remember the Act of 1917, class No. 1 included men from twenty up to twenty-seven years of age, unmarried; class 2, men from twenty-seven to thirty-three, unmarried; class 3, men from twenty to twenty-seven, married, without children, and so on.

Hon. Mr. DANDURAND: I have no doubt such classes will be defined.

Hon. Mr. HAIG: Is it the intention of the Government after the classes are defined—

Hon. Mr. DUFF: I rise to a point of order. My honourable friend (Hon. Mr. Haig) is very punctilious in endeavouring to call other members to order. I submit his questions are entirely out of order. We are now on the motion for second reading of this Bill. If any senator desires to make a speech, he is free to do so; but no member has the right to cross-question the leader of the Government. Questions are permissible only when the Bill is in Committee of the Whole.

Hon. Mr. DANDURAND: But we do not intend to go into Committee of the Whole.

Hon. Mr. DUFF: I ask you to rule, Mr. Speaker, that the honourable the junior member from Winnipeg (Hon. Mr. Haig) is out of order.

Right Hon. Mr. MEIGHEN: On a point of order I always defer to the honourable member from Lunenburg (Hon. Mr. Duff). This time he is quite right. Now I put it to the honourable leader opposite. If he prefers not to answer questions until we get into committee, I shall be quite satisfied.

Some Hon. SENATORS: Oh, oh!

Hon. Mr. DANDURAND: No. I would rather questions were put now, because I intend after the Bill is given second reading to move third reading.

Hon. Mr. HAIG: The point of order is well taken, but I would point out to the honourable leader of the Government that there will be no further readings of the Bill to-night.

Hon. Mr. DANDURAND: But surely my honourable friend did not hear me. I said I was desirous of answering questions now.

Hon. Mr. HAIG: My honourable friend's supporter has challenged me.

Hon. Mr. DUFF: Whose supporter? I want to tell my honourable friend I am the supporter of nobody but myself. I—

Hon. Mr. HAIG: The point of order is well taken, and—

Hon. Mr. DUFF: I have the floor and I ask the honourable the junior member from Winnipeg to sit down. I object to his saying I am anybody's supporter. I am my own master and I intend to be so always. If he is not his own master, he must be thinking about himself, not me.

Hon. Mr. BALLANTYNE: Why does the honourable gentleman not move that the House go into committee on the Bill?

Hon. Mr. HAIG: The point of order is well taken, but I say there will be no more readings to-night.

Hon. Mr. DANDURAND: No. I would ask His Honour the Speaker to rule that any question put to me may be answered with my consent—and I consent.

Hon. Mr. HAIG: I was not trying to embarrass the honourable leader.

Hon. Mr. DANDURAND: The honourable gentleman may proceed.

Hon. Mr. HAIG: Clause 6 prescribes the penalties that may be imposed for violation of orders and regulations. I think notice of such orders and regulations should be given the public before penalties are imposed. In order to guard against unintentional violations through ignorance, notices should, I think, be displayed in all post offices. Will that suggestion be given consideration?

Hon. Mr. DANDURAND: I can assure my honourable friend that full publicity will be given to any regulations issued under this Bill. I hope I shall be living next session and—

Hon. Mr. HAIG: I hope the honourable gentleman will be.

Hon. Mr. DANDURAND: —shall have his approval of any regulations passed in the meantime.

Right Hon. Mr. MEIGHEN: Will the calling-up take place before next session?

Hon. Mr. DANDURAND: I would say, certainly it will. I know the situation is very serious, and I do not doubt that the present pressure, unfortunately, will continue. I hope it will not.

Right Hon. Mr. MEIGHEN: Will the honourable gentleman permit me to read from a radio speech which the Minister of Justice made a few days ago? It bears on the very pertinent question put by the honourable senator from Ottawa East (Hon. Mr. Coté). I will try to read the speech in French, if the House will forgive my accent.

Pour apaiser tout affolement et toute appréhension il suffit, j'en suis sûr, de fournir l'assurance que ces nouveaux pouvoirs, si on les accorde au Gouvernement, ne seront exercés que s'il devient nécessaire d'y recourir dans l'intérêt de la sécurité nationale du Canada. Cette assurance, mesdames et messieurs, je vous la donne de la façon la plus catégorique. Ne retenez pas les bruits qui courent à l'encontre, car quiconque répand de telles rumeurs ne contribue qu'à nuire au pays.

My translation will, I hope, be more accurate than my pronunciation.

Hon. Mr. DANDURAND: It is fairly good.

Right Hon. Mr. MEIGHEN:

To appease altogether any apprehension, it is sufficient, I am certain, to give the assurance that these new powers, if they are accorded to the Government, will only be exercised if it becomes necessary to have recourse to them in the interests of the security of Canada.

That is to say, they may not be exercised at all.

Hon. Mr. HOWARD: That speech was made ten days ago.

Right Hon. Mr. MEIGHEN: Ten days ago! The Bill has been in the other House only two days.

Hon. Mr. HOWARD: Would the right honourable gentleman tell us when the speech was made?

Right Hon. Mr. MEIGHEN: I conclude my translation:

This assurance, ladies and gentlemen, I give you in the most categorical fashion. Do not pay attention to the rumours which are current, for whoever scatters such rumours contributes only to the injury of the country.

Hon. Mr. DANDURAND: Will my right honourable friend show me the document? I did not hear the speech delivered over the radio, but I heard of it.

Right Hon. Mr. MEIGHEN: These new powers, I presume, are the powers in the Bill.

Hon. Mr. DUFF: Will my right honourable friend read Colonel Ralston's speech? It is the English translation.

Right Hon. Mr. MEIGHEN: I have given the English translation.

Hon. Mr. DUFF: I should like to hear Colonel Ralston's speech.

Hon. Mr. MURDOCK: This evidently is part of that "phoney" translation referred to in another place as incorrect.

Right Hon. Mr. MEIGHEN: I gave the French version.

Hon. Mr. DANDURAND: I would draw my right honourable friend's attention to the danger of taking a phrase from a speech and treating it as related to a declaration which bears entirely on other matters. I simply read the part which precedes the citation my right honourable friend gave.

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND: I translate:

It has been said that the measure will cause nervousness and may occasion precipitate action born of lack of reflection by those who possess savings of one sort or the other. In my opinion those who think so do not take into account the stamina and courage of Canadians, and in order to appease all such nervousness—

He goes on to say:

—in order to appease such affolement—

That is, such excitement.

—and such apprehension, it will suffice for me to give an assurance that those new powers, if they are accorded—

Right Hon. Mr. MEIGHEN: These new powers, I think.

Hon. Mr. DANDURAND:

Si on les accorde—

C'est-à-dire les nouveaux pouvoirs.

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND: But it refers to the danger of the populace rushing to the banks to withdraw their savings.

Hon. Mr. HOWARD: Hear, hear.

Right Hon. Mr. MEIGHEN: Will the honourable member say the words of the Minister of Justice had no application to powers in respect of the person?

Hon. Mr. DANDURAND: I should need to read the whole document.

Right Hon. Mr. MEIGHEN: Ah!

Hon. Mr. DANDURAND: I will read it.

Right Hon. Mr. MEIGHEN: The honourable gentleman has read enough, and if the leader of the Government will give the assurance that the words had no application to the powers of this Bill in respect of the person contemplated to be conscripted, I shall accept the statement, and I think the House will accept it.

Hon. Mr. DANDURAND: From the knowledge I have from reading this speech, which was preceded by a statement of Hon. Mr. Ralston, I say both addresses were made to allay any fear on the part of people with savings in our institutions, and to dissuade them from drawing them out.

Right Hon. Mr. MEIGHEN: That is not what I asked for. I asked for a definite statement that it did not refer to the other matter.

Hon. Mr. DANDURAND: I will read the whole document.

Right Hon. Mr. MEIGHEN: No, no. The honourable gentleman knows what it means. We have heard enough.

Hon. Mr. DANDURAND: I will read in French the passage preceding that which my honourable friend has cited.

On a prétendu que la mesure causera de la nervosité et pourra occasionner des actes précipités et irréfléchis chez ceux qui possèdent des économies d'un genre ou l'autre.

"It has been said it will create nervousness and excitement among those who have savings of one kind or another. To my mind no account has been taken of the courage and constancy of our Canadians." I say that the phrase which followed, and which was read by my right honourable friend, covered exclusively the question cited in the phrase I have just read.

Right Hon. Mr. MEIGHEN: Am I to understand, then, that I have the assurance of the leader of the House that those words had no application at all to the personal clauses of the Bill as regards military service? Have I got that, or have I not?

Hon. Mr. DANDURAND: I should say so.

Right Hon. Mr. MEIGHEN: Then we have the assurance.

Hon. Mr. DANDURAND: If my right honourable friend wants my opinion on the

ten or fifteen minute speech of which he has furnished me a copy, that would be something different.

Right Hon. Mr. MEIGHEN: I want the honourable member to give us an assurance, or else to say he cannot give it.

Hon. Mr. DANDURAND: I gave my right honourable friend an assurance.

Right Hon. Mr. MEIGHEN: That it does not refer to—

Hon. Mr. DANDURAND: Yes, that it does not refer to the matter in my right honourable friend's mind.

Right Hon. Mr. MEIGHEN: I accept that.

Hon. Mr. DANDURAND: In fact, I heard that the Minister of Justice simply copied part of the speech delivered by Mr. Ralston five minutes before. And the remark was made, "Undoubtedly we said the same thing, because we had the same idea in mind"—which was to allay the fear of people who might withdraw their savings.

Right Hon. Mr. MEIGHEN: It might be of use to add to the assurance Mr. Ralston gave. I feel that he is absolutely right. It is absolute foolishness for people to be withdrawing funds because of the measure. I think the assurance as given by the Minister of Finance will be accepted throughout the country.

Hon. Mr. DANDURAND: I am very glad the right honourable gentleman makes that statement, because I am receiving letters daily from various parts of the country stating that people fear that money which they have in the banks will be taken by the Government. If they will only wait until to-morrow for the budget speech they will see how the Government can levy money, and perhaps they will realize how much people are contributing towards the cost of the war.

I intended following the remarks made by my right honourable friend in this Chamber. I want to tell him that these powers will be exercised with necessary prudence and tact, and that the young men will be called as the country needs them. And they will answer the call.

My right honourable friend has mentioned 1917. This is not a time to discuss 1917. I will discuss that question with the right honourable gentleman at leisure, when we can deal with the events of 1917 academically and historically. I draw his attention to the fact that the people of Canada cannot lose sight of the fact that the Conscription Act of 1917 created turmoil in the country.

Right Hon. Mr. MEIGHEN: That was because it was opposed. This Act will not be opposed. That is the difference.

Hon. Mr. DANDURAND: 1940 is not 1917.

Right Hon. Mr. MEIGHEN: It is much worse.

Hon. Mr. DANDURAND: We went to the province of Quebec and succeeded in ousting a Government that showed no inclination to participate in this war, and only yesterday, by a vote of 56 to 13, the Legislature of that province stood up for this measure. So my right honourable friend will understand that there is something in a change of method; that the situation of 1940 is attributable to two men and that credit must be given to them for bringing about unity in this country at this moment. Their names are Mackenzie King and Ernest Lapointe.

With these few broken remarks—for I have not been able to follow the objections my right honourable friend presented—and in the hope of having this Bill sanctioned by the new Governor General, who is to be sworn in at noon to-morrow, I move the second reading of the Bill.

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

THIRD READING

Hon. Mr. DANDURAND: With the leave of the Senate, I move the third reading of the Bill.

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

SWEARING IN OF GOVERNOR GENERAL DESIGNATE

On the motion to adjourn:

Hon. Mr. DANDURAND: I would draw attention of honourable members to the fact that the Governor General designate, the Earl of Athlone, will come to the Senate Chamber at noon to-morrow to be sworn in as Governor General of Canada. I trust that as many senators as can do so will be present at the ceremony. It is the Government's hope that afterwards His Excellency will be pleased to give Royal Assent to the Bill we have just passed.

Right Hon. Mr. MEIGHEN: May I suggest to the honourable leader that after to-morrow's formalities are over he permit us to return to our business? All that Parliament is for is denied to Parliament. Why keep us here to deal with trifles light as air, simply to make monkeys of the members of

this House? The Government do all that is of any consequence and ask us to fuss over little things, no bigger than pebbles.

Hon. Mr. KING: We are at war.

Hon. Mr. DANDURAND: My right honourable friend is hardly justified in speaking as he has done. He knows that the War Measures Act is in force. For a number of years he proceeded under the War Measures Act—

Right Hon. Mr. MEIGHEN: We had that Act in 1917, but the Government of that day did not ignore Parliament. When Parliament was sitting they brought everything before it. Witness the Act I have here.

Hon. Mr. DANDURAND: Will my right honourable friend allow me to correct him? The War Measures Act was passed in 1914, not in 1917.

Right Hon. Mr. MEIGHEN: But we had it in 1917. Under it, the then Government need not have passed the Military Service Act, but they brought that measure before Parliament. They submitted every detail to Parliament when it was in session.

Hon. Mr. DANDURAND: Some day we may cross swords over what the Government did in 1917, but I do not think this is the proper moment.

Right Hon. Mr. MEIGHEN: There never will be one.

Hon. Mr. DANDURAND: I am quite sure that we shall sit long enough in this Chamber during the present session, perhaps too long, but for most of the bills that are to come before us we must await action by the other House, composed of 245 members. I believe we have already passed measures that were worthy of the Senate's closest study, and I am sure my right honourable friend will find much meat in a number of others that we shall receive from time to time.

The Senate adjourned until to-morrow at 11.45 a.m.

THE SENATE

Friday, June 21, 1940.

The Senate met at 11.45 a.m., the Speaker in the Chair.

SWEARING IN OF GOVERNOR GENERAL DESIGNATE—THE ROYAL ASSENT

The Honourable the SPEAKER informed the Senate that he had received the following communication from the Acting Secretary to the Administrator:

Sir:

I am desired by the Administrator to inform you that the Right Honourable the Earl of Athlone will proceed to the Senate Chamber to-day, at 11.50 a.m., for the ceremony of his Installation as Governor General of Canada, following which His Excellency the Governor General will remain to give the Royal Assent to certain Bills.

I have the honour to be,
Sir,
Your obedient servant,
F. L. C. Pereira,
Acting Secretary of the
Administrator.

Hon. A. B. COPP: Honourable members of the Senate, I have been requested to move, in the absence of the leader of the House, that the Senate adjourn during pleasure, to await the arrival of the vice-regal party. The motion is seconded by the Right Honourable Mr. Graham.

The motion was agreed to.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

The Right Honourable the Earl of Athlone, having been installed as Governor General of Canada, and the House of Commons being present with their Speaker, His Excellency the Governor General was pleased to give the Royal Assent to the following Bills:

An Act to confer certain powers upon the Governor in Council for the mobilization of national resources in the present war.

An Act respecting the appointment of Auditors for National Railways.

An Act to amend the Canada Grain Act.

An Act to amend the Dairy Industry Act.

An Act to ratify and confirm a certain agreement respecting the joint use by Canadian National Railways of certain tracks and premises of the Vancouver, Victoria and Eastern Railway and Navigation Company, at Vancouver, in the province of British Columbia.

An Act to amend the Seeds Act, 1937.

An Act to authorize the raising, by way of loan, of certain sums of money for the Public Service.

An Act to amend the Department of National Defence Act.

An Act respecting the Royal Canadian Air Force.

An Act to amend the Canada Evidence Act.

An Act to amend the Trans-Canada Air Lines Act, 1937.

An Act to amend the Department of National Revenue Act.

An Act to authorize an agreement between His Majesty the King and the Corporation of the City of Ottawa.

An Act to amend the Militia Pension Act.

An Act to amend the Wheat Co-operative Marketing Act, 1939.

The House of Commons withdrew.

His Excellency the Governor General was pleased to retire.

The sitting of the Senate was resumed.

BUSINESS OF THE SENATE—ADJOURNMENT

Hon. Mr. DANDURAND: Honourable senators, I would suggest that we postpone Inquiries, Motions, and Orders of the Day, until Monday evening next. In view of the very serious world situation it is well that honourable members of the Senate should not be far away. I move that when the Senate adjourns it do stand adjourned until Monday evening next, at 8 o'clock.

The motion was agreed to.

The Senate adjourned until Monday, June 24, at 8 p.m.

THE SENATE

Monday, June 24, 1940.

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

Prayers and routine proceedings.

POSITION OF MR. LESLIE ROBERTS

INQUIRY

On the inquiry of Hon. Mr. Haig:

1. Is Leslie Roberts a salaried man in the Government service?
2. If so, in what service, and on what salary, and what is his title?
3. If the answer to No. 1 is in the affirmative, when did he enter the service, and in what capacity, and on what salary?

Hon. Mr. DANDURAND: I have not heard from any of the departments concerning the inquiry of my honourable friend. I would suggest that he give some indication of the department in which this gentleman is likely to be found. Among the eighty thousand or more employees in the Civil Service of Canada there might be three or four men of the same name, and in that case there would be a question as to which one was meant.

Hon. Mr. HAIG: I think he is in the News Department.

Hon. Mr. DANDURAND: Have we created a News Department?

Hon. Mr. HAIG: The Bureau of Information.

Hon. Mr. DANDURAND: Now that I have the information, I shall try to get an answer to-morrow.

The inquiry stands.

DELAYED ANSWERS TO INQUIRIES

BREN GUN DISTRIBUTION—IMMIGRATION OF REFUGEES—ANTI-BRITISH PROPAGANDA

On the Orders of the Day:

Right Hon. Mr. MEIGHEN: Honourable members, in previous years I rose very rarely on the Orders of the Day, but this session I have risen on four occasions. Each time I have asked the Government for a statement of facts on some matter of real importance, and on two occasions I have asked the same question. I am now going to put all the questions again.

Hon. Mr. DANDURAND: Bearing on the same subject?

Right Hon. Mr. MEIGHEN: No; bearing on three subjects. With respect to one of them I have risen twice. Apparently, a member asking a question is promised consideration in the hope that later on he may forget all about his inquiry.

Hon. Mr. DANDURAND: I may relieve my right honourable friend of the necessity of repeating all the questions, by telling him that I have the promise of the head of the Transport Department, Hon. Mr. Howe, that he will tell me the number of Bren guns at present being distributed, and the rate at which they are being turned out. I expected to receive that information last Thursday. I did not see my colleague in Council to-day, but I shall try to have the information to-morrow.

Right Hon. Mr. MEIGHEN: All that I have asked for is the number delivered complete to the Government to date. From this news bureau referred to by the honourable junior senator from Winnipeg (Hon. Mr. Haig) we constantly receive material skilfully forged into a form which suits the bureau, and it is repeated day after day that these guns are in mass production. Now, if the news bureau has that information, it seems strange that we are unable to get it here in the course of one or two weeks.

Another matter, which I asked about on two occasions, was the Government's policy with respect to refugees or children or others who, with the approval of their respective governments, sought to come to Canada from Great Britain—or, as I put it in the first instance, from Great Britain and France—to make a home here during the war. I cannot get an answer on that subject, or at least none has been given to me yet.

Hon. Mr. DANDURAND: I have a statement on my table, but I did not think there was any cause to bring it to the Senate. However, I shall do so.

Right Hon. Mr. MEIGHEN: Well, I asked the question in the Senate in order that the information might be given to the House.

My third question was with respect to American publications, two particularly, one a newspaper and the other a periodical. On this subject also I inquired twice, but on the second occasion I was advised there was some consideration affecting the desire of the United States Government. I would be the last to embarrass the Government if there was anything of that nature. But there cannot be any embarrassment in telling us what our Government desire done; nor can I think that the United States Government would ask the Canadian Government to tolerate the circulation in Canada of certain literature merely because it originated in the United States, whereas, if it originated here, it would be banned at once.

Hon. Mr. DANDURAND: No, there is no such idea. I very likely did not express myself as clearly as I should have done the last time my right honourable friend asked about this. I think I informed him that there was a political and psychological aspect to the question of permitting or prohibiting entry of these two publications. And I added that when I had information I would communicate it privately to my right honourable friend. I am in a position to do that now, and shall do so before the night is over. We shall be attending a committee meeting after the Senate rises, and I shall then inform my right honourable friend what view the Government take on this matter.

Hon. Mr. HARDY: I wonder if the honourable leader (Hon. Mr. Dandurand) could tell the House what the circulation of the Chicago Tribune in Canada is. I have never seen it on sale on any news-stand, but there may be some sale for it in the West. I have been looking over the thing lately, and I quite agree with what my right honourable friend (Right Hon. Mr. Meighen) said about it. There are one or two papers published right in Ontario that could be added to the two American publications that have been mentioned. These Canadian papers, whose evident purpose is to create pessimism and despair in the minds of our people, have a circulation in our country far beyond that of the Chicago Tribune.

Hon. Mr. HUGHES: Has the Chicago Tribune not changed its attitude entirely, so far as Great Britain and Canada are concerned?

Right Hon. Mr. MEIGHEN: I believe there has been an improvement in the attitude of the Chicago Tribune.

Hon. Mr. HUGHES: My authority is the Ottawa Journal. I saw an article in the Journal commending the Chicago Tribune for its efforts.

Hon. Mr. HARDY: Was that not the Chicago News?

Hon. Mr. HUGHES: No; the Tribune.

Right Hon. Mr. MEIGHEN: I have not seen that article. I should think it is a little premature. The improvement could go a long way.

Hon. Mr. HUGHES: Yes, there is room for improvement.

Right Hon. Mr. MEIGHEN: I do not know what the Chicago Tribune's circulation in Canada is, but it is not small, by any means. Of course, it does not compare with the circulation of the Saturday Evening Post, which is very large. If papers of the same character are published in Ontario, I am grateful to say that they have not yet reached me, and I have not been in any way contaminated by them.

Hon. Mr. HARDY: I do not say they are of the same character, but they produce practically the same results.

Hon. Mr. HORNER: The Chicago Tribune is carried by the news service of both railways across Canada, and has quite a sale on news-stands in the West.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were read the third time, and passed:

Bill S, an Act for the relief of Ethel Cahan Naihouse.

Bill T, an Act for the relief of John Roy Fumerton.

Bill U, an Act for the relief of Paul Edouard Tardif.

Bill V, an Act for the relief of Pearl Aizanman Morris.

Bill W, an Act for the relief of Molly Goldfarb Goldberg.

YUKON BILL

THIRD READING

The Senate resumed from June 20 the adjourned debate on the motion of Hon. Mr. Dandurand for third reading of Bill 11, an Act to amend the Yukon Act, and the amendment moved by Hon. Mr. Black.

Hon. Mr. DANDURAND: The amendments proposed to this Bill by the Banking and Commerce Committee were concurred in on Tuesday last, and I moved third reading of the Bill. The honourable senator from Westmorland (Hon. Mr. Black) then moved a further amendment, and I suggested that debate be adjourned in order that I might read the amendment, which I had been unable to hear. I have no objection to it.

Hon. Mr. COTE: The honourable senator from Westmorland, who is absent, asked me to look after this purely formal amendment for him. As the Order Paper indicates, there is standing in his name an amendment, that the Bill, as amended by the Banking and Commerce Committee, be not now read a third time, but be further amended. The additional amendment which he proposed is, that between "following:—" and "(1A)", as appearing in the second amendment made by the committee, the following be inserted:

2. The said section 26 of the said Act is further amended by adding thereto as subsection 1A the following.

The honourable gentleman from Westmorland explained to me that the purpose of this further amendment is simply to link or tie up the amendments passed by the committee to the basic Act.

Hon. Mr. SINCLAIR: Will the honourable gentleman say if the amendment was concurred in by the Law Clerk of the Senate?

Hon. Mr. COTE: It was drafted by him.

Hon. Mr. DANDURAND: I am quite agreeable to that amendment.

The amendment was agreed to.

Hon. Mr. DANDURAND moved the third reading of the Bill, as amended.

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

DIVORCE BILLS

SECOND READINGS

On motion of Hon. Mr. Robinson, the following Bills were severally read the second time:

Bill Y, an Act for the relief of Muriel Agnes Martin Beech.

Bill Z, an Act for the relief of Alfred Reinhold Roller.

Bill A2, an Act for the relief of Sarah Kerzner Spilberg.

Bill B2, an Act for the relief of Christina Smith Dunlop Andrique.

Bill C2, an Act for the relief of Anna Shepherd.

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

Hon. Mr. HORNER.

THE SENATE

Tuesday, June 25, 1940.

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

Prayers and routine proceedings.

WAR CO-OPERATION

REPORT OF SPECIAL COMMITTEE

Hon. C. P. BEAUBIEN presented the first report of the Special Committee on War Co-operation.

The Special Committee on War Co-operation beg leave to make their first report, as follows:

1. The War Co-operation Committee was appointed by resolution of the Senate, passed on June 4, 1940, reading as follows:

"That a committee selected by the leaders of the Senate be constituted for the purpose of advising how best the members of this House can help the country in its war effort."

2. Your committee have held four meetings and reviewed together various lines upon which it was thought members of the Senate might be able to contribute to what are now vital and pressing war objectives.

3. It is the unanimous view of your committee that the efforts of honourable members of this House should be directed toward bringing about in Canada a much more general, and, if possible, universal, appreciation of the peril Canada, as Canada, is in; of the indescribable catastrophe defeat would bring to each and all of the people of our country, and of the immediate, imperative need that every citizen, young or old, become animated and possessed by a sense of duty and of sacrifice to the end that we may ensure the preservation of our institutions and of our nation.

4. It was recognized on the part of all members of the committee that such conviction is now held by the vast majority of Canadians, but that there are some of our population in all the provinces still more or less indifferent; others (small in numbers) more or less dangerous, and very many without any adequate comprehension of the stark realities of this hour.

5. At our various meetings, earnest consideration was given to means of remedying the situation described, and the agencies which might be availed of for this purpose by honourable members of this House individually, and, as well, in some organized form. These agencies clearly are:

(a) The press—daily, weekly and periodical;
(b) The radio;
(c) The news reel and theatre;
(d) The platform.

THE PRESS

6. It was recognized that tremendous service has already been given by the press of Canada, and the entire committee were confident that the newspapers of the Dominion, both daily and weekly, and, as well, periodicals and magazines would co-operate with every desire of the committee and with the efforts of honourable senators to make still more impressive and complete the service already rendered.

7. In this connection evidence at some length was given by Messrs. Lash and Melançon, the two heads of the Government Bureau of Public Information. It was impressed upon these men that what, in the judgment of the committee, was required in the way of news service was chiefly the presentation of such facts and the driving home of such simple, understandable arguments as would make everyone realize the seriousness of the present danger to our country and all its inhabitants, and the immediate necessity for each man and woman so ordering his or her work and daily contacts and conversations as to aid the nation to the utmost in its efforts. The witnesses expressed the utmost confidence from past experience that any suitable and readable material provided the press by honourable senators would be gladly welcomed.

RADIO

8. Mr. Gladstone Murray, General Manager of the Canadian Broadcasting Corporation, was heard by your committee. The same views as to the immediate steps necessary to reach the overwhelming objective now to be kept in mind were pressed on Mr. Murray. In these representations Mr. Murray immediately and wholeheartedly acquiesced. He expressed the entire willingness of the Canadian Broadcasting Corporation to place its facilities at the disposal of such speakers as might be carefully chosen for Dominion broadcasts and for local broadcasts, and earnestly welcomed the suggestion that your committee should assist in naming impressive speakers and gaining their consent to co-operate in a Canadian-wide appeal through the radio for a universal call to duty. Mr. Murray was convinced that a very well organized information campaign through the radio would have excellent effect.

9. Your committee have arranged to co-operate to the fullest to help in this programme, and ask honourable members of the Senate to make themselves available where and when called upon for the purpose thereof. It is your committee's confident belief that independent broadcasting stations will also loyally assist to this end.

NEWS REEL

10. Mr. Grierson, of the Government Motion Picture Bureau, appeared before your committee and told of the efforts of his organization to assist in attaining the objectives your committee have in mind by means of news reel presentations. The members of the committee were much impressed by Mr. Grierson's account of the Bureau's activities and by the character of the work being done. Suggestions were made to him and were welcomed by him as to other efforts that might be exerted.

THE PLATFORM

11. Under this heading it was the belief of your committee that members of the Senate might be most generally useful. The avenues of approach to the public vary in the different provinces. It was represented to your committee that in most of the provinces service clubs are generally available, but that, unfortunately, in the two summer months, July and August, such service clubs are usually dormant. It was hoped, however, under the very extraordinary circumstances of this year, their officers might be glad, as a public service, to make these clubs available as mediums of reaching the public. This applies to Canadian Clubs and other like organizations. Your committee feel that all these can be of help in a campaign of this kind and that such campaign should include public meetings, on a wide scale, to be addressed by as carefully selected a group of speakers as can possibly be made available. The members of the committee are making recommendations to perfect arrangements throughout Canada and most earnestly we invite prominent and effective public speakers to help, and stand ready to help, in the immediate execution of this task. We are certain that honourable members of the Senate will be glad to do their part, where possible, and to continue such activity at every available opportunity.

12. We urge particularly that the public be aroused to the great danger facing this country and discouraging any tendency to trifle with a great crisis; that disaffected elements everywhere be made to understand that a democracy in a crisis can act with all the authority that must appertain to a nation, and on the principle that he who is not with us is against us. A thoroughly aroused and resolute public will tolerate no encumbrances in a great emergency such as this. A vigilant public can contribute much to make the heavy task of government efficient, and the cause of the nation triumphant.

13. Your committee propose, with the approval of the Senate, to continue to function for the purpose of ensuring, so far as they can, the carrying on and intensification of the work outlined above.

All which is respectfully submitted.

C. P. Beaubien,
Chairman.

Hon. C. P. BEAUBIEN: Honourable members, with the consent of the Senate, I move that this report be taken into consideration now.

Hon. Mr. MURDOCK: I should hope that my honourable friend would give us an opportunity to read and study the report before we pass judgment upon it.

Hon. C. P. BEAUBIEN: The committee are very desirous of having the co-operation of every honourable member. I consider the matter urgent, but if it would be helpful to postpone consideration of the report until to-morrow, I shall be glad to defer to the honourable gentleman's suggestion. I therefore move that the report be taken into consideration to-morrow.

The motion was agreed to.

(Translation)

Hon. Mr. SAUVE: In connection with the report presented by the honourable senator from Montarville (Hon. C. P. Beaubien), I should like to know whether copies have been made available to the members of the Senate. If not, I would ask that consideration of the report be deferred.

Hon. Mr. DANDURAND: Would the honourable senator be satisfied if the report were printed in to-day's Hansard?

Hon. Mr. SAUVE: To be taken into consideration on Thursday?

Hon. Mr. DANDURAND: The Debates will be distributed to the senators to-morrow morning.

Hon. Mr. SAUVE: If no copies are available for examination before the sitting, I would ask that consideration of the report be deferred.

Hon. Mr. DANDURAND: The honourable senators who wish to do so will be able to read the report in Hansard, but I think that the chairman of the committee can supply my honourable friend with a copy.

Hon. Mr. SAUVE: I ask that the report be taken into consideration on Thursday.

Hon. C. P. BEAUBIEN (Text): Honourable senators, as I have already said, I think it is the opinion of every member of the committee that this report should be considered and adopted with the least possible delay. However, I recognize the right of every member to criticize the report. I will see that my honourable colleague here (Hon. Mr. Sauvé) is furnished the French version of the report within an hour. This will give him ample opportunity to study the report, but if to-morrow he feels that he requires further time to digest its contents, I shall not press my motion. I hope, however, that we shall be able to proceed to-morrow.

Hon. Mr. BLONDIN: As it would be out of order to postpone what has already been decided, I would suggest that my honourable friend defer further action until the motion is before us to-morrow.

MANUFACTURE OF MILITARY EQUIPMENT

INQUIRY

On the notice by Hon. Mr. Griesbach:

That he will draw the attention of the Senate to the manufacture of military equipment in Canada and will inquire of the Government as follows:

1. Has the Government of Canada, either on its own behalf, or for the British Government, let contracts in Canada for the manufacture in Canada of: (a) machine guns; (b) three-inch mortars; (c) smaller mortars; (d) revolvers; (e) pistols; (f) rifles; (g) 25-pounder howitzers; (h) other calibres of guns; (i) anti-aircraft guns; (j) anti-tank guns?

2. If so, will the Government identify said contracts in the books recording the activities of the Defence Purchasing Board and the War Supply Board?

3. In what quantities or numbers have such contracts been let, and how many of such articles above enumerated have been completed and issued?

4. Has the Government of Canada, either on its own behalf, or for the British Government, let contracts in Canada for the manufacture in Canada of (a) heavy tanks; (b) medium tanks; (c) light tanks; (d) Bren gun carriers; (e) tractors or dragons; (f) lorries or trucks of patterns standardized with those in use in the British Army?

5. What is being done in the manufacture of ammunition: (a) ·303 calibre; (b) revolver ammunition; (c) ·50 calibre ammunition; (d) ammunition for field guns of various calibres?

Hon. Mr. DANDURAND: I suggest that this inquiry be dropped, inasmuch as it is not in the public interest to answer certain parts of it. I shall arrange with the honourable gentleman for him to put an inquiry which will be in a form satisfactory to himself, and which can be answered.

The inquiry was dropped.

POSITION OF MR. LESLIE ROBERTS

INQUIRY

On the inquiry by Hon. Mr. Haig:

1. Is Leslie Roberts a salaried man in the Government service?

2. If so, in what service, and on what salary, and what is his title?

3. If the answer to No. 1 is in the affirmative, when did he enter the service, and in what capacity, and on what salary?

Hon. Mr. DANDURAND: I would ask for another twenty-four hours in order that I may be able to get the information to answer this inquiry.

Hon. Mr. HAIG: Stands.

Right Hon. Mr. MEIGHEN: I am sure the party in question will not be flattered by the fact that it takes so long to identify him.

Hon. Mr. DANDURAND: I have a partial identification, for the honourable gentleman has told me that if the man had been engaged by the Government—I do not know whether or not as a dollar-a-year man—

Right Hon. Mr. MEIGHEN: No, no.

Hon. Mr. DANDURAND: —he would be employed in the Information Bureau. Now that I know what department I must address, I shall place myself in a position to answer the inquiry to-morrow.

The inquiry stands.

NATIONAL REGISTRATION OF WOMEN

DISCUSSION

On the Orders of the Day:

Hon. IVA CAMPBELL FALLIS: Honourable senators, before the Orders of the Day are called, may I ask the indulgence of the House for a few minutes? It may be that

the remarks which I have in mind would have been more appropriately made during the discussion of Bill 43, but, as the circumstances in which that Bill came before us necessitated its hurried passage, the honourable leader of the Government in this House (Hon. Mr. Dandurand) intimated to me that I might reserve my remarks for an occasion such as this. So, with the consent of the House, I should like to avail myself of the opportunity now.

On May 2, 1939, I rose in this House to tell honourable members of a project which was being discussed by a group of Canadian women and which had for its objective the furnishing of a channel through which Canadian women might register their specific training and qualifications, with a view to determining what service they could best render to their country in times of national emergency. As that emergency is now closing in upon us, and as the Government of the day has declared for compulsory registration of the man and woman power of Canada, I should like to give a summary of what our committee has accomplished, and the use to which the information obtained is being put at the present time.

I would preface that summary by expressing the grateful thanks of the committee to those honourable senators who from the beginning gave sympathetic understanding and, later, moral and financial assistance. Of these none was more consistently helpful than that great Canadian and ardent Imperialist who has since passed away, the late Honourable Senator Lynch-Staunton, of Hamilton.

May I emphasize, what I stated last year, that we did not proceed to form a new organization. We were merely setting up a committee composed of outstanding women from existing national women's organizations, a committee formed to achieve a definite objective and then to disband. That objective was to secure information and to tabulate it properly, so that it might be used by the Government and by all organizations in Canada doing war work.

We covered fairly well Ontario, British Columbia and the Western Provinces. We did some work in Quebec and in the Maritime Provinces, but that work, particularly in Prince Edward Island, was interrupted by severe winter weather, and when spring came conditions overseas had become so serious that we decided to tabulate the information already received in order to have it ready for use in case of emergency. The information was obtained by means of a questionnaire containing twenty-eight questions. The answers to these questions gave us specific information as to the training and qualifications of the women who registered. A survey of that information to-day reveals that there are in this country thousands of Canadian women in every line of work who stand ready and—what is perhaps a great deal more important—qualified to take their place in the agricultural, industrial or economic life of Canada whenever the necessity arises

In the tabulation of that information we made use of the most modern system of card-indexing—the same system, I may add, as is to-day used extensively in the British War Office.

Duplicate cards were made out, one to be retained at National Headquarters, the other to be returned to the province from which the registration came. In addition, the Dominion Government furnished its own cards, upon which it asked us to list the names of women who were in certain lines of work.

Our registrations to date are approximately 250,000. We have sent to the Dominion Government lists of over 100,000 names of women who are skilled in specific lines; that is, munition workers, textile and garment workers, dieticians, nurses, clerical help—in fact, women trained along almost every line of activity.

While it would be most unfair to make comparisons between the results from the different provinces, we could not help being impressed with the registrations which came to us from British Columbia and Alberta, especially those of women of British birth who had been in the Old Country during the last war. They registered the training they had received and the experience they had gained in the Old Land, and expressed their readiness to place their training and experience at our disposal. It was a revelation to every member of our committee, and I sincerely wish that every honourable senator and some of the leaders in the economic life of this country would read the answers of those women. I am sure they would be just as much astonished as I was to know of the positions of trust and responsibility which those women held in the Old Land during the last war. Certainly men in high places in Britain, whether within the Government or without, did not think women's services were of no value in war-time. Certainly they did not think that women should simply be given some wool and needles and told to sit down in a corner and keep out of man's way. They were given positions in the very innermost part of the Admiralty and on all forms of war work, and in all cases rendered a grand account of themselves.

The taking off onto cards of all this information which we acquired through our questionnaire has been done entirely by voluntary work, nearly all done in the city of Toronto.

Five thousand girls gave three hours a week, some more, in the transferring of this information. Some hundreds of girls in Kitchener and Waterloo also gave their services. This work, if we had had to pay for it at even minimum rates, would have cost in the neighbourhood of $30,000. The services of the girls were made possible only by the co-operation of heads of companies. Ninety per cent of all the employers whom we approached to ask for such services gave us most sympathetic co-operation. I am referring to the heads of big oil companies and of the large insurance companies of this country. I could tell you of one firm in Toronto who not only gave us 1,200 girls for three or four hours a week, in their buildings, to help in this work, but who also spent $1,500 in providing lunches for the girls while they were on the work. It was that whole system of voluntary effort which made it possible for us to accomplish what we did.

Last week, in another place, the Prime Minister made a statement connected with registration in this country. That statement was afterwards read in this Chamber by the leader of the Government here (Hon. Mr. Dandurand). In it the Prime Minister paid tribute to the work which had been done in our voluntary registration of Canadian women. While we appreciate fully the fact that the Government has deemed our work efficient enough to merit that tribute, we appreciate a great deal more the announcement that fullest possible use will be made of the information.

A great deal of curiosity was expressed when we were doing this work as to how we were financing it. Well, I can say to you to-day very candidly that not one dollar was received from any provincial government or from the Federal Government. Neither did we ever make a public appeal for funds. The members of the committee bore a great deal of the expense, and the remainder was borne by outstanding men in this country, who sent us in voluntary contributions, and by women's organizations.

Now that the Government has declared in favour of compulsory registration in this country, I should like, if I may venture to do so, to make a suggestion to the Government, a suggestion which arises from the depths of the experience which we have had in this small voluntary movement. It seems to me that all governments, in attempting to reach an objective, usually use the longest and most expensive road to reach it. In our voluntary service committee we have demonstrated what can be done by voluntary and sympathetic co-operation of the people in war-time, and I would suggest that when the Government takes its registration it make use of committees which are already in existence and know how to handle this work—that use be made of the volunteer efforts of this country. There will soon be released from labour for two months thousands of teachers in the Dominion of Canada. Hundreds of them have already offered to undertake this work of registration for the Government without any remuneration, and I believe that in accepting offers of that kind—under responsible leadership, of course—the Government would not only save money, or release money which is urgently needed in other directions, but would also be helping people to give expression to that urge which is within them to do something in this war. Every day we hear people asking: "Well, what can I do? I should like to do something." Here is one way, I think, in which that patriotic urge should be made use of.

Since the Government declared for compulsory registration, we have been asked, at least I have been asked, several times, as to what is the use of our registration now that the Government is going to take a complete national registration. Well, may I remind those who may be asking that question, that it will be at least weeks, and possibly months, before any information from that Government registration will be available in a practical form and ready for use. In the meantime our lists are available and are already in use in many parts of the country. We had been registering only two weeks when we were asked to provide lists of skilled munitions workers who had registered with us. Through this registration we have placed hundreds and hundreds of women, not only in munitions factories, but also in textile work, as garment workers, and in many other branches of industry.

Perhaps the most important use that is being made at the moment of the lists which we have available is in connection with the bringing of refugees to this country. Thirteen months ago our committee sat down and discussed just such a situation as is prevailing in England to-day. We discussed the possibility of a German invasion of Great Britain and of its becoming necessary to bring British children to this country. Our discussion resulted in the placing upon the questionnaire of two or three questions bearing upon that subject. In the first draft of the questionnaire we had a question framed in this way: "Would you be willing to take British children into your home in case of an emergency?" We were requested to broaden that question, and we did, to read: "Would you be willing to take children into your home in case of

an emergency?" This was followed by the further questions: "What age, sex, race and religion would you prefer? Would you be willing to have your home inspected and approved for the purpose?"

In response to those inquiries we received, and have available to-day, a list of homes for 100,000 children. In order that there may be no misconception, may I say that our committee neither requests nor desires to have anything to do with the placing of children in homes. Approval of homes, placing of children and follow-up supervision are matters entirely for social service agencies under the direction of the Government. Our work is to provide information, and that is what we are doing to-day. In every province in which we have carried on this registration, the provincial Government has asked our provincial committees to give it lists, broken down into districts, of all homes available for receiving children.

Honourable members will have seen from local papers, as I have, that in almost every town or small village a voluntary committee has been set up and is asking for offers of free homes. We are told by the provincial Ministers of Welfare and others that that means very little; that if an offer comes in saying Mrs. John Jones, of such-and-such an address, will take two children, that does not mean a thing to the authorities. They then have to find out something about Mrs. Jones and her home, and a good many other things. But when lists are obtained from our committee they show not only that Mrs. John Jones is willing to take two children, but also what is her nationality, what are her preferences as to age, sex, race and religion of the children, whether she will take the children into her home without charge or only for remuneration, how many children there already are in her home, and their ages, and other necessary information. All these facts form a background which enables the social service agency to make from the beginning a choice as to where the children should be placed.

To-day this Committee for Voluntary Registration of Canadian Women makes its files available to all organizations in the country that are doing war work. It presents to the Federal Government lists of tens of thousands of loyal and patriotic women, skilled in their own lines of work, who are eager to be of service and ready at a moment's notice to take their place on the farm, at the seashore, in a factory, in a munitions plant, in camp or hospital—wherever they may be needed. All they ask is to be called upon when the necessity arises.

Hon. SENATORS: Hear, hear.

Hon. RAOUL DANDURAND: Honourable senators, I should not like the admirable and eloquent statement of the honourable lady from Peterborough (Hon. Mrs. Fallis) to be passed by without more than the general applause which was expressed at the end of it. We have been given very valuable information about a movement whose activities were not known to all of us. I quite understand why the Prime Minister should declare that the work done by the Committee for Voluntary Registration of Canadian Women will be used by the Government in connection with the national registration that is to be undertaken.

Later on, when I come to discuss the question of admittance to this country of children from abroad, I may have occasion to revert to the honourable lady's highly informative address. We are grateful to her for what she has told us this afternoon, and I am sure I speak for the Senate as a whole when I say that we wish to express our appreciation and thanks to her, and to all the women connected with the movement to which she has referred, for the work to which they have so generously and unsparingly devoted themselves. In the meantime she may rest assured that we are much interested in her statement. I congratulate her and all her associates on the admirable work they have been engaged in from the very beginning; for at the outbreak of war they were the first to offer their services to the Government. Without any publicity they have carried on their excellent work from the Atlantic to the Pacific, and have secured, province by province, a fund of information which will be of great value to the Government when the time comes to call upon the women of Canada to do their share in the nation's war effort.

Right Hon. ARTHUR MEIGHEN: Honourable members, I am in accord with the appreciation expressed by the honourable leader of the House (Hon. Mr. Dandurand). Undoubtedly very useful work has been done. I was particularly impressed with the practical character of the data upon the subject of reception of overseas children. I suggest to the Government that in order to avoid duplication of work, as far as possible, they might well utilize information in respect to women which, as described by the honourable senator from Peterborough (Hon. Mrs. Fallis), her registration committee has gathered. I am afraid the registration plan of the Government will take so much time to complete that we shall be still registering when nations are dying. I should like to see this very obvious and mortally necessary thing undertaken immediately. I cannot help being worried for fear that, removed as we are from the terrible events of the hour, we may go

through the long process of registration as if war were still to come.

Hon. Mr. DANDURAND: I can reassure my right honourable friend on that point. Registration will be proceeded with, but things essential in this hour of peril will be dealt with independently of registration. As to the advice given to the Government to economize by utilizing existing inexpensive agencies, I welcome the expression of opinion on the part of the women of Canada that the practice of economy will help save this country.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill D2, an Act for the relief of Margaret Sommerville Sickinger.

Bill E2, an Act for the relief of Romain Cleophas Moreau.

Bill F2, an Act for the relief of Dorothy Florence Donn Martin.

Bill G2, an Act for the relief of Phoebe Doris Edge Pott.

Bill H2, an Act for the relief of Filomena Grego Sauro.

THIRD READINGS

On motion of Hon. Mr. Robinson, the following Bills were severally read the third time, and passed, on division:

Bill Y, an Act for the relief of Muriel Agnes Martin Beech.

Bill Z, an Act for the relief of Alfred Reinhold Roller.

Bill A2, an Act for the relief of Sarah Kerzner Spilberg.

Bill B2, an Act for the relief of Christina Smith Dunlop Andrique.

Bill C2, an Act for the relief of Anna Shepherd.

DELAYED ANSWERS TO INQUIRIES

BREN GRUN DISTRIBUTION—IMMIGRATION OF REFUGEES—ANTI-BRITISH PROPAGANDA

Hon. RAOUL DANDURAND: Honourable senators, my right honourable friend (Right Hon. Mr. Meighen) reminded me that he had put to the Government three questions which had not yet been answered.

As to the question concerning the Bren gun, I have found an answer which Hon. Mr. Howe, Minister of Transport, gave recently in the House of Commons. He stated in effect that the company was in production, working very satisfactorily, and much ahead of schedule. But that did not give a clear-cut answer to the question. Mr. Howe promised me a detailed statement such as would satisfy my right honourable friend, but he was called away on public business and did not return until this morning, when I found that some of my colleagues had prior rights to his time. I hope to have an answer by to-morrow.

With respect to the newspapers which my right honourable friend thinks should be banned, I may say that the Board of Censors have given a number of reasons why any governmental action should be suspended. They have been examining these publications for some time and have found them to contain extreme views, other views less obnoxious, and some rather satisfactory. I think I shall be able to give my right honourable friend, in his capacity as a Privy Councillor, the reasons—some of which could not be given to the public—why the Board of Censors have come to that conclusion.

As to the third question, that of the immigration of refugees, the position is not so clear as I thought it was. I find that on Wednesday of last week Hon. Mr. Hanson, in the House of Commons, put to the Government some questions, in the course of which he quoted this letter addressed to himself on that date:

> In reply to your telephone inquiry of date about the admission of British people who want to find homes here during the war, I may say that every encouragement that we can offer is being given to people of this sort. We have had many inquiries from residents of Canada who can offer homes to relatives or friends from overseas and these are all being advised that relatives or friends may come freely and without any delay or "red tape", when they can pay their own passage and are joining relatives or friends here or are coming with sufficient funds to look after themselves.
>
> Our London office has been advised to facilitate this movement in every way possible. We do not ask for any bonds or other guarantee from residents of Canada, nor do we waste time in unnecessary investigations, as that might prevent people getting out while sailing is possible.
>
> Yours very truly,
>
> F. C. Blair,
> Director.

Mr. Hanson added:

> Therefore I would really confine myself to the first question with regard to the general scheme, and I should like to take this opportunity to express my appreciation of the position of the immigration officials and of the Government in respect to this matter of individual children or persons desiring to come to Canada for the duration of the war, to escape what may be bloody slaughter over there.

But I have some further information here. Mr. Hanson's inquiry was addressed to the Prime Minister, and I will give this excerpt from Mr. King's reply:

> I would say that everything I have said in this House with respect to the readiness, willingness and anxiety of this Government to receive

evacuated children from the Old Country is perfectly true. There has been no hesitation with respect to our readiness to handle the matter to the fullest extent possible.

This was supplemented by Hon. Mr. Crerar, who has charge of immigration. He said:

Perhaps I may supplement what the Prime Minister (Mr. Mackenzie King) has said by saying that an offer has been made to receive children between the ages of five and sixteen years, and in some cases children of less than five years of age. I may add that we have been informed that no children will be sent to Canada except with the permission of the parents or guardians, and that is the position to-day. There is perfect freedom of movement for any others who wish to come; and for the information of the House I may say that there are either on the way, or shortly will be on the way, quite a substantial number of boys from a school, who are coming to Canada to resume their education. It takes a little time to work out all the problems associated with these matters; but when the record is placed before this country I have not the slightest doubt that the Canadian people will approve what the Government has done in the matter.

The Prime Minister made this further statement, which goes somewhat beyond the question in respect to the admission of individual children or persons desiring to come to Canada for the duration of the war:

The wishes of the British Government are these: In the matter of preference they are anxious that we should take first of all interned aliens, secondly, that we should take German prisoners in Britain, and thirdly that we should then consider the matter of evacuated children. The reasons they give in this connection are that the interned aliens in Great Britain may be in a position to help to direct parachutists in the event of a bombardment of the British Isles, which they are expecting hourly. They also feel that the German prisoners they have there require a great deal by way of protection, and that the men protecting them should be available for the protection of the British Isles themselves. There is great congestion, because of the numbers of refugees which have been coming there, and they feel that it would be in the interest of safety and security in every way to have alien internees and German prisoners brought to this country, and placed in different parts of the country under protective measures here.

We have realized how the matter would likely be viewed. We have been conscious of the fact that regardless of what we did there would be some exception taken. The course we have had in view, and which we believe expresses that of the country generally, is that which has been expressed by the honourable member who has just spoken, namely that it would be desirable that we should at this particularly critical time seek to our utmost to meet the wishes of the British Government in this as in other matters. We have agreed to receive here interned aliens from the United Kingdom, also German prisoners from the United Kingdom, and for some time past we have been making arrangements to see that they will be properly concentrated and controlled, when they are brought to Canada.

If there has been any delay, may I say that that delay is due to the circumstances which I have mentioned.

The Prime Minister had mentioned the shortage of transportation facilities.

But there has not been any delay. I must say that there has been no delay particularly in regard to this matter of receiving evacuated children.

I promise my right honourable friend that I will watch to see if further information on the subject is given to the other House.

Right Hon. Mr. MEIGHEN: The statement read by the honourable leader of the House recites the desires of the British Government with respect to priorities in our taking of internees, German prisoners, and children. As I interpret the statement, it is that the Canadian Government feel they should comply with the British Government's desire. I hope my interpretation is correct. I will support the Government to the fullest in a complete compliance with the British Government's request. I do not think there is a person in Canada who would not want that done, or would feel right in his heart if any other course were taken.

With regard to refugees, those persons who have gone to Britain from countries over which the Germans have swept—

Hon. Mr. DANDURAND: They are not very numerous—hardly two hundred from Holland and some 2,000 odd from Belgium.

Right Hon. Mr. MEIGHEN: I think the Government are entirely right in following the British Government's desire.

As to children from Britain—I am calling them children, for that is what they will be—the statement was to the effect that the Government are ready and organization is well advanced to receive them, provided they are given transportation from overseas. Whether or not there is difficulty on that item of transportation is something known to the Government. I can conceive there might be reluctance on the part of authorities over there to permit the purchase of Canadian exchange to cover that item. Should this be the case, it would seem to me well worth while to consider the possibility on our part of such concession in policy as would enable the purchase by Canadians of a corresponding amount of British exchange, so as to make the two accounts balance. This could easily be done, for instance, by widening of the possibilities for purchase of Canadian securities held in London. They represent a very large figure. My suggestion is only that the Government might consider facilitating the purchase of sufficient

Canadian securities held over there to balance the purchase of Canadian exchange necessary for the transporting of these children.

Hon. Mr. DANDURAND: The question raised by my right honourable friend is a very live one. I may say that the Government are in daily communication by cable with Mr. Massey, in an endeavour to find a solution with respect to exchange, and it is expected that a solution will shortly be found.

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

THE SENATE

Wednesday, June 26, 1940.

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

Prayers and routine proceedings.

NAVAL SERVICE BILL

REPORT OF COMMITTEE

Hon. Mr. COPP, on behalf of the Right Hon. Mr. Graham, Chairman of the Standing Committee on Railways, Telegraphs and Harbours, presented the report of the committee on Bill 2, an Act to amend the Naval Service Act.

Hon. RAOUL DANDURAND: Honourable senators, when this Bill was before the Senate previously there was considerable discussion as to the interpretation of a particular clause. The Bill as it came from the Commons seemed to have but one object in view—to bring under the discipline of the Naval authorities a certain class of persons who would not be members of the Naval Service. The objection was taken that one clause of the Bill might extend pension rights to these persons. The Bill was then sent to committee, and after the interpretation of this clause had been discussed at a couple of meetings, the Judge-Advocate of the department, Mr. Orde, and our Law Clerk, agreed upon amendments which completely met the objections of those who thought the Bill could be improved.

I think we are all in agreement, and under the circumstances I move that these amendments be concurred in.

Hon. Mr. CALDER: Could the honourable leader on the other side of the House give us some more definite idea as to what these amendments cure?

Hon. Mr. DANDURAND: These are the amendments. I think they are fairly understandable.—

Hon. Mr. CALDER: I am not so much concerned about the amendments, but when the Bill was before the House it was intimated by the right honourable gentleman to my left (Right Hon. Mr. Meighen) that there was a possibility that the Bill as drafted would provide for certain things which were not intended at all. Was that found to be the case?

Hon. Mr. DANDURAND: The possibility of these persons enjoying some of the advantages mentioned by the right honourable gentleman has disappeared by reason of the amendments which have now been made.

Hon. Mr. CALDER: But the rights were given in the original Bill.

Hon. Mr. DANDURAND: By reference to the Act itself. Now it is specifically provided that the two sections in the Act under which certain rights could be claimed shall not apply to these men who will be temporarily in the service.

Hon. Mr. CALDER: All I should like to say further is that if it is true that the Bill as it reached us would in after years have entitled these men to rights to which it was never intended they should become entitled, then somebody—I do not know who—must have done some very poor drafting. The Bill might have slipped through here without anyone noticing the defect, and that would have been a pretty serious matter. It is a good thing that the Bill went to a committee.

Hon. Mr. DANDURAND: A discussion took place here on the meaning of the Bill with respect to rights that would accrue to any of these men who might be injured or killed in the service. Our Law Clerk and the Judge-Advocate-General agreed that the measure was not faulty, but the right honourable gentleman opposite (Right Hon. Mr. Meighen) contended that because of the way the Bill was worded there was a possibility of the men or their dependants claiming benefits under the Act itself. It is made clear now that no such claim will be possible.

Right Hon. Mr. MEIGHEN: I am entirely in agreement with the honourable leader (Hon. Mr. Dandurand) as to the effect of the measure as now amended. The amendment is entirely satisfactory. I would say further that I am sure the Government was not in any way a party to the meaning of the original Bill; that it never intended the Bill to mean what it did mean. But the honourable leader's explanation is defective. While it is true that the Bill as it came to us did not give these temporary assistants in the

Naval Service any pension rights, any benefits which could be properly described as rights under the Pension Act, nevertheless it is a matter not merely of doubt and fear, but of absolute certainty, that it did give them other rights, which it never was intended they should be given, and which they should not have, namely, rights under sections 38 and 39 of the Naval Service Act. These sections do not provide for pensions, but they make provision for the wives and families of men who die from any disease which began while they were in the Naval Service, and for financial assistance to the men themselves in case they become disabled in any way while in the service. Thus the original Bill would have imposed very serious liabilities upon the country.

In the opinions given by our Law Clerk and by Mr. Orde, Judge-Advocate-General, it was not stated that the men were not entitled to those rights.

Hon. Mr. DANDURAND: Under sections 38 and 39.

Right Hon. Mr. MEIGHEN: The opinions stated definitely that the men were not entitled to pensions, in which view we of course all agreed. But the Law Clerk most definitely stated that under the Bill as drawn the men were entitled to come in under sections 38 and 39, and Mr. Orde did not dispute that. Nobody could dispute it. Consequently, it is no mere doubt or fear which has been wiped away by this amendment, but an absolute liability of a very serious kind. I only want to make honourable members understand what the committee has accomplished. As I have said, I know the Government never intended that these temporary men should be entitled to the rights given them in the original Bill.

Hon. Mr. DANDURAND: I must congratulate my right honourable friend on having drawn the attention of the Senate to this matter.

The motion was agreed to.

THIRD READING

Hon. Mr. DANDURAND moved the third reading of the Bill, as amended.

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

PRIVATE BILL

REPORT OF COMMITTEE

Hon. C. E. TANNER presented the report of the Standing Committee on Miscellaneous Private Bills on Bill R, an Act to incorporate Sisters Servants of Mary Immaculate.

He said: Honourable senators, the committee has made a slight verbal amendment, which does not in any way affect the substance of the Bill. The amendment merely repeats in the French language certain preceding words that are in the English language. As I understand that the honourable member who is sponsoring the Bill (Hon. Mr. Hayden) desires it should make progress, I will move, with leave of the Senate, that the report be concurred in now.

The motion was agreed to.

THIRD READING

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

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

FORD COMPANY OF UNITED STATES

ALLEGED REFUSAL TO MANUFACTURE AEROPLANE ENGINES FOR BRITISH GOVERNMENT—NOTICE OF INQUIRY

Hon. F. B. BLACK: Honourable senators, I wish to place on the Order Paper an inquiry based upon a newspaper report. If that newspaper report is not correct, then my inquiry will fall by the way. I hope the report is not correct, but I have made a careful check and I fear it is only too well founded.

I notice in the Press a report that the Ford Company of the United States has refused to make aeroplane engines for the British Government. I understand that the head of that concern, Henry Ford, is the same gentleman who in 1917 launched the "Peace Ship." If his disposition is still as peaceable as in 1917, he could do nothing better towards helping the cause of peace than by supplying to the British Government aeroplane engines and all other munitions possible.

Because of that peculiar attitude of this great industrialist, I should like to inquire of the Government as follows:

In view of the fact that the Ford Motor Company of the United States of America has refused to manufacture plane engines for the British Government:

1. Has the Government of Canada discontinued the purchase of all Ford cars and equipment?

2. Has the said Government prohibited the sale of Ford cars in Canada, and, if not, does the Government of Canada propose to take such action?

UNEMPLOYMENT INSURANCE

PROPOSED AMENDMENT OF BRITISH NORTH AMERICA ACT—MOTION FOR ADDRESS TO HIS MAJESTY

Hon. RAOUL DANDURAND: Honourable senators, I desire to lay on the Table correspondence which has passed between the Prime Minister of Canada and the Premiers of the nine provinces concerning the advisability of the Parliament of Canada asking for an amendment to the Constitution which would give it the necessary authority to legislate with respect to unemployment insurance.

In this connection I desire, with the leave of the House, as I have not been able to give notice of my intention, to move the following motion:

Whereas the Employment and Social Insurance Act, 1935, a statute of the Parliament of Canada which, in substance, provided for a system of compulsory unemployment insurance throughout Canada, has been held by the Judicial Committee of the Privy Council to be ultra vires of the Parliament of Canada;

And whereas, if a uniform and effective system of compulsory unemployment insurance is to be adopted throughout Canada, it will be necessary to amend the British North America Act, 1867, to enable the Parliament of Canada to enact the necessary legislation;

A humble Address be presented to His Majesty the King, in the following words:

To the King's Most Excellent Majesty:

Most Gracious Sovereign:

We, Your Majesty's most dutiful and loyal subjects, the Senate of Canada in Parliament assembled, humbly approach Your Majesty praying that you may graciously be pleased to cause a measure to be laid before the Parliament of the United Kingdom to amend the British North America Act, 1867, and that such measure be expressed as follows:

An Act to amend the British North America Act, 1867, relating to unemployment insurance.

Whereas the Senate and Commons of Canada in Parliament assembled have submitted an Address to His Majesty praying that His Majesty may graciously be pleased to cause a measure to be laid before the Parliament of the United Kingdom for the enactment of the provisions hereinafter set forth:

Be it therefore enacted by the King's Most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

1. Section ninety-one of the British North America Act, 1867, is amended by adding thereto as class 2A the following:

"2A. Unemployment insurance."

and inserting such class in the enumeration of the classes of Subjects set forth in section ninety-one aforesaid, immediately after class two.

2. This Act may be cited as the British North America Act, 1940, and the British North America Acts, 1867 to 1930, the British North America Act, 1907, and this Act may be cited together as the British North America Acts, 1867 to 1940.

I have ascertained from my right honourable friend (Right Hon. Mr. Meighen) that he is ready to discuss this resolution.

In support of it I need not relate the efforts that have for a number of years been made to secure jurisdiction for this Parliament to legislate in respect of unemployment insurance. The matter was at divers times approached from different angles, and in 1935 my right honourable friend introduced a measure from the Commons entitled the Employment and Social Insurance Bill. It was discussed at length and referred to our Committee on Banking and Commerce, by whom it was thoroughly examined. Then it was passed and became law.

At the time considerable doubt was expressed by various honourable senators as to the competence of the Parliament of Canada to legislate on this matter, and fears were voiced also that such legislation might mean an invasion of the rights of the provinces. In 1936 the matter was submitted to the Supreme Court of Canada, which declared that unemployment insurance was a matter appertaining to the provinces. This decision was then taken by the Dominion Government to the Privy Council, and was upheld by that tribunal, the court of last resort. Under these circumstances there remained, according to the Department of Justice, but one alternative, namely, an amendment to the Constitution.

The Sirois report came to us after a very close examination of the matter from the constitutional point of view, and even from the point of view of the practical application of the law in the various provinces. Although there were reasons pro and con, the commissioners were of opinion that such legislation should be enacted by the Federal Parliament and should be uniform throughout the provinces, and they suggested an amendment to the Constitution.

That proposed amendment is what the present Government is trying to effect by this resolution, simply asking that two words be added to article 91 of the British North America Act, which grants a series of powers to the federal authorities.

Under these circumstances I move, seconded by the Right Hon. Mr. Graham, that this resolution be adopted.

Hon. Mr. HUGHES: Have the provinces given their consent?

Hon. Mr. DANDURAND: A question has just been put to me as to the position of the provinces. I have laid on the Table correspondence which indicates that the provincial Premiers are agreeable to this resolution and to the legislation which will follow.

Right Hon. ARTHUR MEIGHEN: Honourable members, it would be quite without value to recapitulate now the steps taken in respect of unemployment insurance and similar measures, or to emphasize again the effect, which, in my judgment at least, was unfortunate, of the decisions given by the Privy Council in the matter some years ago.

Subsequently to that time, by resolution of this House, we requested our Parliamentary Counsel—a man of great eminence, particularly in this field of law—to review the whole history of our Confederation pact, to examine especially the decisions of the Privy Council and our own courts bearing thereon, and to make such suggestions as would bring into harmony the aspirations of the various provinces on the one hand and of the Dominion on the other, with a view to having our whole legislative process placed on a sounder and more understandable basis. That our Parliamentary Counsel discharged this duty with marked capacity is evident, first, from a reading of his report, and, secondly, from references made in various law journals and other periodicals by most distinguished students of law, as to the arguments and findings contained in that report. It is not going too far to say that it received the approval of all who could be regarded as capable critics.

The principal feature of the report is this. At a certain stage of our history, under pressure from certain provinces, the decisions in the Privy Council, veering from the sound line previously pursued, placed the main powers of the Parliament of Canada, as set out in the very forefront of section 91, in a category somewhat different from, and subordinate to, that of the specific powers recited later in the section.

No one can fail to be impressed with the conclusiveness of the argument which our Parliamentary Counsel submitted. He advised that, rather than start to repair piece by piece the damage done, we should present one general Address outlining what the disclosure of facts contained in his report showed plainly to be the intent of the Fathers of Confederation. He pointed out that if we passed a resolution for this purpose and made clear their intent, there would be no need at all of amending the Act. Technically, of course, the Act would be amended by the very declaration of intent advised by the Parliamentary Counsel, but in his judgment, as in the judgment of many others, the only effect of such action as he proposed would be to restore the original line of decisions and bring about a return from the veering policy which had brought us into a state of constitutional chaos, as exemplified by the decisions in respect of unemployment insurance.

Now we are asked by this resolution to petition the Throne for an amendment to the British North America Act. We all know that the passing of such an Address is automatically followed by the amendment of the Act in question. So, whether we want to take this course, some other course, or none at all, the final decision is our own. I emphasize, first, that in doing what we are now asked to do we are declining to accept the advice of the Law Clerk of this House. We are declining to follow a line of procedure which he distinctly recommended, and which, whatever may be individual opinion in regard to it, has certainly much in its favour. Further, if we pass the resolution now moved, we put ourselves on record as admitting that, should we wish to repair some other features which we regard as damaging to our case, we must ask for other amendments to the British North America Act, and must do so piecemeal, from time to time, as various emergencies or vicissitudes arise.

We are brought back, then, to consider whether, instead of taking the step now proposed, it would not be better to review carefully the course which Mr. O'Connor has recommended, and follow it or some other less circuitous and more satisfactory way of overcoming the difficulty.

At this point I shall not argue in favour of our Parliamentary Counsel's view. The reason I shall not do so is this. I think we can get exactly the result which Mr. O'Connor had in mind in another way, and I want to submit that plan to honourable members of this House.

Hon. Mr. DANDURAND: Before my right honourable friend enters upon that part of his remarks, I should like to have him clarify a statement he made, so that honourable senators may understand exactly the proposal of our Law Clerk. My right honourable friend said the Law Clerk suggested a general Address. That Address, which, I suppose, would be declaratory, would be presented to the Imperial Parliament.

Right Hon. Mr. MEIGHEN: Yes. Without further investigation of the report, that is my idea. The Address would recite what, in the judgment of the Law Clerk—it would become our judgment—was the original intent,

in language in conformity with the earlier decisions. The result would be that future decisions as to interpretation of the language of section 91—the peace, order and good government section—would follow the lines of the earlier decisions.

Hon. Mr. CALDER: Would it require a general amendment to the Act?

Right Hon. Mr. MEIGHEN: I think it is described by Mr. O'Connor as a declaratory amendment. He asserts that the Act as originally passed needs no amendment. The more one reads over and studies the British North America Act and reviews the decisions upon which it is based, the more one admires the amplitude of mind and thoroughness of action which characterized the fathers of our country. The Act is one of the finest productions of the human mind in the form of statutes to be found anywhere in the world.

Now, with some humility, for I make no pretence of having engaged seriously in the practice of law for a number of years, I am going to presume to speak on this phase, because it so frequently comes before Parliament that anyone with any legal training at all is bound to interest himself in it and make himself more or less familiar with it. I call the attention of honourable members to section 94 of the British North America Act. I believe it remains, unaltered, in the form in which it originally passed. I shall read it, omitting only such words as are inapplicable and wholly irrelevant to the argument I have in view.

Notwithstanding anything in this Act,—

Those words are, as every lawyer knows, of great significance.

—the Parliament of Canada may make provision for the uniformity of all or any of the laws relative to property and civil rights in Ontario, Nova Scotia, and New Brunswick, . . . and from and after the passing of any Act in that behalf the power of the Parliament of Canada to make laws in relation to any matter comprised in any such Act shall, notwithstanding anything in this Act, be unrestricted; but any Act of the Parliament of Canada making provision for such uniformity shall not have effect in any province unless and until it is adopted and enacted as law by the Legislature thereof.

Honourable members will note first that the only provinces referred to are Ontario, Nova Scotia and New Brunswick. The legal position, though, is that the other provinces, save Quebec, might all be added to those three.

Hon. Mr. FARRIS: You mean, by other amendments?

Right Hon. Mr. MEIGHEN: No; an amendment is not needed. They are added by the terms of this Act and of the Acts which bring them in. I will not go into that now, but I do not think anyone will dispute the point.

Hon. Mr. DANDURAND: They are all common law provinces.

Right Hon. Mr. MEIGHEN: We can read the section as if all the provinces except Quebec were included. I shall deal with Quebec after I am through with the argument I wish to present with respect to the other provinces.

The clear intent of this provision is to bring about uniformity in respect of some subject relating to property and civil rights, which subject otherwise would be under provincial jurisdiction. The Privy Council held that unemployment insurance comes within the property and civil rights clause of section 92, and therefore is a matter within the powers of the provincial legislatures. Consequently, if we were to seek to utilize section 94 in the matter of unemployment insurance, we should be seeking to utilize the section in respect of laws relative to property and civil rights in eight provinces. I will re-read the first part of the section, to bring it again definitely into the minds of honourable members.

Notwithstanding anything in this Act, the Parliament of Canada may make provision for the uniformity of all or any of the laws relative to property and civil rights in Ontario, Nova Scotia, and New Brunswick,—

You might just as well read that this way:

Notwithstanding anything in this Act, the Parliament of Canada may make provision for the uniformity of the law in respect of unemployment insurance in Ontario and the other provinces, except Quebec, and from and after the passing of any Act in that behalf—

—in respect of unemployment insurance—

—the power of the Parliament of Canada to make laws in relation to any matter comprised in any such Act shall, notwithstanding anything in this Act, be unrestricted; but any Act of the Parliament of Canada making provision for such uniformity shall not have effect in any province unless and until it is adopted and enacted as law by the Legislature thereof.

Now, suppose we pass an Act for the purpose of bringing about a uniform condition in respect of the law of unemployment insurance. I have given the matter considerable thought, and I am unable to think of anything to which the section can apply if it does not apply to unemployment insurance. Some honourable members may be more resourceful than I.

Hon. Mr. HUGESSEN: Trade and commerce?

Right Hon. Mr. MEIGHEN: No; the section says the matter must be relative to property and civil rights. And the Privy Council has held that unemployment insurance is a matter of property and civil rights. It cannot have been contemplated that before we legislate we must await legislation by the provinces. No one who studies the section can come to that conclusion. The necessity for uniformity in respect of some subject of legislation having to do with property and civil rights must appear to the Parliament of Canada. And if it does appear and Parliament chooses to pass an Act on such subject, then as any province adopts that Act the power of the Parliament of Canada in relation to the subject concerned becomes unrestricted in that province, no matter what any other section of the British North America Act may say. But the Act will have no effect in any province until it is adopted by that province.

Let us look at our position with regard to unemployment insurance. I have not read the correspondence. I intended reading it this morning, but I could not reach it. I accept what the honourable leader of the House (Hon. Mr. Dandurand) says, that all the provinces have concurred. That means that if we pass an Act, all the provinces will also enact legislation, or, in the words of section 94, will "adopt" our Act.

Hon. Mr. EULER: They might also repeal it later on.

Right Hon. Mr. MEIGHEN: No, they could not, because from the date of adoption the power of the Parliament of Canada in respect of that phase of property and civil rights would be unrestricted.

Hon. Mr. HUGHES: On that one point?

Right Hon. Mr. MEIGHEN: On that one subject.

As respects all provinces save the province of Quebec, the course I am suggesting would appear to be much the better one to pursue. I will give reasons now.

Hon. Mr. DANDURAND: Quebec is not covered by section 94.

Right Hon. Mr. MEIGHEN: I shall deal with Quebec later. For the moment I am dealing with all the other provinces, which are covered by section 94.

In my judgment the course I am suggesting is the better one, and I submit it to the House for earnest thought. If we take this course, we shall not have to go to the Throne every time it is thought wise to legislate with respect to something of this kind. As soon as we are confident the provinces will agree, we can go ahead and make our enactment. The subject is one concerned with our own country; it is a domestic problem, and we can deal with it. In recent decisions the Privy Council overthrew our right to legislate in respect of conventions made with other countries pursuant to League of Nations clauses. The destruction of our right in that regard, and the court's dictum that to carry out our solemn covenants with other countries we must get the consent of the whole nine provinces, make such a deterioration of the stature of sovereignty that we simply cannot endure it. If that dictum holds, Canada is not a country, but only a composite of provinces.

We can avoid difficulty over that point by taking, under section 94, the course which I am now indicating. We could take the same course with respect to any other subject of social legislation. For instance, in this way we could implement hours-of-labour covenants, Sunday-observance covenants or other covenants that we may make with foreign countries. I submit to the Government with a great deal of confidence that when section 94 was originally placed in the British North America Act the intention was that we should be able to pursue this course. One can think of nothing which reflects more credit upon the fathers of our country than this very section, which provided, so far ahead, a way of smoothing out antagonisms and frictions of the present time. Assuming that the situation with respect to the province of Quebec can be properly handled, I feel that the Government would be well advised to consider moving along the route provided for us by this section.

I will now make a few remarks as to the situation in Quebec. Section 94 does not empower Quebec to adopt our Act, in the event that we do proceed as I am suggesting. Even if that province did adopt our legislation, I should not think the law would have effect there. What, then, could be done in Quebec? It must be assumed that, having now agreed to give us authority in respect of unemployment insurance, that province would not desire to sit on the side-lines and pay the piper for operation of the Act in eight provinces, while itself enjoying none of the Act's benefits. But Quebec could take this course. Its Legislature could, of its own free will, enact a law in the terms of our law, and then make an agreement with the Dominion to provide that the Dominion should carry out the Quebec law as agent of the province—execution to be at the expense of the Dominion, of course. If such

an agreement were made, then the Quebec Act, which would be the same as the Dominion Act, would operate in that province. The principle of agency could there be invoked. Quebec would remain master in its own house to the same degree that it is to-day, and be in exactly the same position as it would be in if we went through the too-oft repeated process of amending the British North America Act and placed ourselves in the position of having to continue that old process over and over again, as often as a situation of this kind arises.

Hon. Mr. HUGESSEN: I do not want to interrupt my right honourable friend, but would his suggestion not necessitate separate action by ten different legislative bodies?

Right Hon. Mr. MEIGHEN: Certainly it would. But there would be very little work to that, and, once the provinces had acted, there would be no more difficulty. But what happens under the procedure now proposed? Mr. Bracken, in Manitoba, says, "We are agreeable to the amendment." The Premiers of the other provinces say the same. Although a statute may not have to be passed by the legislatures, all the provincial Governments have to carry their legislatures with them on the matter. And in future, whenever it becomes necessary to enact a measure which is just as essentially federal as unemployment insurance, the same course will have to be taken, followed by the old procedure of passing in both Houses of Parliament a resolution addressed to the Imperial Parliament. The whole process of education has to start over again, province by province. It is a process that has taken years in respect of this legislation, and, according to the Government, whose statement I accept, has forced delay. We shall have the same experience every time something else comes up.

Why not follow the course I have proposed? Then, after you have your legislation on the Statute Book, each province can choose its own line—it has to—and you can see whether it will come in. A province might be recalcitrant, but non-compliance would not be to its advantage.

Hon. Mr. EULER: Each province might pass legislation differing in detail. What would become of uniformity then?

Right Hon. Mr. MEIGHEN: No. All the provinces, except Quebec, would need merely to pass an Act adopting the Dominion legislation.

Hon. Mr. EULER: But not in the case of Quebec.

Right Hon. Mr. MEIGHEN: Not in the case of Quebec. Quebec itself would pass an Act, which later the Dominion would execute at its own expense.

Hon. Mr. EULER: Might not the other eight provinces have uniform Acts while Quebec's legislation was substantially different? That would not make for uniformity.

Right Hon. Mr. MEIGHEN: The Act provides for uniformity in all the provinces except Quebec. It would be absolutely uniform in those other provinces, because they would simply adopt our Act; but Quebec would pass legislation in exactly the same terms.

Hon. Mr. EULER: It might not.

Right Hon. Mr. MEIGHEN: I know. But suppose Quebec makes a change which it thinks is better. It is only for the Dominion Government to say whether or not it will accept that enactment.

Hon. Mr. EULER: But you would not have uniformity.

Right Hon. Mr. MEIGHEN: The provinces can come in any day they want to. What I desire to impress on honourable senators and the Government is that by taking this course we keep the problem in our own home; it is here; we can deal with it in a way just as simple as the other; and we save excursions overseas every time we want to deal with it —excursions which I believe were not intended to be made. There is here provided a method which, so far as I know, we have never yet utilized, and I think an appropriate occasion has come to utilize it to-day.

Hon. C. P. BEAUBIEN: Will my right honourable friend allow me a question? The course he suggests is very ingenious, and no doubt will commend itself to nearly all the provinces. If all except Quebec agree to legislation passed by the Dominion under article 94, then we have an understanding binding on all these eight provinces and the Dominion?

Right Hon. Mr. MEIGHEN: Those provinces have given us jurisdiction.

Hon. C. P. BEAUBIEN: And despoiled themselves of the jurisdiction; so it is an agreement valid and lasting for all time.

Right Hon. Mr. MEIGHEN: I would rather use the word "relieved."

Hon. C. P. BEAUBIEN: I am perfectly willing to accept the synonym suggested by my right honourable friend. I always gain

by doing so. But section 94 does not apply to Quebec. Quebec will still have jurisdiction to repeal any adoptive legislation?

Right Hon. Mr. MEIGHEN: That is right.

Hon. C. P. BEAUBIEN: Suppose Quebec adopts a law passed by this Parliament. The following year it can withdraw from its agreement by simply saying, "We always have the right to repeal any Act we have passed."

Right Hon. Mr. MEIGHEN: That is right.

Hon. C. P. BEAUBIEN: This would appear to me to be a weakness in the plan suggested. I should like to know how it could be remedied.

Right Hon. Mr. MEIGHEN: The decision would always rest with Quebec, the province being given in that respect, perhaps, an advantage. Quebec might decide that the unemployment insurance law of Canada should not apply. If it so decided, the law would not apply there. What harm would that do? None. But I do not think Quebec would be very happy in the position of contributing to the cost of unemployment insurance and getting no benefits.

Hon. Mr. EULER: Quebec did that in regard to old age pensions.

Right Hon. Mr. MEIGHEN: I know; but it did not continue.

Hon. Mr. HARDY: The province penalized itself.

Hon. C. P. BEAUBIEN: I think Quebec in its own interest would necessarily continue under the operation of such legislation.

Right Hon. Mr. MEIGHEN: Yes, I think so.

Hon. J. W. deB. FARRIS: Honourable senators, I am sorry this debate comes up this afternoon, because I think those of us who are in favour of the resolution would wish to vote for it now. But the questions which the right honourable gentleman (Right Hon. Mr. Meighen) has raised are of such wide application and involve such serious legal consequences that I do not think anyone should attempt to decide them without considerably more deliberation than is possible at this time.

With a good deal of what the right honourable gentleman has said about Mr. O'Connor's report to this House on the British North America Act I most heartily agree. In fact I had the pleasure of introducing a motion expressing our appreciation of the very fine work he had done, though in some material particulars I did presume to differ from his conclusions.

Mr. O'Connor's suggestions involve a radical and fundamental change in the law of our Constitution, which to-day is embodied in the British North America Act as interpreted by decisions of the Privy Council and the Supreme Court of Canada. Mr. O'Connor has vigorously expressed his disagreement—as has the right honourable gentleman here to-day—with the development and trend of those decisions.

I am not prepared to say without the most serious consideration—and I doubt whether any other member would be—whether a number of Mr. O'Connor's suggestions should or should not be adopted. But I would point out that if his policy were adopted it could be done only after a conference with every province. We have before us to-day something that has very seldom obtained in Canada.

An Hon. SENATOR: Hear, hear.

Hon. Mr. FARRIS: We have an agreement between the Dominion Government and every provincial Government in respect of this particular piece of legislation. If Mr. O'Connor's scheme were introduced it would mean a fundamental change in regard to the British North America Act, such as we have not had since its enactment in 1867. It would mean turning our back on decisions of the Privy Council and the Supreme Court of Canada extending over many years, and would limit considerably the powers of the provinces as to property and civil rights. Without the co-operation of the provinces we cannot expect to bring about that change. It may be simple in its wording, but in effect it is a new interpretation of our Constitution. We never could get such co-operation in time to effectuate legislation in regard to unemployment insurance which we now desire to put on the Statute Book.

We have next to consider the right honourable gentleman's suggestion that what we are doing to-day is inconsistent with, or in some way limits, our power to do at a later date as Mr. O'Connor has suggested. I am not sure that I interpret my right honourable friend correctly.

Right Hon. Mr. MEIGHEN: I do not think I said that.

Hon. Mr. FARRIS: I was not sure of my interpretation, but it seemed to me to be the drift of his remarks. I do not think adoption of this resolution would in the slightest degree affect our full freedom of action at a later date, should the provinces in the meantime co-operate in regard to a general amendment declaring a new policy in interpretation of the British North America Act. If the passage of this resolution does not imply that our hands are to be tied in the

future, what objection can there be to our proceeding at the present time, when all the provinces have agreed to our doing so? Why canvass the position all over again? I am unable to follow the right honourable gentleman's reasons.

It is also suggested by my right honourable friend that we might invoke section 94. It is unfortunate this was not thought of in connection with the Employment and Social Insurance Act, passed in 1935 and later declared to be unconstitutional, because apparently, if my right honourable friend is right, what he suggests would have been a much safer constitutional practice than the method followed. However, looking at the matter to-day, I believe the application of section 94 would be purely a makeshift as compared with the simple, sure and effective action proposed in the resolution before us. To-day every province is agreeing with the Dominion to an amendment of the British North America Act to deal effectually with the situation in regard to unemployment insurance; and when this resolution is given effect the Parliament of Canada will for all time thereafter be in complete control of the situation. We could not have anything more than that, no matter what the legislation might be. If we were to adopt the alternative policy we might finally reach the same result, and we might not, but in the meantime we should not get anywhere until all the provinces outside of Quebec had endorsed the legislation passed by this Parliament.

Right Hon. Mr. MEIGHEN: No.

Hon. Mr. FARRIS: My right honourable friend says "no"?

Right Hon. Mr. MEIGHEN: As each province adopts the Dominion legislation it becomes effective in the province.

Hon. Mr. FARRIS: I see; but I think my objection stands, because the basis of insurance is the spreading of a risk.

Right Hon. Mr. MEIGHEN: Of course.

Hon. Mr. FARRIS: That is why one man does not insure his own property and carry his own risk. It is only as you widen and still further widen the basis of the hazard that insurance becomes effective. Now, if the Parliament of Canada passed unemployment legislation, and if British Columbia—which is generally ahead of the other provinces—

Some Hon. SENATORS: Oh, oh.

Hon. Mr. FARRIS: —if British Columbia should adopt this scheme, you would have unemployment insurance legislation by the Federal Parliament applicable to only one province. Nothing could be more absurd than that. Then piecemeal, or step by step, the other provinces presumably would fall into line with British Columbia, as they have done at other times, and meantime the Act would not apply throughout the Dominion. That would be a very undesirable state of affairs. After the other eight provinces had adopted the legislation you would probably have to wait while Quebec watched the operation of the Act before adopting it. Instead of the purpose being accomplished now with, as it were, a turn of the wrist, my right honourable friend's scheme would, as I have indicated, involve loss of time, and a year after it had been put into operation throughout the Dominion the province of Quebec might say, "We have changed our viewpoint."

The right honourable gentleman says the other provinces could not back out; that under section 94, once they have adopted the legislation, it becomes permanent within their respective jurisdictions. Probably that is so, but I should think it would necessitate another trip to the Privy Council to settle the question finally, since the general rule is that in all bodies power to take certain action carries with it an implied power to rescind. But, even if the right honourable gentleman is correct, it is common ground that as to the province of Quebec section 94 does not apply.

You would have an Unemployment Insurance Act operating throughout Canada, built up on the fact that every province had come in, your hazard, your rates and everything based on the universal application of that Act, and next year Quebec might drop out. Your whole scheme would be upset. Then, as my deskmate (Hon. Mr. Hugessen) says, what about amendments?

Right Hon. Mr. MEIGHEN: They do not need to be adopted.

Hon. Mr. FARRIS: Suppose that next year an amendment is brought in by the Dominion Parliament. Quebec might refuse to accept it. Then the whole thing is up in the air again. There are also grave constitutional questions as to how far a province may delegate its powers to the Federal Parliament. As this is an entirely extemporaneous discussion, I cannot give chapter and verse for this principle; but I say without hesitation that the gravest constitutional problems arise out of any attempt to delegate provincial powers to the federal authorities. I do not say the matter is finally settled. There are doubts about it. But why bring in all these controversial questions? Why bring in these

causes of delay? Why, if I may use the expression, muddle things up when they are so simple and clear-cut in the present resolution?

Hon. C. P. BEAUBIEN: Honourable members, I understand that there are other honourable senators who wish to speak on this subject. I would therefore move the adjournment of the debate.

Hon. Mr. DANDURAND: If it would suit those who wish to speak to do so this evening, there would be no objection, and there would be no need to postpone further discussion until to-morrow.

Right Hon. Mr. MEIGHEN: I have not the slightest desire to impede the attainment of the object the Government have in mind, but I conceive that it would be a sound course to follow section 94, and I believe the suggestion made is worthy of a day's consideration. In giving it thought we shall not lose an hour's time. For that matter, what difference does a day, a month or a year make in view of the terrible situation which confronts us?

Hon. Mr. DANDURAND: Is my right honourable friend desirous—?

Right Hon. Mr. MEIGHEN: I should like to have the debate adjourned until to-morrow. There are better lawyers in this House than I am, and they may wish to speak.

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

CIVIL SERVICE SUPERANNUATION BILL

REPORT OF COMMITTEE

Hon. Mr. L'ESPERANCE presented the report of the Standing Committee on Civil Service Administration on Bill 28, an Act to amend the Civil Service Superannuation Act, 1924.

Hon. Mr. DANDURAND: I move concurrence in the amendment proposed in the report of the committee. The amendment changes only the form of the Bill; the matter remains the same.

The motion was agreed to.

THIRD READING

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

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

POSITION OF MR. LESLIE ROBERTS

INQUIRY

Hon. Mr. HAIG inquired of the Government:

1. Is Leslie Roberts a salaried man in the Government service?

2. If so, in what service, and on what salary, and what is his title?

3. If the answer to No. 1 is in the affirmative, when did he enter the service, and in what capacity, and on what salary?

He said: Honourable members, before the honourable gentleman replies to my inquiry, I may say, in order to give him some information, that I have in my hand a postcard bearing on one side a picture of a convoy, and on the other side the following text:

Convoys Don't Advertise

Where is the deep-water harbour from which eastbound convoys dispatch to Europe? How do anti-submarine nets seal its entrance? How do destroyers, patrol bombers, trawlers, long-range guns protect sea lanes? What is Canada's part in convoying ships successfully across the Atlantic?

Leslie Roberts, Special Assistant to the Minister of Defence, unfolds a factual story of convoy patrol and the part played by Canadian seamen and ships.

Five Cents at All News-Stands—Get Your Copy To-Day! The Saturday Evening Post.

This postcard was dropped into all the letter-boxes of the city of Halifax.

Hon. Mr. DANDURAND: I have not been able to follow the reading of the postal card, which might be of interest if my honourable friend would send it to me. I am simply faced with his question. To question No. 1 the answer is "No." This is also the answer to the second and third questions.

Right Hon. Mr. MEIGHEN: This man must be sailing under false colours.

Hon. Mr. DANDURAND: Maybe so, but if my right honourable friend will look at the inquiry he will see that it is a very simple one. It is:

Is Leslie Roberts a salaried man in the Government service?

My answer is "No."

Right Hon. Mr. MEIGHEN: Is he working for nothing?

Hon. Mr. DANDURAND: That is another question.

Some Hon. SENATORS: Oh, oh.

Hon. C. P. BEAUBIEN: Or has he just left the employ of the Government?

Hon. Mr. DANDURAND: That is still another question.

Right Hon. Mr. MEIGHEN: He may be on daily pay, but I do not think he is working for nothing. He is sailing under the colours of the Special Assistant to the Minister of Defence, and is writing things that no man should be allowed to write.

Hon. Mr. DANDURAND: I would draw the attention of my right honourable friend to the question as it appears. To-day, on the 26th of June, the answer is "No," and I think it would have been the same on the 1st of June. If the question were, "Is Leslie Roberts employed in the Government service?" the answer would be "No."

Some Hon. SENATORS: Oh, oh.

UNEMPLOYMENT AND AGRICULTURAL ASSISTANCE BILL

FIRST READING

A message was received from the House of Commons with Bill 42, an Act to assist in the alleviation of Unemployment and Agricultural Distress.

The Bill was read the first time.

MOTION FOR SECOND READING—DEBATE ADJOURNED

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

Hon. RAOUL DANDURAND: Honourable senators, this Bill is but a re-enactment, with a few modifications, of an Act which has been on the Statute Book since 1936, and which has been renewed from year to year. The preamble to the Bill states the main purpose of the legislation. It is as follows:

Whereas notwithstanding greatly increased employment under war conditions it appears still to be necessary in the national interest to make provision for some contribution by the Dominion, where circumstances so warrant, to supplement the measures taken by the provinces towards providing assistance to those in need, establishing unemployed persons in employment and training and fitting suitable persons for productive occupations, thereby lessening provincial and municipal burdens in so far as they may be consequent upon extraordinary conditions of unemployment heretofore existing and at the same time developing the economic capacity of the nation to carry on the war:

Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows.

The wording of the preamble in the present Bill is slightly different from that of the 1939 Act. The wording with respect to the cardinal purpose, namely, to provide ways and means for the Dominion to supplement, by financial assistance, measures taken by the provinces to relieve individuals who are in necessitous circumstances by reason of unemployment or agricultural distress, has not been altered. It has been deemed expedient, however, to bring into the general picture of "relief" the rapidly changing conditions of employment being brought about by the war activities of the nation, and for that purpose certain words and phrases have been added to the preamble.

Clause 3 of the Acts of 1937, 1938 and 1939 has been dropped from this year's Bill. It was included in earlier Acts to permit the Dominion to initiate relief projects of its own. It has not been necessary for the Dominion to use this power. In view of the curtailment of provincial public works under relief legislation, there is no need for this clause.

Subsections 2 and 3 of this clause 3 referred to such works as might have been carried out by the Dominion. So far as any provincial or municipal works are concerned, employment offices, preference of persons on relief, and approval of contracts have always been covered by appropriate clauses in the Dominion-provincial agreements.

Clause 4 of the Bill, which replaces clause 5 of the 1939 Act, reads:

(1) The Governor in Council in cases where in his opinion the circumstances make it necessary in the national interest, and subject to such requirements and conditions as he may consider advisable, may, out of any unappropriated moneys in the Consolidated Revenue Fund, grant financial assistance to any province by way of loan, advance or guarantee for the purpose of assisting the province to pay its share of expenditures incurred for the purposes mentioned in paragraph (a) of section three of this Act, and for the same purposes under the provisions of the Youth Training Act, 1939, to an amount not exceeding in the aggregate the maximum amount which may be payable by the province for its share of such expenditures under any agreement between the Dominion and the province entered into under the authority of this Act, or the Unemployment and Agricultural Assistance Act, 1939, or the Youth Training Act, 1939.

(2) The Governor in Council may renew or consolidate, for such periods and upon such terms as the Governor in Council may determine, loans, advances or guarantees made, given or renewed under the authority of the Unemployment Relief and Assistance Act, 1936, the Unemployment and Agricultural Assistance Act, 1937, the Unemployment and Agricultural Assistance Act, 1938, the Unemployment and Agricultural Assistance Act, 1939, or this Act and may accept such Treasury bills, bonds, debentures or other securities as may be approved by the Governor in Council as security for the payment of any indebtedness due by a province to the Dominion arising out of expenditures, advances or loans heretofore or hereafter made for the alleviation of unemployment conditions and of agricultural distress and to assist those in need.

Clause 4 of the Bill corresponds in general with clause 5 of the 1939 Act. There are, however, two main differences.

First: The power which the 1939 Act gave the Dominion to loan, advance or guarantee, for the purposes mentioned, was very general, restricted only by the words "where necessary," in the first line, which words might be construed as referring to all cases where the provinces deemed it necessary. It is considered advisable this year to restrict that generality and give Council full discretion, by adding the words contained in the first four lines of the clause, namely:

—where in his—

—that is, the Governor in Council's—

—opinion the circumstances make it necessary in the national interest, and subject to such requirements and conditions as he may consider advisable.

Second: Five lines which appeared at the end of subsection 1 of clause 5 in the 1939 Act, and also in the 1938 Act, have been left out of the present Bill. These lines are as follows:

as well as the amount for which the province may be obligated by way of loan in connection with the cost of any undertaking for which commitments were made under the Unemployment and Agricultural Assistance Act, 1938, and which may be continued under agreements entered into under the authority of this Act.

These lines were inserted in the earlier Acts to provide for an extraordinary condition which arose out of the construction of the Greater Winnipeg Sewage Disposal project, commenced in 1935 and continued for three and a half years. This project was carried on by the Greater Winnipeg Sanitary District, comprising the cities of Winnipeg and St. Boniface and several adjacent municipalities. It became necessary for the province to loan most of these municipalities their share of the undertaking, and for the province in turn to borrow from the Dominion. The project having been completed, there is no necessity for further loans.

I have given these details of the proposed small variations to the 1939 Act in the hope that I may be allowed to move second reading of the Bill now. With leave, I would move that the Bill be now read a second time.

Right Hon. Mr. MEIGHEN: Honourable members, I should like second reading to stand until to-morrow, as I want to compare the Bill's phrasing with that of the Act. Also I should like some information as to how the Dominion's contributions through relief will compare with those of other years.

Hon. Mr. DANDURAND: I have here some figures, which may be of interest to my right honourable friend. At the first of April last there were on relief 138,000 heads of families, of whom 80 per cent were employable, and 48,000 single persons, of whom 50 per cent were employable. A recent canvass of thirty-eight cities and towns showed that by the first of June these figures of employable persons on relief had been reduced by 24·3 per cent.

Right Hon. Mr. MEIGHEN: The Minister (Hon. Mr. Dandurand), having read history, knows what has always preceded the fall of nations. I hope he will take the historical lessons to heart. Hard though it may be, we must discontinue a whole lot of things we have been doing, or we shall not last.

Hon. Mr. DANDURAND: Is my right honourable friend moving adjournment of the debate on the motion for second reading?

Right Hon. Mr. MEIGHEN: No. I would prefer that the motion for second reading be postponed until to-morrow.

Hon. Mr. DANDURAND: But I have already spoken on the motion for second reading; so my right honourable friend may now move adjournment of the debate.

On motion of Right Hon. Mr. Meighen, the debate was adjourned.

POSITION OF MR. LESLIE ROBERTS

NOTICE OF INQUIRY

On the Orders of the Day:

Hon. Mr. HAIG: Honourable members, before the Orders of the Day are called, may I refer to my inquiry about Leslie Roberts, which was answered this afternoon? Apparently its wording was not clear to the honourable leader (Hon. Mr. Dandurand). I should like to ask the honourable leader this: Is Leslie Roberts now, or has he ever been, a special assistant to the Minister of Defence?

Hon. Mr. DANDURAND: Is my honourable friend giving notice of an inquiry?

Hon. Mr. HAIG: I thought perhaps the honourable leader, having already made inquiries about Leslie Roberts, and informed me that he was not a salaried employee of the Government, could tell me now whether he is an employee without salary.

Hon. Mr. DANDURAND: Will my honourable friend place his notice of inquiry on the Order Paper?

Hon. Mr. HAIG: All right.

CANADA-UNITED STATES TRAVEL

PASSPORTS—INSPECTION AT BORDER

On the Orders of the Day:

Hon. Mr. DANDURAND: Honourable senators, I desire to place before the House a statement with relation to passports for Canadians visiting the United States, and the decision of the Government to continue for the present the practice of not requiring passports from United States citizens coming to this country. The same statement was presented this afternoon in the other House.

As previously announced, the Government have for some time past been giving careful consideration to the question of border control. We recognize the necessity of special vigilance in view of war conditions. We also recognize the desirability of interfering as little as possible with legitimate access to Canada by visitors from the United States.

The United States authorities have recently instituted a system of passport and visa control on all borders of the United States, to become effective on July 1. Under this system it will be necessary for a Canadian who intends to visit the United States to obtain a passport from the Canadian authorities and then to secure a visa or permit from one of the United States Consuls stationed at different points in Canada.

We have taken steps to review and strengthen the existing system of border control, including stricter immigration inspection at the border and special provision in certain areas which have usually not required attention. The protection of vulnerable points is, of course, being continued and will be increased.

All circumstances considered, it has been deemed desirable to continue for the present the practice of not requiring passports from United States citizens. All that will be necessary is for the visitor to satisfy the Canadian Immigration authorities that he is a United States citizen and that he is coming to Canada for a legitimate purpose. There will be no unnecessary delays or hindrances placed in the way of tourists, who will continue to receive the cordial welcome that has been extended to them in the past. American visitors will see in Canada a country intensifying its war effort against Nazi and Fascist aggression and tyranny, but a country which at the same time is at peace and in increasing accord and friendship with its great democratic neighbour.

If, at the end of the summer season, it should be found necessary to establish a system of passport control and to set up the necessary Canadian consular service in the United States, ample notice of such intention will be given.

I will read also a certified copy of a minute of the meeting of the Committee of the Privy Council, approved on the 22nd of June:

The Committee of the Privy Council have had before them a report, dated 21st June, 1940, from the Secretary of State for External Affairs, stating that the Government of the United States of America, in view of the critical international situation, has decided to exercise closer supervision over aliens entering that country and, to this end, will require, on and after July 1, 1940, that every alien, as a condition of entry into the United States, be in possession of a passport or other document of identity and nationality;

That in view of the number of Canadians likely to be affected by this requirement, but who would not desire to apply for the regular passport, for which a fee of five dollars is charged, it would appear desirable to establish a modified form of application and a special passport, valid for travel to the United States only;

That it is considered that this special passport should be valid for a period of one year and that the fee for the issue of the special passport should be fixed at one dollar.

The Minister, therefore, recommends that a special application form and a special passport be established, in the form attached, for travel to the United States of America only.

The Minister further recommends that the special passport be valid for one year, and that the fee therefor be fixed at one dollar.

The Committee concur in the foregoing recommendations and submit the same for approval.

Right Hon. Mr. MEIGHEN: What committee is referred to there?

Hon. Mr. DANDURAND: The Committee of the Privy Council.

Right Hon. Mr. MEIGHEN: And the submission for approval is to His Excellency?

Hon. Mr. DANDURAND: Yes. It is an Order in Council.

DIVORCE BILLS

SECOND READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the second time:

Bill D2, an Act for the relief of Margaret Somerville Sickinger.

Bill E2, an Act for the relief of Romain Cheophas Moreau.

Bill F2, an Act for the relief of Dorothy Florence Donn Martin.

Bill G2, an Act for the relief of Phoebe Doris Edge Pott.

Bill H2, an Act for the relief of Filomena Grego Sauro.

WAR CO-OPERATION

REPORT OF SPECIAL COMMITTEE ADOPTED

The Senate proceeded to consider the report of the Special Committee on War Co-operation.

Hon. C. P. BEAUBIEN: Honourable senators, as I stated yesterday, I think the report of the Special Committee on War Co-operation is clear and explicit. It has been printed in both languages, and copies were distributed this morning. In the interim

I presume honourable members have had ample time to study and appreciate the purpose of the report. There is every reason why the report should be acted on without further delay, and therefore I move that it be concurred in.

Hon. ARTHUR SAUVÉ (Translation): Honourable senators, I regret that the honourable member from Montarville (Hon. C. P. Beaubien) did not understand the reason for my request that consideration of his committee's report be postponed until Thursday. I had not the slightest intention of criticizing or obstructing; my sole motive was to show that the Senate, at least, does not act hastily and rashly, without having fully understood the questions submitted to it. The members of this House not having received copies of the report, I suggested that consideration thereof be postponed until next Thursday.

I congratulate the honourable member from Montarville on having so promptly sent me copies of the English and French versions of the report, and I wish to express to him my sincere thanks. I unhesitatingly commend the publicity proposed by the Special Committee on War Co-Operation with a view to supplying to the Canadian people full and accurate information regarding our present situation due to the war which the enemy is seeking to spread to the entire world. I am in favour of such a campaign, provided it be a campaign of sound education carried on by men noted for their knowledge, their honesty and their sincerity.

The high and cruel price which the principal democracies are paying for the false leadership given to them should deter our leaders from making the slightest alteration in the facts which they communicate to the public in these tragic days. I trust that those who will be charged with the publicity suggested by the committee will be conscientious men who recognize the great evil, the vile abuse, which has distorted the national sense in order to serve the interests of cliques and to give a dangerous domination to fanatical partisanship. Let us hope that our radio publicity will be better than it has been. Canada, like the Allies, is now suffering from the effects of a brand of publicity which has often been helpful to the enemy and harmful to us.

For more than a year before the war the cinema showed us the formidable strength of Germany to such an extent that the spectators wondered in advance how England and France could possibly resist the enemy and why they should go to war.

Let us hope that the campaign suggested by the committee will be undertaken and carried out with discernment and with a sound understanding of the situation. Let us hope also that this publicity will not involve us in exaggerated or unnecessary expense. At this time, the people are set against all wasteful expenditure; they want to see every possible dollar saved. It is with this hope that I support the motion of the honourable member from Montarville.

Hon. RAOUL DANDURAND: Honourable senators, my honourable friend who has just addressed us in a language familiar to him and to myself, has expressed a desire that the campaign suggested by the report should be conducted by having men of standing and sound judgment address the public over the radio. It so happens that I intended to lay before the Senate a statement which I have received from the Associate Director of Public Information, Mr. Claude Mélançon, in response to my request for the names of the speakers who have participated in the work which we all have at heart, that of getting all the people behind the movement to win the war. I am sure my honourable friend will agree with me that the gentlemen are such as he himself would have selected, and I hope the work they are to carry on in co-operation with us will be of the same high standard. This is a list of the gentlemen who have broadcast periodically over the C.B.C. French network:

His Eminence Cardinal Villeneuve, Hon. A. Godbout, Prime Minister, and Hon. Maurice Duplessis, Leader of the Opposition, of Quebec;

Rt. Hon. Ernest Lapointe, Minister of Justice, and Hon. Onésime Gagnon, Ex-Minister of the Crown;

Raoul Trépanier, President of the Trades and Labour Council (International Unions), and Alfred Charpentier, Treasurer of the Federation of Catholic Union Workers of Canada (Roman Catholic Syndicates).

Hon. Mr. SAUVÉ: They have all accepted an invitation to address the province of Quebec?

Hon. Mr. DANDURAND: They have already spoken over the C.B.C. French network.

Henri C. Bois, President of the Agronomist Corporation of Quebec, and Gerard Filion, Secretary of the Catholic Union of Farmers;

Hon. J. E. Michaud, Minister of Fisheries, and Hon. Senator C. P. Beaubien;

Noel Fauteux, Assistant Editor-in-Chief of La Presse, Montreal, and Eugene L'Heureux, Editor-in-Chief of L'Action Catholique, Quebec.

Mr. Mélançon writes me:

A special programme was also organized last Sunday night to enable Right Hon. Ernest Lapointe and Hon. P. J. A. Cardin to address a special message to the French Canadians on the new conscription law for the defence of Canada.

When they could be procured on time, all of these speeches have been translated into English and circulated through the Press across Canada. Of course, the French texts have been given to the French press.

I am confident that the programmes and those who participated in them are such as will meet with my honourable friend's warm approval.

I may say that on Sunday last, on the eve of the feast of the patron saint of French Canadians, the Right Hon. Minister of Justice and Hon. Mr. Cardin spoke to the province of Quebec over the radio, and their speeches were highly praised. The honourable member knows them very well.

Hon. Mr. SAUVÉ: I know what they have declared in the past, but not what they may say in the future.

Hon. Mr. DANDURAND: Apparently my honourable friend did not listen to those gentlemen last Sunday.

That was on a programme of Tous pour la Victoire—All for Victory. I have the following communication from Mr. Lash, Director of the Bureau of Public Information:

The "Carry On, Canada!" programme, originated by the Director of Public Information, has served two purposes. It was used first as a clearing-house for ideas for organizations and individuals engaged in or anxious to do war work. Since the invasion of the Lowlands its purpose has been to promote national unity, raise morale and to inspire confidence in our ultimate victory.

It has a tremendously large audience, according to the Canadian Broadcasting Corporation, not only in Canada, but in the United States. From the United States it has brought a number of inquiries for information on how to invest money in Canadian war loans and war savings certificates, and it has also brought voluntary contributions of money. The latest was a one thousand dollar United States bearer bond with two unclipped coupons attached.

I had intended to mention this in answer to the statement of my honourable friend. I would draw the attention of honourable senators to what they can do if they take advantage of their attendance here during the session. As my honourable friends will realize, Quebec has been well served by gentlemen in all walks of life, religious, civil and political. Honourable members from the province intend to get into touch with other persons who may be ready to carry on the good work done by His Eminence Cardinal Villeneuve and the other gentlemen whose names I have mentioned. My view is that honourable members of the Senate should meet in provincial groups and see what they can do to further the good work in their respective provinces. I hope that not only will they offer their own services, but they will also persuade other persons of standing in their community to give radio addresses that will stimulate war work and inspire confidence in ultimate victory. I would say that sometimes the shortest address carries farthest. The address should be crisp, and should voice in no uncertain tone the views of the speaker.

If honourable gentlemen would read the report quietly they would learn what they can do to further the good cause. I am sure there are enough honourable members from each of the provinces to make it possible for them to confer among themselves and to accomplish much before the end of the session.

Hon. C. P. BEAUBIEN: Honourable members, I rise to express my appreciation of what my honourable friend (Hon. Mr. Sauvé) has just said. He approves of the purpose of the committee, as explained in the report, provided that those who are called upon to carry out that purpose are well informed, competent, honest and sincere. It is the intention of the committee, as is clearly shown by the terms of its report, to secure the assistance of prominent men, more particularly of honourable members of this House, in carrying on this work. I feel confident that my honourable friend will be glad to share in an undertaking which is so necessary and urgent.

The tyrannical governments of Germany and Italy have destroyed all liberty in those lands, and everyone there is compelled to click his heels and do what he is told unless he wishes to see the inside of an internment camp or face a firing squad. Nevertheless, although those governments do not need the support of public opinion, they have gone to an almost fantastic length in their system of propaganda. What can we rely upon in this country, where liberty is complete? How can we have a united body of public opinion unless the people are thoroughly informed as to the danger which is now facing them? In my opinion this danger has come very much closer to us since the heroic resistance of France and the lamentable defeat of that country. The British fleet will now have to form a chain of steel to protect the British Isles, and that it will be able as in the past to protect our shores is very doubtful. Consequently we shall have to depend to a much greater degree upon ourselves. It seems to me, therefore, that the people must be informed. To give thorough enlightenment to this country from ocean to ocean, with its population of eleven millions, is a very difficult task, and everyone must shore in it. That is why the committee appeals to every member of this House to join in this work, so as to enable the people of the country, in a collective way,

to put forth the effort which will be required of them.

Hon. A. MARCOTTE: Honourable senators, I did not know it was the intention of the honourable gentleman to close the debate, and, as he rose before I had an opportunity to do so, I would ask permission to add just a few remarks to what has already been said. I shall not take up much of your time, because, as was said by Mr. Noel Fauteux the other day, this is a time not for words, but for action.

Paragraph 3 of the report says:

> It is the unanimous view of your committee that the efforts of honourable members of this House should be directed towards bringing about in Canada a much more general, and, if possible, universal, appreciation of the peril Canada, as Canada, is in; of the indescribable catastrophe defeat would bring to each and all of the people of our country, and of the immediate, imperative need that every citizen, young or old, become animated and possessed by a sense of duty and of sacrifice to the end that we may ensure the preservation of our institutions and of our nation.

Honourable members have noticed the words, " the peril of Canada." By those words is meant also the peril of England, of the British Empire, of democracy—of civilization as we know it and want it.

To avoid this peril we must realize its existence and be willing and ready to prevent it. Have all Canadians a knowledge of this danger? I think that for the larger part of our population we may answer yes to this question, but some people, happily few in number, have to be educated to and persuaded of the existence of this peril. The present committee will help to find the best methods for this education and persuasion. Its report outlines the work already done in that respect.

To be willing and ready to defend Canada means that we must be prepared. Are we prepared? There are many who assert that precious time has been lost, and that the state of our defences should be more advanced. Many others retort that we have done everything that could be done. Let us forget these differences of opinion. Our main consideration now should be to do to-day whatever has to be done, and not to defer it until to-morrow.

We now realize what it means to be unprepared. But do we know what it means not to be told the truth about whether or not we are ready? Look at France to-day. For the first time in the many centuries of her history the France of Charlemagne, of Louis XIV, of Napoleon, of Clemenceau and Foch, is on her knees and in shackles. She has been beaten before; she has known wars lasting thirty years, and wars of one hundred years; she has lost territory, been through revolutions, and experienced the dark days of 1870; but never before has she known the horrors of slavery, which she is experiencing now. Why? True, the reason is that she was not ready, but still truer is it that she did not know she was not prepared.

Let me illustrate this by a few facts of which I have personal knowledge. During the months of February and March of last year I was in France. You will remember how acute the European situation was at that time. It was so acute that one morning my good friend Colonel Vanier, our Canadian Minister, advised me to take the first boat for home. A few days later, at a dinner given me by a French banker who had very close connections with the French Government, I met, among others, the Prefect of the Department of Seine and Oise and a French deputy who this year became Minister of Finance in the Reynaud Cabinet. Surely, if anyone had been in possession of the facts, these men must have been. But you should have heard their conversation about France's state of preparedness, their assurance of victory in the event of war. With the British Empire as their ally they could and would fight any European combination.

Now let me read to you a few paragraphs of a letter written to me just after the beginning of the war:

> Less hard pressed than on other days, I have been able to spend one morning in my office, and this has given me the opportunity to write you a few words less hurried than the previous ones. I have not had a moment of rest since the beginning of hostilities. The week-ends have ceased in every department of the State Administration, and the hours of attendance are unlimited. I had urgent work to do where I am mobilized, but now I have a brief moment of respite and I am able to contact my friends again.
>
> What most characterizes the atmosphere of France is the absence of hatred and of "cinema" scenery, which generally go with the beginning of hostilities. The Press did not elevate its tone, and among the people we perceive only a cold, unflinching resolution to go on to the end. That end is the elimination of a German regime which compels our yearly mobilization, which creates sentiments of insecurity in France and in our colonies; a regime which is such that we cannot undertake or project anything and which creates a negation, noisy, aggressive and brutal, of the ideas, customs, modes of living, which are dear to us. Since on the other side of the Vosges this frenzy has steadily increased, and even the right-thinking Germans—there are some, but they are strangled—have been nervous about the aims of Nazi-ism, a war appeared unavoidable. Under the circumstances, feeling ready, we had to fall to arms, as every peaceful means of living with our German neighbours had expired.
>
> France has all the trumps in her hands to win the war, and France knows how to use the advantages that Providence gave her so

generously. The English alliance, the moral backing of the United States, our unity, the unparalleled fighting qualities of our soldiers, the excellence and abundance of war material, our competent generals, who are not looking for a vain personal glory, our strong financial structure, our historical traditions, our democratic ideology, reflected in our customs and institutions—all this is not improvised under a certain regime. The France of all time, France eternal, has nothing to fear when she is France.

You have seen, my dear Senator, how we get rid of Communism in France when Communism is attacking our sentiments to the core. The Italians have made showy Fascism; the Germans paraded their tanks in the streets of Berlin; the Spaniards have been able to counteract Communism at the price of a murderous civil war. Here, by one Order in Council of our Ministers everything was ended; ended better than in Italy, Germany and Spain. And these gentlemen of Moscow had forty-three members and two senators in our Parliament, they controlled hundreds of municipal councils and owned a very large number of periodicals and even daily newspapers. All this was ended in twenty-four hours, and it will be forgotten to-morrow just as though it had never existed—and it was ended with one stroke of the pen.

No doubt the Germans will start active military operations against our front. They may implore and secure the military help of Stalin, and we know that this will increase the strength, already so great, of the German armies. Italy may one day, contrary to our hopes, forget that she is the mother country of Roman Law and the domicile of the Church. This would lengthen our front. We know all this. The fate of arms may fluctuate in a war which may be long. We have seen that also on numerous occasions in the course of our thousand years of history, but France has never perished. Difficulties have only made her greater and elevated her to undreamed of heights, owing to the patriotism of her sons, the result of that immense and mysterious work of fusion which has taken place in the oven of Christian Latinity through long centuries of glory and the enthusiasm of millions of spirits and hearts. The Germans and their probable allies may come: we are waiting for them.

Tell your colleagues of the Senate and of the House of Commons, tell each and all of the French Canadians, that with us they are defending a very holy cause.

May I now place upon Hansard my reply to that letter, written early in November? It is as follows:

Your letter of the 9th of October last reaches me at Ponteix, where I have been for the last two weeks. I thank you for the fortitude it gives me, because faith in the result of the war permeates it. If I were in Montreal, I would take the liberty of communicating it to our people, for it throws a strong light on the real causes of the war.

In our country, where peace has reigned for over a century, as the war of 1914 did not have any effect on our relations with our immediate neighbours, it is hard for us to comprehend what is meant by this permanent threat of an invasion, possible and likely, by an army of vandals, by this underhand propaganda to destroy the stability of governments, by this attempt to seize on the liberties of a people which succeeded in breaking its chains after years of trying to ensure, in peace, the union of spirits and hearts. We do not know the paralyzing anguish caused by the uncertainty of the future. We are able to plan and to undertake, certain that we have the time to work and to prepare the success of our undertakings.

You ask me to tell my colleagues and the French Canadians of the holiness of this cause. I will certainly tell them, just as I have done in the past, and I will add how much we appreciate your efforts, your sacrifices to secure at last a true spirit of justice between nations as between individuals, and to put an end to that moral slavery which is crueler than physical servitude. Very freely, we have made your fight our own. We are willing to help in the measure of the strength of our young country, which remembers with pride the valour of its sons who fell on French soil some twenty years ago. Among them were French Canadians who sleep forever alongside the graves of their ancestors. Others will to-day follow this example with no less bravery and generosity.

If all are not willing to go to the front, everyone at least is willing to help in some other particular way to ensure a lasting triumph. Not only are we hoping for this victory, of which you are so sure, but we believe in it with the same faith and the same certainty.

We are happy to see the unity which now reigns over France. As you say, one Order in Council, one stroke of the pen, and the opposition vanishes. The seven heads of the Communist dragon are cut off. The danger and the fight are reviving patriotism and tempering energies.

During my short stay in Paris I noticed a strong determination to make an end of the matter. This I observed not only from what you told me, but through conversations with people I met at the hotel or in the cafés or on your boulevards. The chauffeur who drove me every morning seemed to me the synthesis of the different states of the French soul. I am always pleased to have the man in the street talk to me, and I found he was only too willing to speak with a "monsieur" from Canada. What a fine fellow!

As you see, France thought she was ready, and these men had been led to believe that she was. The world to-day knows that France was not prepared, and that Germany was more than prepared. What a tragedy! Are we to be guilty of similar folly? For it is folly, to say the least, for the citizens of a country to close their eyes and refuse to see the signs of danger ahead. It is the duty of this Chamber to tell our people the truth, to show them the peril they are in, to ask them to get ready for the defence of our country and, in so doing, for the defence of the British Empire. Oh, I know some people will say: "Why so much fuss about this? The United States will protect us." Have those people so little self-respect that they are willing to allow their neighbours to fight for them and will not even lift their hands to protect their own faces?

That will not do. Canadians are of a breed that will not stand for that kind of thing. They are descendants of two great races. France may be down now, but the British Empire is still up and fighting. We are in danger, our Empire is in danger. Let us face this danger in the spirit of our ancestors, and like the Canadians of 1914 to 1918. We have the same courage, the same determination, the same spirit of loyalty and patriotism that the people of this country have always had in the past.

In telling Canadians the truth, in asking them to prepare for the defence of Canada, of their homeland, their Empire and their King, this Chamber is fulfilling its duty. The report shows the way to proceed. Let us adopt it, go to work and march to victory.

The motion for concurrence in the report was agreed to.

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

THE SENATE

Thursday, June 27, 1940.

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

Prayers and routine proceedings.

PRESS REPORTERS OF THE SENATE

REPORT OF COMMITTEE

Hon. Sir THOMAS CHAPAIS presented the second report of the Standing Committee on Debates and Reporting.

The Hon. the SPEAKER: Honourable senators, when shall this report be taken into consideration?

Hon. Sir THOMAS CHAPAIS: With leave of the Senate, I would move adoption of the report now.

Hon. Mr. MURDOCK: I would suggest that consideration be postponed, so that we may be given a chance to look at the report.

Hon. Mr. DANDURAND: To-morrow, then?

Hon. Sir THOMAS CHAPAIS: Next sitting.

The report was set down for consideration at the next sitting.

DEPARTMENT OF MUNITIONS AND SUPPLY BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK presented, and moved concurrence in, the report of the Standing Committee on Banking and Commerce on Bill 41, an Act to amend the Department of Munitions and Supply Act.

He said: Honourable senators, the committee report this Bill with amendments so numerous that I will not read them.

The motion was agreed to.

THIRD READING

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

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

DIVORCE BILLS

FIRST, SECOND AND THIRD READINGS

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first, second and third times, and passed:

Bill I2, an Act for the relief of Kathleen Irene Mae Stephens Morrissey.

Bill J2, an Act for the relief of Dorothea Frances Poyser MacDermid.

Bill K2, an Act for the relief of Sheila Alice Dolly Young Dodge.

Bill L2, an Act for the relief of Margaret Louise MacDonald Russell.

Bill M2, an Act for the relief of Edward James Holt.

BREN GUN PRODUCTION AND TESTS

INQUIRY DROPPED

On the notice by Hon. Mr. Griesbach:

That he will inquire of the Government as follows:

1. How many completed Bren guns have been turned out by the Inglis Company's factory in Toronto?
2. Where are they now, and to what use are they being put?
3. Have fair quantities of the guns so produced been subjected to the test of continuous fire?
4. If so, what is the report as to the tests as to continuous fire and interruptions thereof?
5. What are the name, rank and unit of the competent and responsible military officer charged with the supervision of the above-mentioned tests?
6. Do these tests, if any, disclose faulty tempering of component parts or the necessity of tempering component parts at varying temperatures to provide uniform reaction to heat when firing continuous practice?

Hon. Mr. DANDURAND: Stand.

Hon. Mr. WHITE: At the request of the honourable senator from Edmonton (Hon. Mr. Griesbach), I would ask that this inquiry be dropped.

Hon. Mr. DANDURAND: Dropped.

The inquiry was dropped.

POSITION OF MR. LESLIE ROBERTS

INQUIRY

Hon. Mr. HAIG inquired of the Government:

Is Leslie Roberts at present, or has he at any time been, special assistant to the Minister of National Defence?

Hon. Mr. DANDURAND: I have an answer from the Acting Deputy Minister of National Defence. The answer to the first part of the question is, "No." To the second part the answer is, "Yes, he was employed temporarily on special duties from December 6, 1939, to April 15, 1940."

Right Hon. Mr. MEIGHEN: We were told yesterday, amid some amusement, that he was not in the employ of the Government.

Hon. Mr. DANDURAND: He is not.

Right Hon. Mr. MEIGHEN: This says he is.

Hon. Mr. DANDURAND: No. He was.

Right Hon. Mr. MEIGHEN: He is out now?

Hon. Mr. HARDY: Out in April.

Right Hon. Mr. MEIGHEN: The election was over in March.

FORD MOTOR COMPANY OF UNITED STATES

INQUIRY

On the notice of inquiry by Hon. Mr. Black:

In view of the fact that the Ford Motor Co. of the U.S.A. have refused to manufacture plane engines for the British Government:

1. Has the Government of Canada discontinued the purchase of all Ford cars and equipment?

2. Has the said Government prohibited the sale of Ford cars in Canada, and if not, does the Government of Canada propose to take such action?

Hon. Mr. DANDURAND: Does my honourable friend desire to put this question, or will he withdraw it?

Hon. Mr. BLACK: The question stands. It is an inquiry for information.

Hon. Mr. DANDURAND: Perhaps I can satisfy my honourable friend by telling him that the same question was put in the House of Commons, where Mr. Howe, Minister of Munitions and Supply, said:

The facts of the situation are, I think, that the committee recently appointed by the President of the United States to obtain production of war materials in the United States were negotiating with the Ford company for an order on behalf of the United States Government, combined with an order for the British Government placed by the Anglo-French commission, in New York. The situation appears to be that the transaction has collapsed.

As far as Canada is concerned, the Ford Motor Company, of course, is a public company with wide ownership, and it has been doing splendid work in the production of war materials.

Mr. Hanson (York-Sunbury): I am not speaking of the Ford Motor Company of Canada.

Mr. Howe: Well, I assumed that the Canadian interests of Mr. Henry Ford would be through the company in Canada in which he is a shareholder.

I assure my honourable friend that the Ford Motor Company of Canada is doing its utmost to serve the interests of the country, the War Supply Board, and the Government. The head of this company is, as my honourable friend knows, Mr. W. R. Campbell. I doubt whether we have any dealings with the Ford Motor Company of the United States, but we have with the Ford Motor Company of Canada.

Hon. J. J. DONNELLY: Honourable senators, with permission of the House I should like to say a few words in reference to this question. Yesterday morning I read the newspaper article referred to by my honourable friend from Westmorland (Hon. Mr. Black), and my reaction to it was much the same as that expressed by him. I felt then that we should take some action, but after considering the matter and inquiring into the position of the Ford Motor Company of Canada, I have come to the conclusion that this matter is something with regard to which we should be slow to move. I was amazed that Henry Ford would take such a position as he has taken, but it seems to me that in endeavouring to strike at him we should be in great danger of hitting our own people.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DONNELLY: I have been assured, by people who are in a position to know, that more than half the stock of the Ford Motor Company of Canada is owned by Canadians. Not only that, but in every town and village of any importance through-

out this country there are Ford dealers, whose money is invested in their establishment and in Ford cars and parts. If we took any action it would have no particular effect upon Henry Ford, and would injure many of our own people. Even if we took no legislative action, if we by a discussion here created throughout the country a feeling which caused the people to think it was in the public interest to boycott Ford products, that would be a great mistake. Believing that, I have taken the liberty of making these remarks.

Right Hon. Mr. MEIGHEN: Honourable senators, I dissociate myself from the statement of Mr. Ford. I cannot think there is anyone who regrets it more than I do. But what has been said by the honourable leader (Hon. Mr. Dandurand) and by the honourable gentleman from South Bruce (Hon. Mr. Donnelly) is the truth. A very large proportion of the stock of the Ford Motor Company of Canada is owned by the public, and I think, although I cannot say definitely, that nearly all the owners are Canadians. I wish to emphasize also what the honourable senator from South Bruce says about the Ford dealers in Canada. They are numbered in the hundreds.

Hon. Mr. COPP: And their employees.

Hon. Mr. LITTLE: Yes, what about their employees?

Right Hon. Mr. MEIGHEN: And the number of employees of these dealers is very large. The ramifications are tremendous. For all the purposes concerning us, the company is a Canadian concern, and I can add to the assurance given by the honourable leader of the House my own feeling that there are no better Canadians than those at the head of the Ford Motor Company of Canada and throughout that company's organization. They will assist us to the utmost in our war work.

Hon. F. B. BLACK: Honourable senators, I agree almost entirely with what has just been said by the right honourable leader on this side (Right Hon. Mr. Meighen) and the honourable gentleman from South Bruce (Hon. Mr. Donnelly). However, resentment against Mr. Henry Ford is still in my heart and, I think, in the hearts of most Canadians. My remarks of yesterday were directed more particularly at the head of the great Ford Motor Company of the United States, Mr. Ford himself, who poses as a sincere propagandist for peace, but yet is not for peace when the British Empire is concerned. I do not desire to create any hardship for Ford dealers and employees in this country. Far from it. Part of my reason for taking the stand I did is that, although Canadians own a large proportion of the stock of the Ford Motor Company of Canada—I myself am interested in a small way—the controlling stock, the A stock, is held by Mr. Ford.

Right Hon. Mr. MEIGHEN: No, not by Mr. Ford himself. A small proportion of the stock—as to just how small it is, my memory does not serve me—is called B stock, and that, I understand, is controlled by the Ford Motor Company of the United States.

Hon. Mr. BLACK: And it is the voting stock.

Right Hon. Mr. MEIGHEN: It is the voting stock. But the ownership of the company is in the A stock to a far greater degree than in the B stock, and this A stock is mostly held by Canadians.

Hon. Mr. SHARPE: Which stock controls the company?

Right Hon. Mr. MEIGHEN: Under the old law, which was in effect when the company was formed, it was permissible to make a certain stock the only voting stock, and that could be a very small issue, if desired. If my memory is right, that is what was done in this case. Therefore the control is in the Ford Motor Company of the United States, although holders of the big issue, the A stock, own the company. A change was later made in the law, and all stock issued since then must have a vote.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed:

Bill D2, an Act for the relief of Margaret Somerville Sickinger.

Bill E2, an Act for the relief of Romain Cleophas Moreau.

Bill F2, an Act for the relief of Dorothy Florence Donn Martin.

Bill G2, an Act for the relief of Phoebe Doris Edge Pott.

Bill H2, an Act for the relief of Filomena Grego Sauro.

UNEMPLOYMENT AND AGRICULTURAL ASSISTANCE BILL

SECOND READING

The Senate resumed from yesterday the adjourned debate on the motion of Hon. Mr. Dandurand for second reading of Bill 42, an Act to assist in the alleviation of unemployment and agricultural distress.

Right Hon. Mr. MEIGHEN: Honourable senators, I moved adjournment of the debate yesterday in the hope of having an opportunity to compare differences between this measure and similar measures of previous sessions. Almost continuous committee meetings have prevented me from doing more than review the distinctions set out by the honourable leader of the House (Hon. Mr. Dandurand) on the motion for second reading. Unless someone else takes exception to the Bill, I will not object to its passage.

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

THIRD READING

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

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

UNEMPLOYMENT INSURANCE

PROPOSED AMENDMENT OF BRITISH NORTH AMERICA ACT—ADDRESS TO HIS MAJESTY

The Senate resumed from yesterday the adjourned debate on the motion of Hon. Mr. Dandurand for an Address to His Majesty the King, praying for the passage of an Act to amend the British North America Act, 1867, relating to unemployment insurance.

Hon. C. P. BEAUBIEN: Honourable senators, I moved adjournment of the debate because I understood someone else on this side of the House wanted to take part in the debate. I believe the intention now is to adjourn it until the next sitting.

Hon. Mr. DANDURAND: No, not if I can help it. For the information of honourable senators I may say that the resolution containing the draft Bill to be presented to the Imperial Parliament has been cabled over, with a statement that it should not be presented until the Senate of Canada has given its assent. The Prime Minister would very much like to be able to send word that this assent has been given. I should be sorry indeed if we had to meet here to-morrow and next week simply to pass this resolution. It is the only thing standing between us and an adjournment of the Senate.

Right Hon. Mr. MEIGHEN: Honourable senators, I have already spoken on this motion, but I should like permission to make a few more remarks, and one in particular. I could move adjournment of the debate or proceed now with what I have to say—whichever the House may prefer.

Hon. Mr. DANDURAND: I suppose my right honourable friend's remarks will not be of a contentious nature.

Right Hon. Mr. MEIGHEN: Anything I say should never be contentious.

Hon. Mr. HARDY: But always is.

Right Hon. Mr. MEIGHEN: Sometimes the controversial impetuosity of the honourable leader of the House and others make it so.

I hoped that the suggestion I made yesterday would be seriously reviewed, but I do not think the Government yet appreciate the importance of that suggestion as regards the future. It may be that we can get through with the present matter more hastily by the course which the Government propose, but if we take that course now it will be a precedent which will control our actions hereafter.

Hon. Mr. DANDURAND: Would my right honourable friend allow me to say that it evidently has taken him five years, that is, from 1935, to develop his own proposal?

Right Hon. Mr. MEIGHEN: It was suggested yesterday that the method which I now propose could have been used back in 1935 if the Government of the day had believed in it. Had there been any doubt in their minds with respect to the course they were taking, they would have cast around for another form of procedure. They felt no doubt. I know I felt none. On the contrary, I believed the position then taken to be a sound one, and but for the Privy Council's decisions I should be just as certain of my ground to-day.

I wish to add this to my remarks of yesterday. As I urged then, it is not a sound principle to go to the Throne for an amendment when you can get what you are after under provisions which obviously are designed for such a purpose. We have not much excuse for asking the Imperial Parliament to enact a Bill. That Parliament will not say to us, "Look at section 94"; naturally enough, it will pass the measure. But if we can get a similar result under section 94, we ought to do so. I think we can get, not the same, but a better, result under that section. I shall give the main reason later. The first reason is that by invoking section 94 we open the door to an avenue along which we may deal with future difficulties without having to make continual excursions to the Imperial Parliament. Otherwise we shall have occasion for such excursions just as certainly as we are a free and independent country. We cannot help it in respect of the various kinds of legislation which I mentioned yesterday, and which, in pursuance of the line taken by the Privy

Council since 1896, have been declared beyond our power. We as a nation cannot operate without power to enact such law. We may for a time, but we are bound to apply to the Imperial Parliament again. If we open the door and establish access to this avenue, we are in just as solid a position as we ever can be. That is all we have to do at any time in order to take care of our own troubles without asking for the intervention of another Parliament.

That is what I urged yesterday, and I urge it again now. The honourable senator from Vancouver South (Hon. Mr. Farris) said that questions of constitutional law would arise as to any Unemployment Insurance Bill we might pass. I do not doubt it. There always will be questions of law. You include unemployment insurance in your federal powers, and the whole matter is open to dispute as to how far you can go. Unemployment insurance involves a good deal more than just insurance; there will have to be all sorts of office and other services. You never can close the door on the possibility of question being raised on some legal point in relation to any course you may take, but I do not believe any conclusive argument can be advanced against the Dominion availing itself of a clause so obviously designed for such a case as this, where we desire uniformity in the operation of unemployment insurance throughout the Dominion. There cannot be any valid objection urged on that ground.

I wish now to refer to something that I did not mention when the Employment and Social Insurance Act of 1935 was before us. One of my reasons for feeling so certain that we were within our powers was that in the measure then brought down—and without doubt this resolution will be followed by a similar measure—we were not legislating as respects unemployment insurance. Now, though, we are asking for power so to legislate. Then we were not passing a law to determine the rights of Canadian citizens and companies to engage in unemployment insurance business. That is unemployment insurance legislation. Our Insurance Act is insurance legislation. Why? Because it determines in relation to insurance the respective rights, liabilities and penalties of insured and insurer, or of one company and another. An Unemployment Insurance Bill would be a similar measure invading the field of unemployment insurance and determining the rights of insured and insurer, or of one company in a certain field, as to how far it might occupy that field, and so on; in short, dealing with rights of our citizens in relation to that subject. The legislation we passed in 1935 was not that at all. We passed a Bill to enable Canada to operate an insurance business. I have never had any doubt in my mind that Canada, as Canada, could engage in any business. There is no statutory restriction on that right. We were not legislating as respects unemployment insurance; we were going into the business.

Because the business has to do with unemployment insurance, it does not follow we cannot go into it. Is there anything in the British North America Act to say we can go into the business of insuring old people against poverty and sickness? There is not. But we go into that business by authority of Parliament. Nobody disputes our right to insure old people. Suppose under our plan for insuring old people we said: "We will insure only those persons between the ages of thirty and sixty-five who pay us 50 cents a week, and on their attaining the age of sixty-five we will pay them so much a month for the rest of their lives." Will anybody argue that that is insurance legislation and beyond our powers? Nobody would so argue. We were not legislating in respect of insurance business at all. We were just telling John Smith that if he paid so much a week until he was sixty-five years of age, we would then give him so much a month for the rest of his life. That is precisely what we did do in the old unemployment insurance Act, and it is precisely what this Government intends to do now—to go into the business itself in order to provide the people of Canada with unemployment insurance. We do not need to legislate in respect of unemployment insurance at all, but by this proposed resolution we are seeking power to do so.

Hon. Mr. DANDURAND: The Privy Council decided that our action in 1935 was unconstitutional.

Right Hon. Mr. MEIGHEN: I do not intend to reflect on anyone, but in my opinion the argument I then advanced in the Senate on this phase was certainly not advanced before the Privy Council. I read the reports pretty carefully. I do not think it was advanced at all; certainly it was not advanced as I am advancing it now. You could turn the Dominion Government out of many a field it is in to-day if that argument were to be denied weight before the Privy Council. There is nothing to hinder the Government of Canada from engaging in any business.

Hon. Mr. DANDURAND: There was the relation between employers and employees.

Right Hon. Mr. MEIGHEN: Certainly. We could be employers of all the people of the Dominion if we so desired. For example, we could dig canals and establish stores.

We are not invading any constitutional right of the provinces. I submit it is far better to go into the unemployment insurance business by proceeding under section 94. By doing so we are not changing the British North America Act in any respect; certainly we are not changing it in order to obtain power in the field of unemployment insurance, where in reality we do not need any at all, where we have no intention of legislating, and I am sure the Government have none. By passing an Unemployment Insurance Bill we are giving unemployment insurance service ourselves. That is all we ever thought of doing. Therefore I think the Government should hesitate to ask for an amendment of the Constitution of Canada to bring within the ambit of our authority a phase of legislation that in reality we have no intention of utilizing after we get it. Just pass your law reciting section 94. Then there will be no hesitation on the part of provincial legislatures in adopting that law. I venture to say there will be no hesitation at all on the part of Quebec. Quebec will then be master in its own house. It will have to pass a law acceptable to the Dominion, and the Dominion will under contract administer that law and pay all the costs of administration.

As the honourable senator from Vancouver South said, the provinces cannot delegate to the Dominion any constitutional jurisdiction they now have. They cannot even delegate to the Dominion powers to make orders under their own legislation. They cannot divest themselves of any constitutional rights. We are not suggesting they should. All we are asking the provinces to do is to make the Dominion their agent. In this respect I have never heard the power of the provinces or the Dominion questioned. Such an arrangement is made now in more fields than one. Make it in this field and you will have the whole field, with the powers you already possess and those you are so eager to obtain. By this means you can, within your own Dominion, so adjust federal and provincial rights, the one class to the other, as to avoid the necessity of going elsewhere in time to come.

Hon. W. D. EULER: Honourable senators, I listened yesterday, perhaps with some profit, to the remarks of the right honourable gentleman opposite (Right Hon. Mr. Meighen), though I did not agree with them in their entirety. I may say that I did in large measure agree with the reply made by the honourable senator from Vancouver South (Hon. Mr. Farris). I am in accord with the right honourable gentleman when he says it would be desirable to take action by way of legislating on unemployment insurance without having to appeal to the British Parliament. I would suggest—my suggestion may not be received with much favour—that the proper way to correct the present position is for the Parliament of Canada to have the right to amend its Constitution without having recourse to some other governing body.

I admit that I cannot follow my right honourable friend on the question he has raised to-day. It is too fine a legal argument for the ordinary lay mind to understand, and I shall not attempt to deal with it. My purpose is briefly to point out how unemployment insurance may be brought about in what seems to me a practical and commonsense way. There are two methods. The first is to amend the British North America Act so as to give the Parliament of Canada sole authority to legislate with regard to unemployment insurance. This method the Government has adopted. The other is to invoke section 94 as proposed by my right honourable friend. Under that section the Dominion Parliament would pass an unemployment insurance measure, which would not become operative in any province until its Legislature had enacted legislation adopting the federal measure. Which of the two methods will embody what, to my mind, is a vital element of this proposed legislation? For years unemployment insurance legislation has been held up by reason of the fact that we have not been able to reach uniformity in all the provinces. The essential element of this measure is that the Parliament of Canada shall have final jurisdiction in respect of unemployment insurance. I contend that the resolution now before us is the only way in which you can obtain that uniformity. Take for example the method suggested by my right honourable friend, that by virtue of section 94 we should pass an unemployment insurance measure. Then each of the provinces, except Quebec, would have to consent—

Right Hon. Mr. MEIGHEN: Adopt.

Hon. Mr. EULER: All right. Each of the provinces, except Quebec, would have to adopt the federal legislation word for word.

Right Hon. Mr. MEIGHEN: By just one word—"adopted."

Hon. Mr. EULER: Each provincial legislature would have to adopt the federal Act. I think it very doubtful that all the legislatures would do so, though to-day we have the consent of all the nine provinces to this

proposed amendment of the British North America Act. If you delay now, there is no saying what may occur within a year, for you could not, under my right honourable friend's plan, get the legislation through the legislatures within that time. Some may not meet until next year. Then you might have an election in one of the provinces and a new Government returned, which might refuse to adopt the federal legislation, and so, as to that province, uniformity would be destroyed.

But suppose all the provinces with the exception of Quebec—which I shall deal with later—do adopt the federal legislation. In the light of experience it is absolutely certain that after the Act has been in operation for some time amendments will be found desirable. It may be that once the provinces have adopted the federal legislation we shall also be empowered to make any amendments without consulting the provinces. There may be some doubt as to that. I am not lawyer enough to say.

But a further vital factor comes into the question. In the case of the province of Quebec the procedure must be different. If you are going to have general uniformity, the province of Quebec must enact a statute in absolute conformity with the one passed by the Federal Government.

Right Hon. Mr. MEIGHEN: In practical uniformity, yes.

Hon. Mr. EULER: Now, if the province of Quebec must pass its own statute, I should say, though not a lawyer, that it would also be within the competence of the legislature of that province to amend or repeal that statute. It might repeal the legislation altogether, or it might amend it from time to time in such a way as to destroy the uniformity which is so desirable. It might, in the first instance, adopt the law we have adopted; it might then find it desirable to make certain modifications to that law, and there would be nothing to prevent it from doing so.

Right Hon. Mr. MEIGHEN: Would the honourable gentleman permit me? He has been fairly right up to the present. If the province of Quebec passed an Act in substantial conformity with the general Act, there would be some agency to which the Dominion would consent. There would then be a contract whereby the Dominion would undertake to operate the Act as the agent of the province. After that, if the province of Quebec chose to repeal the Act, there would be no unemployment insurance in Quebec. If it amended the Act, and the Dominion agreed to the amendment, all right. But the province of Quebec would always have to choose between coming to terms, which would be the same as the terms between the other provinces and the Dominion, and being in the position of having no unemployment insurance.

Hon. Mr. EULER: That is quite true. Once the other provinces have agreed to the legislation there is no divided jurisdiction; there is uniformity throughout Canada, except for the province of Quebec. I still think the province of Quebec could repeal the original Act.

Right Hon. Mr. MEIGHEN: And do without insurance.

Hon. Mr. EULER: Quite so. I think it is most undesirable that any province should have authority or power, either by repeal or by amendment, to destroy uniformity.

Right Hon. Mr. MEIGHEN: It could not destroy uniformity. It could get out, though it would be helping to pay for the rest.

Hon. Mr. EULER: That would destroy uniformity.

Right Hon. Mr. MEIGHEN: Oh, no.

Hon. Mr. EULER: If Quebec put into its Act an amendment which was at variance with the federal law, would that not destroy uniformity?

Right Hon. Mr. MEIGHEN: No. The Dominion would not operate it at all.

Hon. Mr. EULER: I think it is very undesirable to have any part of Canada under separate jurisdiction. That is the very thing which has been delaying the enactment of unemployment insurance. You could not get power to legislate in the different provinces. It seems to me that is a conclusive argument in favour of my point of view.

I am quite sure that if unemployment insurance were forced on the province of Ontario and the province of Quebec did not come in, some of our industrialists in the province of Ontario would say they were at a disadvantage as compared with the manufacturers of Quebec; their expense of operation, by reason of unemployment dues, would be greater than in the province of Quebec, and they would therefore be at a disadvantage. Surely honourable members appreciate that the whole difficulty has been due to the fact that we have not been able to get uniformity. Unemployment insurance has been the policy of various parties for years. It has been acknowledged that such an undertaking, to be effective, must be nation-wide, and that all the provinces must be on the same basis. In a word, there must be uniformity. The only way in which you can make certain of getting

uniformity is, I maintain, to have unemployment insurance placed under one exclusive jurisdiction. Once the Federal Government has that jurisdiction and takes certain action, the scheme will stand, and no one province can interfere with it. That is my reason for being strongly in favour of the motion as we have it before us.

If later on the contention of my right honourable friend should be regarded as a proper one, the passing of this particular resolution amending the British North America Act with regard to unemployment insurance would not, I think, prejudice the course the right honourable gentleman desires us to follow, so far as any other social legislation is concerned.

Hon. A. K. HUGESSEN: Honourable senators, I listened with a great deal of interest to the most ingenious suggestion made by the right honourable gentleman yesterday afternoon. I have listened also to the debate which succeeded that suggestion.

It seems to me there is one possible objection which may go to the very root of the course of action proposed by the right honourable gentleman. He proposes that action be taken under section 94 of the British North America Act. Section 94 has never yet been acted upon since Confederation. It has not yet received any interpretation by the Judicial Committee of the Privy Council. It is quite conceivable, I think, that when that section came to be interpreted by the Judicial Committee they would say it could not be applied in the way in which the right honourable gentleman wishes to have it applied.

Now, what was the situation at the time of Confederation? There were four provinces—Ontario, Quebec, Nova Scotia and New Brunswick. The three English provinces, if I may so denominate them, were more or less subject in all their law to the common law of England. The province of Quebec was subject to the Civil Code of that province. The object of section 94 was simply this: it was to say that if the three English provinces wanted to get together in respect of matters relating to the common law of England they could do so, and could have uniform legislation. If, for instance, they wanted to have uniform laws with respect to the registration of property, here was a means by which they could give the federal authority power to enact legislation of that kind on their behalf.

As respects unemployment insurance, I can well imagine the Judicial Committee saying this: "Unemployment insurance is a subject of legislation which was quite unknown at the time of Confederation; it was not in the minds of the framers of Confederation." I am quite sure they would have substantial grounds for saying that section 94 was never intended to apply to a new subject of legislation like unemployment insurance, which in its very essence is nation-wide.

So, if we adopted the suggestion of my right honourable friend what would be the situation, quite apart from the delay? In a year's time we should have all the provinces of the Dominion in agreement about this legislation. Then action might be started in the courts to determine whether this procedure under section 94 was really valid or constitutional. The litigation, which would require two or three years, would reach the Privy Council, who might well decide that section 94 was inapplicable to the situation, and four or five years hence we should be back exactly where we were before. I may be wrong in my proposition of the law; the Privy Council might not render any such decision; but, as my right honourable friend has said, the Privy Council in the last twenty or thirty years have made decisions so strange that it is well within the bounds of possibility that they would say section 94 was not intended for anything like new nation-wide legislation; and in that case we should have spent a great deal of time and energy in trying to do something, only to find that we had not done it and were back where we are now.

From that point of view, it seems to me the suggestion of the Government to bring unemployment insurance specifically within the purview of section 91 is ideal. We pass this Address this afternoon; the British Parliament passes the enabling Act next week, or the week after; then we are in a perfect position to proceed with the implementing legislation which is necessary to bring unemployment insurance into effect in this country.

Hon. G. GORDON: Honourable senators, if enough has been said about the legal point in question, I should like, with your permission, to say a word about unemployment insurance. In Canada we have in every province, with possibly one exception, thousands of men who are seasonal workers, and for the life of me I cannot conceive of any scheme of unemployment insurance which would cover them all. In certain cases, I think, it would lead to things being done which should not be done. For instance, John Jones is employed in a saw-mill for five or six months every year. When the season comes around he thinks to himself: "Well, now, perhaps I will stand in for some of this unemployment insurance. I will not ask for a position at the mill for a month or so anyway." But the mill cannot be stopped to wait for John, and somebody else is secured.

Under those circumstances would John come in for unemployment insurance?

A great number of men, many of them farmers, go into the woods and work in the winter-time, and go back to the farm in the spring. In the fall, when it is time for men to go to work in the woods, some of them may say, "Well, now, we will just let this work slide for a month or two, and we will get a position there later on." But the work cannot wait for them, and others have to be employed.

There are so many difficulties in the way of its operation, that I fail to see how unemployment insurance can be made to apply to seasonal workers.

Perhaps while I am on my feet I may be allowed to ask the honourable leader of the Government how it is proposed to collect the new national defence tax from this same class of people. I hope there will be a ruling before long, because I understand employers will be required to make their calculations as from the first of July. I cannot get it into my head how an employer will be able to estimate in advance a tax based on the annual earnings of men who work only part of the year. I believe this tax will probably bring in a large amount of money to help pay for defending our country, and my only point is that a ruling should be made for the guidance of employers of seasonal labour, and the ruling should be sent to all such employers as soon as possible.

Hon. W. A. BUCHANAN: Honourable senators, there is one point I should like cleared up in connection with the proposal made by the right honourable leader across the floor (Right Hon. Mr. Meighen). As I understand it, he would have the Parliament of Canada enact an unemployment insurance measure.

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. BUCHANAN: And leave it to each province to accept or reject that measure.

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. BUCHANAN: Well, I doubt if any province would accept the measure until satisfied that the other provinces also would accept it. An industry operating in the province of Alberta, let us say, where the Unemployment Insurance Act was in force, would be handicapped as compared with a similar industry in British Columbia if the Act were not in force there. Alberta would hesitate to place any of its industries at such a disadvantage, and so would every other province. But under the Government's plan, which is now before us, the law would be made uniform in all the provinces at the same time.

Right Hon. Mr. MEIGHEN: I presume, if we proceeded as I suggest, our Bill would contain a clause providing that the law should come into effect by proclamation, and either there would be a statement in the Bill itself—this I would not recommend—that the proclamation would not issue until eight provinces had, in the language of section 94, adopted our Act, or the Government would state to Parliament that the proclamation would not issue until the eight provinces had done so.

Hon. Mr. EULER: Then any one province could prevent the measure from becoming law.

Hon. Mr. BUCHANAN: Would that method not delay the bringing of unemployment insurance into effect?

Right Hon. Mr. MEIGHEN: I assume that if the nine provinces are now willing to give us jurisdiction a great deal wider than it would be under the plan I propose, they would be prepared to support that plan.

Hon. Mr. BUCHANAN: All the provinces have consented to the Government's plan.

Right Hon. Mr. MEIGHEN: How do they give their consent? Have the legislatures acted, or only the governments?

Hon. Mr. HARDY: The governments.

Right Hon. Mr. MEIGHEN: They could withdraw their consent before the Address reached London.

I should like to know, as a matter of interest, how the provinces have agreed to this Address. What authority is behind the consent in each case?

Hon. Mr. DANDURAND: The Government of each province has authorized the Prime Minister of the province to agree. It is the Lieutenant-Governor in Council in each province.

Right Hon. Mr. MEIGHEN: Without consulting his Legislature?

Hon. Mr. DANDURAND: Well, I do not know, but I should say so.

Right Hon. Mr. MEIGHEN: In what form has Quebec given its consent?

Hon. Sir THOMAS CHAPAIS: Through the Prime Minister.

Hon. Mr. DANDURAND: The Prime Minister consented after consulting his colleagues. All the correspondence between the provincial Prime Ministers and the Prime Minister of Canada has been laid on the Table.

Hon. C. P. BEAUBIEN: Does the honourable gentleman feel sure that is sufficient consent from the province of Quebec for an amendment to the Constitution?

Hon. Mr. DANDURAND: I should say yes.

Hon. Sir THOMAS CHAPAIS: I should say no.

Hon. Mr. HARDY: If the House of Commons says so, it certainly is.

The Hon. the SPEAKER: The question, honourable senators, is on the motion that an Address be presented to His Majesty the King, praying for the passage of an Act to amend the British North America Act, 1867, relating to unemployment insurance. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Sir THOMAS CHAPAIS: No.

Some Hon. SENATORS: Carried.

The Hon. the SPEAKER: Carried.

Right Hon. Mr. MEIGHEN: On division.

Hon. Sir THOMAS CHAPAIS: On division.

The motion was agreed to.

NATIONAL DEFENCE TAX

COLLECTION FROM SEASONAL WORKERS

Hon. Mr. GORDON: Honourable senators, I understand we are about to adjourn, and it has been suggested by someone that the adjournment will go beyond next Monday. If that is so, will the honourable leader of the Government kindly assure me that a ruling will be made soon as to the basis on which employers are to collect the national defence tax from seasonal workers? This is the matter I referred to a few minutes ago, and before we rise I want to urge again upon the honourable leader that a ruling be made and employers informed of it with as little delay as possible.

Hon. Mr. DANDURAND: My honourable friend could have his question put directly to the Minister of Finance by a member of the other House when the resolutions based upon the Budget are being considered there. I am suggesting a means of getting an authoritative and early reply to the question.

Hon. Sir THOMAS CHAPAIS.

ADJOURNMENT OF THE SENATE

Hon. Mr. DANDURAND: Honourable senators, I move that when the Senate adjourns this evening it stand adjourned until Monday evening, the 8th of July, at 8 o'clock. I should like to remind my honourable colleagues of the resolution we passed empowering His Honour the Speaker to call us together during an adjournment period in the event of any emergency. We are all aware of the seriousness of the present situation. At any time an occasion may arise requiring that we be summoned. I hope there will be no such occasion next week, but I would ask all senators who leave Ottawa during the adjournment to notify the Clerk where they may be reached at once if needed.

The motion was agreed to.

The Senate adjourned until Monday, July 8, at 8 p.m.

THE SENATE

Monday, July 8, 1940.

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

Prayers and routine proceedings.

FERRY SERVICE, WOOD ISLANDS, P.E.I.—CARIBOO, N.S.

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. Is the work of creating approaches, terminals and other accommodation of the proposed ferry service between Wood Islands, Prince Edward Island, and Cariboo Harbour, Pictou county, Nova Scotia, completed?

2. What is the total expenditure for such work (1) at Wood Islands, (2) at Cariboo Harbour?

3. If the work is not wholly completed, what is the estimated cost of each completed?

4. When will the ferry service be in operation?

5. Is it intended that when the ferry service is in operation the steamer service now operating between Charlottetown and Pictou will be discontinued?

6. (1) What is the distance between the terminal of said steamer service at Charlottetown and the terminals of the Canadian National Railways in said city?

(2) What is the distance between the terminals of the proposed ferry service at Wood Islands and said railway terminals at Charlottetown?

(3) It is a fact, is it not, that at Pictou the said steamer and the said railways use the same terminals?

(4) What is the distance between the terminals of the proposed ferry service at Cariboo Harbour and the said railway terminals at Pictou?

Hon. Mr. DANDURAND: The answers to the honourable gentleman's questions, except Nos. 4 and 5, are as follows:

1. (1) Wood Islands, P.E.I., contract work completed. There remains completion of water service installation at an estimated cost of $1,000.

(2) Cariboo Harbour, N.S., contract work practically completed; estimated expenditure still due on contract work, $16,577. There also remains construction of terminal facilities. i.e., ticket office, water supply, etc., estimated to cost $2,500.

2. (1) $280,746.88; (2) $220,897.88.

3. Answered by Nos. 1 and 2.

4 and 5. Not related to Department of Public Works.

6. (1), (2) and (4). Steamer service terminal to railway terminal, Charlottetown, approximately, 1 mile. Charlottetown to Wood Islands by highway, approximately, 30 miles. Wood Islands to Cariboo, 16·47 miles. Cariboo to Pictou, by road, approximately 6½ miles. Charlottetown to Pictou, by water, 46 miles.

(3) Yes.

These answers come from the Department of Public Works, but the answers to questions Nos. 4 and 5 would have to come from some other source, perhaps the Department of Transport. If my honourable friend wishes, he may repeat these questions, separately, and I shall get answers in due time.

CABINET CHANGES—REVIEW OF WAR ORGANIZATION OF THE GOVERNMENT

STATEMENT OF THE PRIME MINISTER

Hon. RAOUL DANDURAND: Honourable senators, as I have said before, it is a truism that this Chamber is entitled to all important information which reaches the House of Commons. This afternoon the Prime Minister made a statement to the other House. The first part is an epitome of what the Government has done since the beginning of the war, and it contains the names of the gentlemen who are helping in carrying on the work of the various departments. With the leave of the House I will place this on Hansard.

This is the first part of the Prime Minister's statement:

On different occasions, the Leader of the Opposition has drawn attention to ways and means of increasing the effectiveness of Canada's war effort.

This is an aim which is shared by all honourable members of Parliament. By none will constructive suggestions, calculated to contribute to its fulfilment, be welcomed more cordially than by my colleagues and myself.

The particular ways and means to this end which, at one time or another, were suggested by the Leader of the Opposition have been the enlisting of the services of "the best men":

(a) In executive and administrative posts, particularly in those branches of government which have to do with the prosecution of Canada's war effort;

(b) In an advisory capacity, where not possible to have their services enlisted either in whole or in part in executive or administrative posts;

(c) In the Government itself.

By "the best men" is meant, I think I may assume, persons whose services or advice are available, and who, all circumstances considered, appear best suited for the positions it is necessary or desirable to fill.

It has also been urged by the Leader of the Opposition that the work of the Cabinet should be so arranged as to free as largely as possible from other duties, Ministers of the Crown who preside over those departments of government which are primarily concerned with war activities in order that the time and attention of these Ministers may be given as exclusively as possible to a consideration of war policies and their effective prosecution.

A review of what, in fact, has actually been accomplished will make clear that it is precisely along these lines that from the very outset the Government has been proceeding. We have not sought to do everything at once, thereby involving unwarrantable expenditure, and having, as the war has progressed, to undo much that should never have been done; or, what is worst of all, by premature action, creating problems and situations more difficult of solution than those we have been called upon to meet. Rather have we sought to anticipate, as far in advance as was possible, the problems which were certain or likely to arise in the progress of the war, and to prepare as far in advance as was possible for the meeting of each new situation as it might arise, taking, when the right moment came, the additional measures required to deal effectively with it. These additional measures to meet new situations as they have arisen, have involved bringing continuously into the service of the State and to the aid of the Ministry, in an executive, administrative or advisory capacity, available persons of outstanding ability and experience. It is along these lines that we shall continue to seek to meet each new situation as it is born of the exigencies and demands of the war.

In speaking on these matters, the Leader of the Opposition called attention to the following statement which I made in the course of the general elections held at the beginning of this year:

"With the war and its problems growing in intensity and magnitude, I shall seek, if we are returned to power, to bring to the aid of the Ministry, in an advisory capacity, a still larger number of men of outstanding ability and experience whose services in one way or another might be made available to the State, and add strength to the administration of our policies. How best their services might be consolidated and used whether (a) in an immediate association with the War Cabinet, or (b) with a member of the Cabinet, intimately associated with its war activities, is something that I would like to consider with my colleagues before the next Parliament reassembles."

It will be noticed that this undertaking had relation to a course of procedure which had already been adopted, and with which the public were wholly familiar. It was, for example, everywhere known that in organizing the War Supply Board, the Government had been fortunate in securing as the chairman of that organization Mr. Wallace Campbell, President of the Ford Motor Company of Canada, who not only was called on occasions nto conference with the War Committee of he Cabinet, but who in addition to performng the duties of chief executive officer of the War Supply Board served throughout in an advisory capacity to the Minister responsible for its administration. Mr. Campbell, at the time of his appointment as Chairman of the Board, was selected as "the best man" available at that particular time for that particular post. The selection was made regardless altogether of party political affiliations.

How extensively, since its return to office, the Government has carried out the pledge given by myself in the course of the elections, will be apparent from the appointments, since made, of men of outstanding ability and experience to executive and administrative posts immediately connected with Canada's war effort. Of every person so appointed, it may be said that directly or indirectly he has acted not less in an advisory capacity to the Minister of the department concerned, than as an executive or person in a key position performing some important function in the prosecution of Canada's war effort. By advisory opinion thus obtained from exceptionally well informed and highly specialized sources, the Ministry itself has been continuously guided in the shaping, development and execution of its war policies.

How effectively the Administration has been strengthened by enlisting the services of the particular persons appointed will be apparent from their names, from their previous associations, and from their known qualifications for the executive and key positions now held by them in the departments concerned with war activities.

Appointments have been made by the assignment to tasks, for which they posses special qualifications, of officials from the permanent civil service, and by recruitment from financial, industrial, professional, technical and other fields of activity, of outstanding persons who, because of their training, associations and experience, were regarded as likely to be most familiar with the nature of the new administrative problems which had to be met.

Let me now briefly review the appointments made since the commencement of the war. The list does not purport to include all appointments made, but it is, I believe, sufficiently representative to make clear the Government's determination to bring into the service of the State in an executive, administrative or advisory capacity, regardless altogether of party political affiliations, the best available men to assist the Ministry in the effective prosecution of the war effort of our country.

DEPARTMENT OF NATIONAL DEFENCE

I shall speak first of appointments to the Department of National Defence. They have been so arranged as to indicate opposite the name of the appointee, the position at present held by him in the department, and as well his business or professional affiliation at the time of appointment. The list speaks for itself. It discloses at a glance the importance and variety of the several positions. In most cases, the appropriateness of the appointment will be wholly apparent.

Name	Present position in Department	Business or professional affiliation at time of appointment
Lt.-Col. Henri DesRosiers	Acting Deputy Minister (Militia Service).	Vice-President, Imperial Tobacco Co. of Canada, Ltd., Montreal.
Lt.-Col. K. S. Maclachlan	Acting Deputy Minister (Naval Service).	President and General Manager, Fraser Companies, Ltd., Montreal, Edmundston, N.B. President and General Manager, Restigouche Co., Ltd., Campbellton, N.B.
Lt.-Col. Goodwin Gibson	Real estate adviser.	Senior partner in firm of Gibson Bros., real estate brokers, Toronto.
Major Basil Campbell	Assistant to real estate adviser.	President, Campbell & Shepherd, Limited, construction engineers, Toronto.
Arthur MacNamara	Chairman, Dependents' Allowance Board.	Deputy Minister of Public Works and Labour, Manitoba Government.
Col. A. A. Magee	Executive Assistant to Minister of National Defence.	President, Barclay's Bank (Canada) and director of several financial institutions.
Capt. H. A. Dyde	Special Assistant to Minister of National Defence.	Dyde & Becker, barristers, Edmonton.
Lt.-Col. Geo. Currie	Executive Assistant to Minister of National Defence.	Partner in McDonald, Currie and Company, chartered accountants, Montreal.

AUXILIARY SERVICES

Early in October, 1939, a Directorate of Auxiliary Services was set up in the Department of National Defence to co-ordinate and facilitate the work of the various agencies promoting the welfare of the men in the Service.

Brigadier W. W. Foster, President of the Canadian Legion, was called upon to serve as Director. The work of the Auxiliary Services has increased with the growth of our armed forces, and more and more representatives of the voluntary organizations have come to work in active co-operation with Service officials in the conduct of this work.

Besides the organization at headquarters in Canada and in each of the military districts, an overseas organization has been established at Canadian Military Headquarters which includes representatives of the four principal voluntary organizations, the Canadian Legion, Y.M.C.A., Salvation Army and Knights of Columbus. Each of these bodies also has representatives working with the First Division. The Government has undertaken to provide the pay and expenses of a portion of these overseas workers.

DEPARTMENT OF NATIONAL DEFENCE FOR AIR

It will be recalled that very shortly after the general elections a third Acting Deputy Minister was appointed to the Department of National Defence. This appointment has relation particularly to the branch of the department concerned with the air forces and the development of the British Commonwealth Air Training Plan. The Government was fortunate in securing for this all-important post the services of Mr. James S. Duncan, Vice-President and General Manager of Massey-Harris Limited, Toronto, one of the best known and ablest industrial executives in Canada. Mr. Duncan's appointment was made on April 11.

On May 22, Parliament authorized the establishment of a separate Ministry of National Defence for Air and, on the day following, the Honourable C. G. Power was sworn in as Minister of the new department.

Since that date, the administrative staff of the Department of National Defence for Air has been further strengthened by the following appointments:

Name	Present position in department	Business, professional or other affiliation at time of appointment
Terence Sheard	Executive Assistant to the Deputy Minister.	Assistant General Manager of the National Trust Company, Toronto.
J. L. Apedaile	Inspector of Accounts, Civil Flying Schools.	Partner of Cole, Apedaile & Company, chartered accountants, Montreal.
S. D. Armour	Contracts Officer, Civil Flying Schools.	Banker, Georgeville, Que.
J. W. G. Clark	Director of Public Relations.	Director of Cockfield, Brown Company, advertising agency, Toronto.
I. N. Smith	Assistant Director of Public Relations.	Assistant General Manager and Secretary-Treasurer, Ottawa Journal.
W. J. MacDonald	Head of Statistical and Records Branch.	Senior Partner, Millar, MacDonald & Co., chartered accountants, Winnipeg.
G. N. Black	Assistant to Head of Statistical and Records Branch.	Comptroller, Western Breweries Co., Winnipeg.
H. G. Norman	Special Assistant to Deputy Minister.	Partner of Price, Waterhouse & Co., chartered accountants, Montreal.
H. G. Colebrook	Executive Assistant in charge of Engineering and Supply.	Director and General Merchandising Manager of Robert Simpson Co. Ltd., Toronto.

DEPARTMENT OF MUNITIONS AND SUPPLY

I shall refer a little later on to the genesis and evolution of the Department of Munitions and Supply from a purchasing board associated, before the war, with the Department of Finance, and later, at the commencement of the war, as a War Supply Board under the supervision of the Minister of Transport, to the present full-fledged Department of Munitions and Supply. For the moment it is sufficient for me to recall that the department itself was duly established on April 9, at which date the existing organization of the War Supply Board was absorbed into the new Department of Munitions and Supply. In no branch of the public service has need for rapid expansion and the enlistment of services of able executives and persons possessed of special knowledge been greater than in that concerned with the production of munitions and other war supplies. The services of a large proportion of those at present in these positions have been enlisted since the new department took over the work of the War Supply Board.

The administrative staff of the Department of Munitions and Supply is, like other departments, presided over by a Deputy Minister.

There is, as well, an executive committee of 7 members. This committee might be compared to a small cabinet concerned exclusively with war supply. It meets from day to day; considers and decides upon matters of policy with respect to production of munitions and other war supplies as well as upon the best methods of carrying out policies already determined.

The department is divided into a Purchasing Branch, a Construction Branch and a number of Production Branches for Aircraft, Shipbuilding, Munitions and Gauges and Chemicals and Explosives.

For the mobilization of supplies of raw materials, Controllers of Metals, Timber, Oil and Steel have been appointed. These Controllers not only act individually, but collectively constitute a War Industries Control Board within the department.

On the administrative side the Deputy Minister is assisted by the Comptroller and Secretary and the officials of his branch.

A branch of the department is also being organized for economic research and planning required in order to maintain a constant and uninterrupted development of ever-increasing quantities of the materials of war.

The department has a Labour Liaison Officer and Liaison Officers in New York and London.

Beyond the department itself, several non-profit-making private organizations, fully owned by the Government, have been set up to carry on special phases of the work. Speaking in the House on June 4, the Minister of Munitions and Supply explained the purpose of these companies as follows:

"It has been found utterly impossible to assemble in Ottawa a sufficient staff to handle all the multiplicity of undertakings that the department has in hand at the present time. The Act provides that certain Government owned and controlled companies shall be established and headed by business men chosen by the Government who will be able to carry on certain operations as companies rather than as part of a departmental staff."

Each of these companies is being or will be administered by a board of directors, chosen from outstanding business men and industrialists.

At the present time within the Department of Munitions and Supply there are, besides those who are connected with these Government-owned companies, some 65 persons serving in key positions or as departmental heads, of which number, 10 are outstanding permanent civil servants.

A list of departmental heads and key men in the Department of Munitions and Supply was placed on Hansard by the Minister on June 20. The names of the persons, whose services have been classified in relation to their present positions and pre-war occupations, are as follows:

DEPARTMENT OF MUNITIONS AND SUPPLY

Name	Present position in department	Business or professional affiliation at time of appointment
G. K. Sheils	Deputy Minister.	Asst. General Manager, General Steel Wares Ltd., Toronto.
W. C. Woodward	Chairman, Executive Comm.	President, Woodward Stores Ltd., Vancouver, B.C.
R. P. Bell	Member, Exec. C.	Director, Pickford & Black, Limited, Halifax, and other companies.
Henry Borden, K.C.	Member, Exec. C.	Barrister, Toronto.
W. A. Harrison	Member, Exec. C.	Managing Director, Estabrooks Ltd., Saint John, N.B.
R. A. C. Henry	Member, Exec. C.	General Manager, Beauharnois Power Corp., Montreal.
G. W. Scott	Member, Exec. C.	Chartered accountant, Montreal.
E. P. Taylor	Member, Exec. C.	President, Canadian Breweries Ltd., Honey Dew, Ltd., Orange Crush Ltd., Toronto.
A. J. Martin	Acting Secretary.	President, General Skycraft Ltd., Montreal.
L. R. Thomson	Secretary and Comptroller.	Consulting engineer, Montreal.
A. S. Tindale	Ass't Sec'y and Comptroller.	Chartered accountant, Toronto.
J. P. Pettigrew	Exec. Assistant to Deputy Minister.	General Manager, Windsor Fisher Ltd., Montreal.
W. D. Low	Exec. Assistant to Deputy Minister.	Purchasing Agent, C.N.R., Montreal.
J. deN. Kennedy	Legal Department.	Barrister, solicitor, Toronto.
J. B. Carswell	New York Liaison Officer.	President, Burlington Steel Co., Hamilton.
C. A. Banks	London Liaison Officer.	Managing Director, Bulolo Gold Dredging Ltd.
H. B. Chase	Labour Liaison.	Canadian Vice-President, Brotherhood of Locomotive Engineers.
W. F. Drysdale	Director of Production, Munitions and Gauges.	Vice-President, Montreal Locomotive Works.
W. S. Lecky	Assistant—Munitions.	Manager, Holman's Machines, Montreal.
Dr. C. A. Robb	Assistant—Gauges.	Professor of Mechanical Engineering, University of Alberta.
J. R. Donald	Director of Production, Chemicals and Explosives.	J. R. Donald Co., Montreal.

DEPARTMENT OF MUNITIONS AND SUPPLY—Continued

Name	Present position in department	Business or professional affiliation at time of appointment
A. F. McCall	Assistant.	Director, Drummond, McCall & Co. Ltd., Montreal.
Dr. J. H. Ross	Assistant.	Director, Forest Products Laboratory, Montreal.
W. J. Sanderson	Director of Production, Aircraft.	President, Fleet Aircraft Ltd., Fort Erie, Ont.
W. S. Goodeve	Asst.—Executive.	Motor and Coach Co. Ltd.
J. T. Asquith	Asst.—England.	Export Sales Manager, British Machine Tool Co.
J. C. Ruse	Asst.—Raw Materials.	Contractor, diamond drilling and exploration.
A. K. Tylee, O.B.E.	Asst.—Building.	Ex-Air Commodore, R.C.A.F.
D. Stairs	Director of Construction, Defence projects.	Chief Engineer, Montreal Construction Co. Ltd.
E. P. Murphy	Assistant.	Construction Engineer, Department of Transport.
L. C. Jacobs	Assistant.	Engineer, Montreal Power Corporation of Canada.
D. B. Carswell	Director of Shipbuilding.	Marine Superintendent, Department of Transport.
G. Ogilvie	Director of Plant Survey and Production.	Department of National Defence.
A. T. J. Watts	Assistant.	Department of National Defence.
J. P. D. Malkin	Director of Purchases.	Director of W. H. Malkin & Co., B.C. Packers, and other companies, Vancouver, B.C.
J. Eaton	General Purchasing Agent.	Asst. to General Purchasing Agent, C.P.R.
L. L. Price	Asst. General Purchasing Agent.	Purchasing Agent, C.N.R., Montreal.
D. P. Buckley	Aircraft Section.	Department of National Defence.
T. A. McCormick	Barrack Stores Section.	Purchasing Agent, Canada Creosoting Co.
W. J. Atkinson	Fuel, Paints Section.	Purchasing Agent, C.N.R., Toronto.
C. P. Morrison	Machinery, Tools.	Radio Department, C.N.R.
E. S. Hoare	Naval Stores.	Department of National Defence.
G. A. Briggs	Clothing.	Department of National Defence.
W. E. Wilford	Food.	Commissary Purchasing Agent, C.N.R., Toronto.
C. B. Doheney	Mechanical Transport.	Purchasing Agent, C.N.R., Toronto.
C. E. W. Morehead	Building Supplies.	Purchasing Agent, C.N.R.
A. P. Labelle	Medical.	Wholesale drug supplies.
F. E. Wood	Cost Investigation.	National Steel Car Corp., Cost Accountant.
W. C. McEachern	Personnel.	Post Office Department.
B. S. Liberty	Transport Controller.	C.N.R.
W. Lauchlan	Treasury Liaison Officer.	Chief Treasury Office, Department of Finance.
R. Thomson	Publicity.	Public relations counsel, Montreal.
H. G. Caldwell	Statistics.	Professor, Queen's University.
D. G. Mackenzie	Assistant, R. A. C. Henry.	Consultant economist.
W. J. Neville	Files, Mail and Messenger Service.	Canadian Pacific Railway, Montreal.
J. A. Marsh	Contract Investigator.	M.P. and General Purchasing Agent, Canadian Porcelain Co., Hamilton.

DEPARTMENT OF MUNITIONS AND SUPPLY—Concluded

Name	Present position in department	Business, professional or other affiliation at time of appointment.
A. R. Gilchrist	Overseas Accounting.	North End Motors Ltd., Office Manager.
A. Davis	Technical Consultant, leather.	President, Davis Leather Co., Newmarket.
F. C. Mechin	Petroleum.	General Manager, Imperial Oil Refineries Ltd., Montreal.
C. W. Sherman	Steel.	President, Dominion Foundries Ltd., Hamilton.
H. D. Scully	Controller—Steel.	Commissioner of Customs.
G. C. Bateman	Controller—Metals.	President, Canadian Institute of Mining, and Metallurgical Engineering Institute, Toronto.
H. R. McMillan	Controller—Timber.	President, H. R. McMillan Export Co., Vancouver.
Geo. R. Cottrelle	Controller—Oil.	Director, Canadian Bank of Commerce.
S. W. Fairweather	Economic Adviser.	Director, Bureau of Economics.

The Government owned and controlled non-profit-making private organizations set up to carry on special phases of the work of production of munitions and other war supplies are the following:

OPERATING COMPANIES OF THE DEPARTMENT OF MUNITIONS AND SUPPLY

The Citadel Merchandising Company, Limited:

This company is concerned with ensuring the supply of machine tools and other equipment essential to war industry.

The officers are:

President	Thomas Arnold	Chairman, Manitoba Steel Foundries Ltd.
Vice-President	L. J. Belnap	President, Consolidated Paper Corp. Ltd.
Directors:	J. D. Johnson	President, Canada Cement Co. Ltd.
	C. E. Gravel	Director, Bell Telephone Co. of Canada.
	F. K. Morrow	Director, Ogilvie Flour Mills Co. Ltd.

The Federal Aircraft Limited:

This company has been organized to co-ordinate the output of all parts and to expedite the production of the Anson Training Aircraft.

The officers are:

President	R. P. Bell	Director, Pickford & Black, Ltd., Halifax, and other companies.
Gen. Manager	R. J. Moffett	Chief Aeronautical Engineer of Canadian Vickers.
Treasurer	F. L. Jeckel	Montreal Manager of Hardy and Badden, chartered accountants.
Directors:	Sidney Dawes	President of the Atlas Construction Co., Montreal.
	Blair Gordon	President, Dominion Textile Co.
	Russell Smith	Canadian Industries Ltd.
	Allan Aitken	Price Bros. & Co. Director of National Life Assurance Co. and other companies.

Another company has been organized of which, as yet, no public announcement has been made, which will be known as The Allied Supplies Limited. This company will be concerned with administration of the munitions and explosives programme undertaken on behalf of the British Government and of any joint British-Canadian developments which may be assigned to it.

The officers will be:

Chairman	Hon. C. A. Dunning	An ex-Minister of Finance in the Federal Government.
President	Harold Crabtree	Howard Smith Paper Co., Montreal, (President, Canadian Manufacturers' Association).
Directors:	W. D. Black	President, Otis Fensom Elevator Co., Hamilton (an ex-president of Canadian Manufacturers' Association).
	Beaudry Leman	President and Managing Director of Banque Canadienne Nationale (Past President of Canadian Bankers' Association).
	J. Y. Murdoch	President of Noranda Mines, Ltd., and other companies.
	D. R. Turnbull	Managing Director of Acadia Sugar Refinery Co. Ltd., Halifax.
	R. H. McMaster	President of Steel Co. of Canada, Ltd., Montreal.
	E. A. Wilson	President and General Manager of Ingersoll Machine and Tool Co. Ltd., and Vice-President and Gen. Manager, Morrow Screw & Nail Co., Ingersoll.

It will be observed that the lists of persons I have quoted contain the names of many whose names, from one source or another, have been mentioned as those of individuals whose presence in the Cabinet might be expected to add to the effectiveness of Canada's war effort. I submit that in the positions in which the services of the persons cited have been enlisted their opportunity to be of service to the State and effectively to aid the Ministry (all circumstances considered) is relatively greater than it might be expected to be were they members of the Ministry itself.

DEPARTMENT OF FINANCE

The appointments I have mentioned thus far have been in the departments immediately concerned with military defence. In the administration of the departments and agencies concerned with matters of economic defence and internal security, the Government has likewise enlisted the services of equally representative groups of outstanding and specially qualified persons. For instance:

In the Department of Finance, the executive staff has been strengthened by the appointment of Professor W. A. Mackintosh, Head of the Department of Political and Economic Science of Queen's University, as special assistant to the Minister. But much more than in the work of the department itself, the services and counsel of business and professional men have been sought in connection with the organization and direction of campaigns for nationally offered war loans and the sale of war savings certificates, and in the vital and highly specialized work of the Foreign Exchange Control Board.

WAR LOAN AND WAR SAVINGS CAMPAIGNS

To direct the campaign for the first publicly offered war loan, a National War Loan Committee was set up under the chairmanship of the Minister of Finance. Serving on it were five former Ministers of Finance:

Sir Thomas White
Sir Henry Drayton
Honourable C. A. Dunning
Right Honourable R. B. Bennett, and
Honourable E. N. Rhodes.

In addition were the Provincial Treasurers of all nine provinces. In order to give the committee as broadly representative a character as possible, some 225 prominent people in all the provinces of Canada were added to the membership.

To direct the more purely technical aspect of the campaign, a National Subscription Committee of men connected with the securities business was set up under the chairmanship of Honourable C. A. Dunning.

In the campaign for the sale of war savings certificates, the Government has similarly availed itself of the services of prominent business and professional men.

A National War Savings Committee was set up, of which Mr. W. H. Somerville, General Manager of the Mutual Life Assurance Company of Canada, and Mr. de Gaspé Beaubien, a consulting engineer of Montreal, and a director of several industrial companies, were appointed as joint chairmen. Provincial chairmen were selected as follows:

British Columbia, Christopher Spencer, Vancouver.
Alberta, John Burns, Calgary.
Saskatchewan, W. G. Yule, Regina.
Manitoba, E. J. Tarr, K. C., Winnipeg.
Ontario, R. V. LeSueur, Toronto.
Quebec, Napoleon Charest, Montreal.
New Brunswick, George E. Barbour, Saint John.
Nova Scotia, W. K. McKean, Halifax.
Prince Edward Island, Edmund T. Higgs, Charlottetown.

FOREIGN EXCHANGE CONTROL BOARD

Early in September, a Foreign Exchange Control Board was set up, consisting of senior members of the public service and officers of the Bank of Canada. The purpose of the board has been that of setting up a complete system of exchange control, thus to conserve our financial resources and supplies of foreign exchange, and to prevent the dissipation of our capital into speculative or other unessential uses abroad. Working in close association with the Bank of Canada, the board has achieved its purposes with complete efficiency. Its task has been growing ever greater and more complex. To assist the nucleus of officials from the Bank of Canada, the board has secured the services of an ever increasing number of highly trained men from the fields of business and finance. I may make brief mention of some of these.

In addition to 20 employees of the Bank of Canada whose services have been lent to the board on a full-time basis, the chartered banks have provided the services of 20 officials including F. R. MacLean of the Dominion Bank, G. Catherwood of the Royal Bank, and E. C. Winrow of the Bank of Montreal. Some 30 chartered accountants have been lent to the board by their employers on a full-time basis, and an additional 15 to do investigational part-time work in the commercial section in the summer months.

Five experienced securities dealers assist in the work of the Securities Section. Apart from the head of the General Section, 8 other lawyers are engaged in its work.

The following form a representative list of the executives who have come to assist in the direction of the work of the board:

Name	Present position on board	Former position
C. K. Highmoor	Chief of Foreign Exchange Section.	Asst. Superintendent, Foreign Dept. of Canadian Bank of Commerce.
A. McD. McBain	Public relations officer.	Manager of Foreign Relations Dept., Bank of Nova Scotia.
M. W. Mackenzie	Chief of Commercial Section.	Partner in McDonald, Currie & Co., chartered accountants, Montreal.
D. R. A. Walker	Chief of Securities Section.	Associated with Wood, Gundy and Co. Ltd., investment dealers, Toronto.
W. D. Matthews	Chief of General Section.	Barrister, with Wills, Bickle and Gayley, Toronto.
A. M. Campbell	Adviser on matters affecting insurance.	Associate Actuary, Sun Life Assurance Co.
Douglas Dewar	Head of Vancouver Office.	Former senior partner in Peat, Marwick, Mitchell & Co., chartered accountants, New York.
André Gervais	Chief of Commercial Section, Montreal Branch.	Chartered accountant with Roland Levesque et Cie., Montreal.

WAR-TIME PRICES AND TRADE BOARD

Upon the outbreak of war, immediate concern was shown by the Government to prevent the disastrous rise in prices which so seriously dislocated the Canadian economy in the last war. On September 3, the Government established the War-time Prices and Trade Board, and invested it with extensive powers to prevent hoarding, profiteering and undue rise in prices of necessities. The board itself is composed entirely of outstanding permanent officials under the chairmanship of Mr. Hector McKinnon, who is also Chairman of the Tariff Board.

The complete list of the officials and administrators appointed from outside the public service is as follows:

Name	Present position on board	Former position
K. W. Taylor	Secretary.	Professor of Economics, McMaster University.
Hubert Kemp	Economic Adviser.	Professor of Economics, University of Toronto.
J. M. MacDonald	Economic Adviser.	Head of Department of Commerce, University of Manitoba.
H. D. Anger	Solicitor of board.	Barrister, of firm Elliott, Hume, McKague, and Anger, Toronto.
David C. Dick	Wool Administrator.	Manufacturer: President, Cobourg Dying Co. Ltd., Cobourg, Ontario.
Harry Brown	Technical Adviser to Wool Administrator.	Retired textile expert, formerly Superintendent of the Rosamond Woollen Mills, Almonte, Ont.

WAR-TIME PRICES AND TRADE BOARD—Concluded

Name	Present position on board	Former position
W. P. Walker	Economic Adviser to Wool Administrator.	Comptroller of York Knitting Co., Toronto.
S. R. Noble	Sugar Administrator.	Assistant General Manager, Royal Bank of Canada, Montreal, Que.
H. J. Hobbins	Technical Adviser to Sugar Administrator.	Sugar Broker.
Maurice Samson	Hides and Leather Administrator.	Chartered Accountant, of the firm of Samson, Knight & Company, 70 St. Peter St., Quebec, P.Q.
J. McGregor Stewart, K.C.	Coal Administrator.	Barrister, of the firm of Stewart, Smith, McKeen & Rogers, Halifax, N.S.

DEPARTMENT OF AGRICULTURE

An Agricultural Supplies Board has been set up within the Department of Agriculture to help meet the extraordinary problems for our agricultural economy created by the war.

Other war-time bodies within the department are the Bacon Board, which was set up to implement and direct Canadian fulfilment of the important bacon agreement with the United Kingdom, and a Dairy Products Board, which was created to supervise the whole question of the production and marketing of dairy products. There is also an Advisory Committee to the Bacon Board, but this, unlike the two just mentioned, possesses no executive powers.

To assist these boards in the conduct of their duties, the Government has enlisted the services of specially qualified persons from outside the permanent service. The Department of Agriculture has obtained the full-time services of Professor S. R. N. Hodgins, of Macdonald College, Montreal, as Secretary of the Agricultural Supplies Board, of Mr. D. J. Perry, Transportation Officer of Canada Packers, Montreal, as Transportation Specialist for the Bacon Board, of C. J. Servais, packing house accountant, of Toronto, as Accountant of the Bacon Board, and of W. E. Bosnell, the Plant Superintendent of Canada Packers, Toronto, as Technical Adviser.

The part-time services of the following persons have also been enlisted by the department:

Name	Present position in department	Former position
Hon. J. G. Taggart	Chairman, Bacon Board	Minister of Agriculture, Saskatchewan.
S. W. Todd	Member, Bacon Board	Industrial & Development Council, Canadian Meat Packers.
L. C. McOuat	Member, Bacon Board	General Agriculture Agent, C.P.R.
Adrien Morin	Member, Bacon Board	Chief, Live Stock Branch, Department of Agriculture, Quebec.
John Freeman	Member, Dairy Board	President of Lovell & Christmas (Canada) Ltd., exporters of dairy products, Montreal.
J. F. Desmarais	Member, Dairy Board	President of Co-operative Fédérée, Quebec, Montreal.

DEPARTMENT OF THE SECRETARY OF STATE

Several of the war-time boards and agencies under the Department of the Secretary of State are administered by a well-known person from outside the Government service. Dr. H. M. Tory, retired former President of the National Research Council, has been serving as Director of the Technical Section of the Voluntary Service Registration Bureau. The services of Brigadier-General E. deB. Panet, Chief of the Department of Investigation of the C.P.R., have been secured as Director of Internment Operations.

To organize the Public Information Office the Government first secured the services of Mr. Walter S. Thompson, Director of Public Relations for the C.N.R. Upon Mr. Thompson's retirement, because of the impairment of his health, he was succeeded by Mr. G. H. Lash as Director, and Mr. Claude Mélançon, as Associate Director, both of whom had been associated with Mr. Thompson in the C.N.R.

Mr. W. Gordon Gunn, barrister, Winnipeg, is serving as the Administrator of the War Charities Act. Mr. T. W. Laidlaw, the Dean of Manitoba Law School, and Mr. V. C. MacDonald, Dean of the Dalhousie Law School, are both giving their services during their summer absence from their schools in connection with special work under the Custodian of Enemy Property.

DEPARTMENTS OF TRADE AND COMMERCE AND TRANSPORT

In the Department of Trade and Commerce Mr. A. W. L. MacCallum has been appointed Director of Shipping, serving as executive officer of the Canadian Shipping Board. Mr. MacCallum formerly was Manager of the Shipping Federation of Canada, Inc., of Montreal.

A similar outstanding appointment has been made in the Department of Transport of Mr. T. C. Lockwood as Transport Controller, having supervision over the whole question of priority of movement with regard to war needs. Mr. Lockwood was formerly General Freight Traffic Manager of the Cunard White Star Line, Montreal.

ENLISTING THE SERVICES OF "BEST MEN" IN ADVISORY CAPACITY

I have referred thus far to enlisting in the Government service, in executive and administrative positions, the best available persons from the business and professional world. I come now to the suggested means of increasing the effectiveness of Canada's war effort by enlisting the services of the best available persons in an advisory capacity where not possible to have their services enlisted either in whole or in part in executive or administrative posts.

In considering specific problems the Government has not hesitated to seek the advice and co-operation of existing organizations and bodies known to be conversant with phases of the work concerned. In addition, a number of advisory boards and committees have been specially organized to aid Ministers and war agencies by advice based upon practical experience. In each of these advisory bodies an effort has been made to secure as representative a group as possible of duly qualified persons. I may mention, briefly, a few of these—some specially created to meet the war situation, others organized bodies already established.

OTHER ADVISORY AGENCIES

As an example of the advice and co-operation of existing Canadian bodies sought in connection with the solution of specific problems arising out of war-time administration, I might mention the conferences between officials of the Dominion Government, representatives of the various provincial governments, and the officers of qualified voluntary organizations, with respect to the questions of the immigration of refugees and the movement of evacuated children to Canada from the United Kingdom and elsewhere. Special mention should be made in this connection of the helpful co-operation of the officers of the Canadian Welfare Committee and of the Canadian National Committee on Refugees.

In the work done so far by officials of the Department of Pensions and National Health upon air raid precautions, the collaboration of the provincial authorities in the coastal provinces has been obtained and, as well, the full co-operation and advice of the St. John Ambulance Brigade and Association. The department, in its health activities related to the war effort, has also secured the co-operation of all public health forces of the Dominion, acting through the Dominion Council on Health. This council is made up of the chief health officers of all the provinces.

DEPARTMENT OF LABOUR

The Government has recognized from the outset the importance of meriting and obtaining the whole-hearted co-operation of labour in the development of Canada's war effort. It has recently given concrete expression to this recognition by the declaration of certain principles for the regulation of labour conditions now embodied in an Order in Council.

Recently there has been created a National Labour Supply Council. The purpose of this council is to bring to the Minister of the Department advice from qualified representatives of labour and of industry upon all matters touching the supply of labour for war industries.

The Chairman of the National Labour Supply Council is Mr. A. J. Hills, Chief of Personnel of the Canadian National Railways. The Secretary is Mr. Humphrey Mitchell, a former member of this House of Commons and for some time past a permanent official of the Department of Labour. The council itself is composed of five representatives of labour and five of industrial employers, with an alternate for each.

The membership is as follows:—

Representatives of labour:	
Representative	Alternate
E. J. Tallon, Ottawa, Secretary-Treasurer of the Trades and Labour Congress of Canada.	A. D'Aoust, Canadian Vice-President of the International Brotherhood of Paper Makers.
J. W. Bruce, General Organizer for Canada for the United Association of Journeymen Plumbers, Gas Fitters and Steamfitters Helpers.	Fred Molineaux, Canadian General Organizer, International Brotherhood of Painters, Decorators and Paper Hangers of America.
James Somerville, Canadian General Vice-President, International Association of Machinists.	Tom Moore, Ottawa, President of the Trades and Labour Congress of Canada.
A. R. Mosher, Ottawa, President of the All Canadian Congress of Labour.	C. R. Millard, Director of the Steel Workers Organizing Committee.
Alfred Charpentier, Montreal, President of the Confederation of Catholic Workers of Canada.	Maurice Doran, Montreal, Vice-President of the Confederation.

Representatives of employers:

Representative	Alternate
Mining Industry	
J. H. Stovel, incoming President, Ontario Mining Association and General Manager, Dome Mines Ltd., South Porcupine.	N. A. Bryce, Past President, Ontario Mining Association, President Macassa Mines, Kirkland Lake, Ontario.
Canadian Chamber of Commerce	
Allan M. Mitchell, Robert Mitchell Co. Ltd., Montreal, Quebec.	D. P. Cruickshank, President, Steel Equipment Company, Ottawa, Ontario.
Canadian Manufacturers' Association	
W. C. Coulter, Past President, C.M.A.; President, Coulter Copper & Brass Co., Toronto, Ontario.	W. H. McIntyre, Vice-President, Ottawa Car & Aircraft Co., Ottawa, Ont.
C. N. Moisan, President, Standard Paper Box Co., Montreal, Quebec.	Louis Armstrong, Consolidated Paper Corporation, Montreal, Quebec.
Canadian Construction Association	
J. M. Pigott, Pigott Construction Co., Hamilton, Ontario.	Albert Deschamps, General Contractor, Montreal, Quebec.

DEPARTMENT OF TRANSPORT

Associated with the work of the Department of Transport are two advisory boards set up to recommend as to compensation for owners of vessels which have been requisitioned; one board for the Pacific coast and one for the Great Lakes, St. Lawrence River and Atlantic coast.

Chairman for the Pacific coast region is Honourable Justice Dennis Murphy, of the Supreme Court of British Columbia.

Chairman for the Great Lakes, St. Lawrence River and Atlantic coast region is Honourable Justice M. B. Archibald, of the Supreme Court of Nova Scotia.

DEPARTMENT OF AGRICULTURE

In the Department of Agriculture an Advisory Committee to the Bacon Board has been set up to bring to the operations of the board the benefit of the advice of a group of men representative of producers and of the packing industry. This Advisory Committee is without a chairman of its own, and holds its meetings in conjunction with those of the Bacon Board itself.

Its members are:

W. J. Reid—Formerly associated with the P.E.I. Department of Agriculture.

H. Wilson—Well-known hog producer in Western Ontario.

John Harrold—Hog producer of Alberta.

Joseph Bisson—Connected with the co-operative marketing of live stock in the Province of Quebec.

K. N. M. Morrison—General Manager of First Co-operative Packers of Ontario, Limited.

F. H. Downing—Manager of Canadian Live Stock Co-operative (Western) Limited.

John Burns—President of Burns Packing Company, of Calgary.

J. H. Tapley—General Manager of Swift Canadian Company, Limited, Toronto.

DEPARTMENT OF FISHERIES

Two committees have been formed to be associated with the Department of Fisheries in an advisory capacity.

A War-time Fisheries Advisory Board has been appointed to consider the whole question of the marketing of Canadian fish. Its personnel has been chosen to give representation to men with practical experience in both our Atlantic and Pacific fisheries.

Chairman: J. J. Cowie—official of the department.

A. H. Brittain—Past President of Canadian Fisheries Association, Montreal.

Louis T. Blais—President, Louis T. Blais, Ltd., and President, St. Lawrence Sea Products Company, Quebec.

H. G. Connor—President, Maritime National Fish Limited, Halifax, N.S.

W. H. Smith—President, Lunenburg Sea Products, Lunenburg, N.S.

T. R. Clouston—General Sea Foods Ltd., Halifax.

A. Neil McLean—President, Connors Bros. Limited, Black's Harbour, N.B.

Col. J. W. Nicholls—Canadian Fish and Cold Storage Company, Prince Rupert, B.C.

A. L. Hager—President, Canadian Fishing Company, Limited, Vancouver.

Major Hugh A. Green—Coastal Fisheries, Ltd., Montreal, and director of fish supplies for Canadian army during the first Great War.

W. George Akins—Publicity Agent, Toronto.

F. W. Wallace—Editor of Canadian Fisherman, and supervisor of fish division of the Canada Food Board during the first Great War.

ADVISORY COMMITTEE TO THE LOBSTER CONTROLLER

The dissolution of markets has necessitated the appointment of a controller who will have supervision over the entire field of production and marketing of canned lobster. In the initial stages, Dr. D. B. Finn, Deputy Minister of the Department of Fisheries, is serving as Controller; but to assist him, an advisory committee of men immediately concerned with this problem has been appointed. The committee, chosen to give representation both to the fishermen and to the lobster canning industry, consists of: G. S. Lee, of Halifax; Bert McInerney, of Halifax; W. H. Tidmarch, of Charlottetown; Emile Paturel, of Shediac.

WAR-TIME CO-OPERATION WITH THE PROVINCES

I should not like to conclude this portion of the review of the services given in an advisory and practical manner by existing organizations, associations and individuals without making special mention of what might be spoken of as war-time co-operation extended on the part of the provinces of Canada.

I have already indicated wherein the Federal Government received the closest co-operation from the provincial governments in the first National War Loan campaign. As mentioned, the Provincial Treasurers of all the provinces served on the National War Loan Committee.

Also, as just mentioned, the closest co-operation has been received from the welfare departments of the provincial governments in working out arrangements for the reception in Canada of refugees and evacuated children, and as mentioned, the Department of Pensions and National Health is co-operating with the provinces in the provision of air raid precautions.

The Department of Munitions and Supply is receiving valuable assistance and co-operation from provincial departments of natural resources, mines, lands and forests, etc., in the task of mobilizing our resources of raw materials to meet war-time needs.

As in peace-time, close co-operation is maintained between the federal departments and the provincial authorities in the Departments of Agriculture and Fisheries.

In the field of health and welfare, war-time conditions have made more essential than ever the closest co-operation between federal and provincial authorities.

In peace-time, the primary responsibility for public order and the administration of justice rests with the provinces. It has been recognized, however, that in time of war a share of this responsibility must necessarily be assumed by the Federal Government. This has not relieved the provinces of their constitutional function, but it has served to emphasize the need for the closest co-operation between the provincial police and law enforcement agencies, on the one hand, and the Royal Canadian Mounted Police and the Department of Justice on the other.

In these and other ways, the Federal Administration has been materially aided by the governments of the several provinces in the successful prosecution of Canada's war effort.

The second part, which I shall read, contains interesting information concerning the policies which the Government has formulated for the more effective carrying on of our war effort, and also particulars of the reorganization of the Cabinet, rendered necessary by death and withdrawal. I allude to my honourable friend to my left (Hon. Mr. Euler) and to the late Minister of National Defence, Hon. Mr. Rogers.

INCREASING THE EFFICIENCY OF THE CABINET

I come now to means of increasing the efficiency of the Cabinet, other than those of enlisting the services of the best available persons in executive and administrative positions or in an advisory relationship to individual Ministers. In other words, I come to the Cabinet itself, and here I wish to speak first of the plan of war organization within the Cabinet and later of Cabinet responsibility and personnel.

Canada's war effort has been, from the first, and will continue to be, organized and directed by the Cabinet. From the outset, the work of the Cabinet has been so organized as to permit of immediate and effective direction of the various activities, and at the same time to ensure their complete co-ordination. For the most effective conduct of that effort, the Cabinet itself has been organized into appropriate committees, each charged with responsibilities in specific spheres of activity.

WAR ORGANIZATION

CABINET COMMITTEES AND RELATED AGENCIES

Prior to the war, there had been established a committee of the Cabinet especially appointed to consider matters of defence.

When the war broke out, and it became necessary to view the problems of war in relation one to the other, and as a whole, in order the better to co-ordinate the work of the Government, to prevent duplication of effort, and to promote efficiency, special committees of the Cabinet were formed in relation to the several problems of major concern.

As a supervisory body in a position to view the war effort as a whole, an Emergency Council was appointed with an immediate relationship to the work of the several governmental committees. At the outset, this Emergency Council was composed of senior members of the Cabinet. Amongst other duties, it took over those of the Defence Committee established prior to the war. As occasion has since required, its personnel has been altered or increased to include the Ministers whose departments are especially concerned with the war effort. In an early reorganization, its name was changed. It has since been designated and is now known as the War Committee of the Cabinet. The Ministers at present composing the War Committee are the following:

The Prime Minister;
The Leader of the Government in the Senate;
The Minister of Mines and Resources;
The Minister of Justice;
The Minister of Finance;
The Minister of National Defence;
The Minister of National Defence for Air;
The Minister of Munitions and Supply.

The War Committee of the Cabinet gives continuous consideration to, and recommends decisions by the Cabinet upon, major questions of war policy and defence.

Related to the War Committee are special committees especially charged with the consideration and supervision of specific problems. They are composed of the Ministers principally concerned with related phases of war effort. The committees also assist in the co-ordination of activities in which more than one department is involved. Of these special committees, six are concerned with problems related to Economic Defence:

War Finance and Supply;
Food production and Marketing;
Wheat;
Fuel and Power;
Shipping and Transportation;
Price Control and Labour.

In addition there are special committees which deal also with matters of:

Internal Security;
Legislation;
Public Information;
Demobilization and Re-establishment.

Related directly to the work of the Cabinet committees are the activities of the boards and agencies to which I have already referred. Certain statutory bodies already existing prior to the war, and as a result of the war charged with special responsibility, have also been

related directly to the functions of the special Cabinet committees which I have just described.

In order to further the effective co-ordination of the economic and financial policy in war-time, to facilitate the work of the Cabinet committees in the consideration of specific problems, and to assist in avoiding duplication of effort by departments and agencies, an Advisory Committee on Economic Policy, composed of members of the public service, has been established. This committee acts in an advisory capacity to the Cabinet itself.

I have in my hand a diagram which discloses at a glance the relationship to the Cabinet of the war-time and statutory bodies and boards to which I have referred. It also designates, by the departments over which they preside, the ministerial personnel of the several committees. With the permission of the House, I will ask that the diagram be inserted in Hansard.

There is thus, at the present time, an extensive and complete organization as between the different departments of the Government whereby the duties and burdens of Ministers are widely distributed and shared. Also, through the War Committee of the Cabinet, the most immediate and special attention is given to the general problems of the war.

I have shown how, under the war organization of the Cabinet, the burdens and duties of individual Ministers have been lightened by the sharing of duties between Ministers themselves and by the consideration and co-ordination of war activities by inter-related committees representative of different phases of war effort. It has been urged, as already mentioned, that the efficiency of the Government might further be enhanced by the work of the Cabinet being so arranged, and responsibilities of Ministers so divided, as to free as largely as possible from other duties and responsibilities, the Ministers of the Crown who are concerned with those departments of government which have primarily to do with war activities, in order that their time and attention may be given as exclusively as possible to the consideration and effective execution of war policies.

As a corollary, it has also been urged that matters pertaining to war policy and the direction of the war effort should as largely as possible be entrusted to a War Committee of the Cabinet, the members of which would be free to give most, if not the whole, of their time to matters pertaining to the war, leaving to other members of the Government the administration of the departments concerned with matters of state which, in time of peace, are of great importance, but which, in time of war, are relatively less important.

From what I have already said with respect to the War Committee of the Cabinet, it will be seen that it has been precisely along these lines that the Government has been proceeding. The need for the expansion of administrative personnel was more urgent at the outbreak of war than the need for the expansion of the Cabinet. The need, however, of creating new ministries to meet war-time demands and of assigning to their administration Ministers whose time could be exclusively devoted to the supervision and encouragement of their affairs has become only too obvious. Existing ministries have accordingly been enlarged. New ministries have been established, and yet further ministries concerned exclusively with war-time activities are about to be created. To offset this expansion of war-time services, the activities of peace-time services have been materially curtailed. Their administration has been placed as completely as possible under members of the Government other than those primarily concerned with war activities. Where circumstances warrant it, a single Minister has been given the responsibility of administering the affairs of more than one department.

DEPARTMENT OF NATIONAL DEFENCE

The natural place of beginning the expansion of war services was with the Department of National Defence.

The Department of National Defence was the nucleus of the war administration. Until July, 1939, the department was entrusted not only with the organization of the defence forces, but also with the problem of supply. The progressive increases in our defence expenditures from 1936 made it necessary to develop additional machinery for coping with the problem of supply. As a result the Defence Purchasing Board was set up on July 14, 1939. When war came, we had already provided the beginnings of an organization to meet the supply problem.

The actual outbreak made necessary immediate administrative expansion in four directions. The fighting forces had to be increased in numbers, they had to be provided with vast quantities of war supplies, and the necessary funds had to be obtained to finance this expansion. Finally provision had to be made for internal security and economic stability on the home front.

The mobilization and recruitment of the fighting forces threw added burdens on the administrative staff of the Department of National Defence. Two acting Deputy Ministers, both veterans, and both prominent industrialists with wide administrative experience, were immediately added to the staff. One was entrusted with the Militia services, the other with the Naval and Air services.

DEPARTMENT OF MUNITIONS AND SUPPLY

At the outbreak of war, the work of the Defence Purchasing Board was transferred to a War Supply Board. At the special session of Parliament, the Government took steps to provide for a Department of Munitions and Supply under a separate Minister of the Crown. That department has since come into being and grown to vast proportions. It has been under a Minister who, until to-day, had also been administering the affairs of the Department of Transport. The maintenance for a time of the association between the two departments made possible a needed rearrangement of some of their activities and the effecting of economies which would not otherwise have been possible.

The former Minister of Transport, who also for some time past has been the Minister of Munitions and Supply, will hereafter give his entire time to the work of the latter department. There have been transferred to the Department of Munitions and Supply, as being closely related to war activities, the branches of the Department of Transport concerned with the Trans-Canada Airways, civil aviation, and national radio broadcasting. The new Department of Munitions and Supply is the first new ministry which has been created since the outbreak of war.

2. DEPARTMENT OF NATIONAL DEFENCE FOR AIR

The second new ministry is well known. It is the Department of National Defence for Air. Before the separate department was created, the Department of National Defence had been strengthened by the addition of an Acting Deputy Minister for Air to relieve the burden of the two Acting Deputy Ministers already mentioned.

The magnitude and importance of the Commonwealth Air Training Plan is well known. The development of this plan, in addition to the developments which were immediately related to our own air forces, made necessary the creation of a separate portfolio for Air. The wisdom of the course followed in creating the new Ministry of National Defence for Air has, I think, been fully demonstrated.

3. DEPARTMENT OF NATIONAL DEFENCE FOR NAVAL AFFAIRS

With the changed conditions in Europe, the increased importance of the Navy, not only in the defence of our own coasts and harbours, but in co-operation with the naval forces of the United Kingdom and other parts of the British Empire, has become generally appreciated. As is now pretty generally known, the port of Halifax has, since the beginning of war, become a naval base second only in importance to the most important bases in the British Isles. In these circumstances, the Government had deemed it advisable to add to the existing defence departments that of a separate Department of National Defence for Naval Affairs. A Bill to establish the new ministry will be introduced immediately. What, therefore, was originally a single Department of National Defence will hereafter be three departments, each presided over by a separate Minister of the Crown, all, however, co-operating in closest relationship with one another.

DEPARTMENT OF NATIONAL WAR SERVICES

I informed the House some days ago that the Government had decided to establish a Department of National War Services. I indicated at that time that the purposes of the new department would include the co-ordination of the activities of existing voluntary war organizations and services, but, what was even more important, that it would be entrusted with the duty of mobilizing and guiding the activities of thousands of our citizens who are seeking practical and useful outlets for their enthusiasm and patriotism, and who are already banded together in patriotic organizations, veterans' organizations, women's organizations, and a host of other groups who are eager to serve.

The Minister charged with the responsibility for the new department will be expected immediately to establish a nation-wide organization for voluntary service, to be assisted by local committees in all parts of the country.

With developments in Europe, problems such as those of refugees, evacuated children, interned aliens and interned enemy prisoners have assumed proportions which require for their solution more in the way of co-operative effort on the part of Canada. Problems of internal security have arisen which have demanded increased governmental action and voluntary co-operation. The Government has required additional powers for the mobilization of human and material resources. These powers in turn necessitate a nation-wide registration which will permit of the most effective use being made of individual personal services and material resources.

The functions of the new department are not limited to the co-ordination and development of voluntary services. The direction and supervision of the national registration will be among the duties of the new ministry. In this connection, I should like to repeat that the Government intends to make the fullest use, through the new department, of the register of women already prepared by the National Committee for the Voluntary Registration of Canadian women. I might add that a good part of the preliminary work of organization in connection with the national registration has already been completed by a special inter-departmental committee, under the chairmanship of the Dominion Statistician, which committee was established immediately after the announcement of the Government's intention to undertake the registration of man-power.

The powers of the new department will also include the co-ordination of existing governmental information and publicity services connected with the war, in order to ensure that Canadians generally may be more completely informed of all aspects of our war effort, with a view to enlisting the maximum understanding and support of the great cause in which we are engaged. Speaking generally, the new department will have the function, as I have already said, of helping Canadians to help Canada in the effective prosecution of the national effort.

The all but complete cessation of new public works, other than those necessitated by the war, has led to a marked decrease of the work of the Department of Public Works.

With the transfer to the Department of Munitions and Supply of those branches of the Department of Transport concerned with airways, civil aviation, and radio broadcasting, the services of the Department of Transport will be also considerably reduced. It is proposed, therefore, to entrust to one Minister instead of two, the administration of the Department of Public Works and the administration of the Department of Transport.

It will be observed that the undertaking to bring to the aid of the Ministry a still larger number of men of outstanding ability and experience was not an undertaking specifically with reference to the Cabinet, though it did not exclude changes or enlargement of the Ministry itself.

It is perhaps not sufficiently realized that the functions of Cabinet Ministers, though very responsible, are necessarily limited. They must determine policy, make final decisions and accept responsibility, each individually for his own department, and all collectively for the Administration generally.

The actual work of administration is, however, carried on by the officials in the public service. I have already shown that in making the extensive additions to the administrative service which have been required by war-time needs, the Government has adopted the single criterion of ability. No political, partisan or personal considerations have diverted us from getting the most suitable man available for the particular job required to be done.

The filling of Cabinet posts is a more complicated task than the filling of administrative

posts. Ability to direct the work of the Government departments concerned is, of course, an important requisite. It is, however, far from being the only one. A Cabinet Minister must also be prepared to assume his full share of responsibility for all acts of government, and for explaining the policies of the Government to Parliament and to the country. He must, of course, be a member of Parliament. If he is not in Parliament when he is called to the Cabinet he must find a constituency and be elected in it. Above all, he must have a capacity to work in immediate association with other Ministers in the Cabinet in the formulation of policy. Nothing would paralyse government more quickly than divided counsels or dissension within the Ministry.

That does not mean that narrow party considerations or, as some impatient critics are too eager to suggest, the dictates of "party politics" or of personal whim, govern the choice of Ministers, particularly in war-time. But it does mean that different qualities are required for effective work as a Cabinet Minister than those required in an administrative or executive post. It is a common experience to find that a business man is willing to make very great personal sacrifice in order to serve his country in an administrative capacity, but is exceedingly reluctant to enter the Cabinet because a ministerial post involves election to Parliament, public speaking and other activities for which he feels he has neither aptitude nor training.

Furthermore, the acceptance of a Cabinet post involves a more complete severance of business and professional ties than is necessary in undertaking temporary administrative or advisory appointments. There is no business of any magnitude or importance in this country to which the war has not brought particular problems of its own. Highly placed executives may be spared by such concerns, either in an executive or advisory capacity, for whole or part time, without the risks attendant upon a complete severance of business relations such as would be involved in their entering the Ministry.

If I ever had any doubt on this score, it has been removed by some of the steps I have recently taken in seeking to increase confidence in the disinterested motives of the Ministry by bringing into the Cabinet one or more persons whose inclusion would, I felt, have demonstrated the readiness of the Government to meet, if that were possible, the wishes of members of political parties to have the basis of representation in the Cabinet widened by the inclusion in the Cabinet of persons known to command their confidence. It is an open secret that I have directly and indirectly offered to take into the Ministry outstanding persons, none of whom are at present in public life, but whose presence in the Ministry would, I believe, have made wholly apparent the readiness of my colleagues and myself to associate with ourselves in the work of the Ministry persons whose appointment could in no sense be regarded as made from any party political motive, but only on the ground of the outstanding qualities they were known to possess. Were I at liberty to give their names, I am sure that honourable members in all parts of the House would consider them among persons highly qualified to inspire confidence in the non-partisan character of the Government's war effort.

I have found that those I approached felt that such special services as they could render could be given more effectively, either in administrative posts or in an advisory capacity or by their continuing to occupy an eminent and independent position in the community. The prevalence of this attitude was not the least of the reasons which led me to abandon the attempt to add to the Cabinet from outside, from the ranks of those without previous experience of public life.

It is sometimes forgotten that the intimacy and prominence of the associations enjoyed with large enterprises is not infrequently a barrier rather than a passport to membership in a cabinet. The same consideration does not so generally apply where the services to be rendered are concerned not with the determining of policy, but with its execution.

I have come to the conclusion that, for the present at least, the most effective use can be made of the services of men without previous experience of public life by bringing those men into association with the Ministry in an administrative or advisory capacity rather than by including them in the Ministry itself.

ADVISORY COMMITTEE TO THE CABINET CONSIDERED

From like motives, I have also given consideration to the appointment of an Advisory Committee to the War Committee of the Cabinet which would include a limited number of persons chosen because of their prominence in representative fields of activity. To this proposal there are a number of objections, which, everything considered, appear to me to rob such a step of the advantages it might at first sight appear to possess.

In the first place, no matter what the political affiliations of members of such an advisory committee might be, the mere fact that they had been appointed by the Government and had not sought or obtained any mark of public confidence from any section of the electorate, would tend to lessen their representative capacity in the eyes of the public. They themselves might naturally feel that their power was not equal to the responsibility which they might be held to be assuming. Indeed, the objection on this score has been raised on the part of one of them with whom I have discussed the proposal.

The need for such a committee is itself more apparent than real, once it is realized that it is always possible for the Government to obtain the benefit of the advice of those best qualified to counsel in particular matters, apart altogether from any membership in an advisory body. Business men and professional men of wide experience and high standing can always be consulted and are, in fact, continually being consulted by the Government whether they are members of an administrative branch of government or not.

ASSOCIATE MEMBERS OF WAR COMMITTEE

Realizing the importance of increasing public confidence through bringing to the aid of the Ministry all points of view and opinions, I have considered yet another means by which this end might possibly be attained. I have thought of inviting leading members of the Opposition to become associate members of the War Committee of the Cabinet, to share its deliberations and to assist in the formation of its proposals to the Cabinet. Regardless of what course may be adopted, the Government itself must, in the last analysis, take the responsibility for whatever is done or left undone. That responsibility

cannot be escaped or evaded. It is difficult even to share it. It would not be my idea, in case members of the Opposition became associate members of the War Committee of the Cabinet, that the Government should by that means seek in any way to evade full and final responsibility for Canada's war effort.

But the presence in an advisory and associate capacity of members of the Opposition would have a number of advantages. While their addition to the War Cabinet would leave unimpaired the requirements of responsible government, it would mean that the Government's policies were being shaped and made effective not only under the open gaze of members of the Opposition, but with the assistance of their counsel, experience and advice. It would mean that in all major matters of defence, internal security, international co-operation, the leading members of the Opposition, chosen to act in association with members of the War Cabinet, would be fully informed.

At the present time, one of the great difficulties of government lies in the fact that many matters of which the Government has knowledge, many steps which the Government takes, many actions which the Government plans, are, in the very nature of things, highly confidential, and must remain so for varying periods of time. This obstacle would, in part at least, be overcome by the proposed associate membership of Opposition leaders in the War Committee of the Cabinet, where, to its members, their experience, advice, and point of view would certainly be of value. I believe that such a step would be of real assistance to the Government in the discharge of its great responsibilities. I am therefore prepared to invite the Leader of the Opposition, and the honourable member for Yale, who shares his desk, and was a former Minister of National Defence, to become associate members of the War Committee of the Cabinet. Were the invitation accepted, it would be my wish that they should be present at all meetings of the War Committee and take part in all its proceedings. I am prepared, also, if this invitation is accepted by my honourable friends opposite, and if it is agreeable to the other political groups in the House, to consider the extension of the invitation also to their leaders.

If the House and the gentlemen whom I have invited look upon the proposal with favour, it would mean that the country would have the benefit of their wisdom, advice and experience, and the Government would retain the responsibility for the direction of Canada's war effort, with which it has been charged. It would also be understood that members of the various opposition groups in this House would continue to be free to criticize the Administration as they think fit, and to vote and act with complete independence.

CONFERENCE WITH THE OPPOSITION

If the honourable gentlemen opposite should feel that they were unable to accept the invitation I have just extended, believing that thereby they would be accepting a share of responsibility without being accorded an equivalent share of power, I am prepared to make yet another proposal, the acceptance of which, I should hope, would not occasion the slightest embarrassment and, I feel, would be essentially helpful at this time.

As I have already said, much of the action of the Government and even more of the information on which its actions are based must, for military reasons, remain secret. This consideration hampers the Government in the discussion of its policies and action in Parliament and before the people. We recognize that it is an even more serious embarrassment to those in opposition in war time. Their lack of knowledge makes effective criticism difficult; it has also a tendency to breed misgivings which need not exist if the facts could be made available.

I believe that this situation could be remedied, at least in part, while Parliament is in session, by regular weekly conferences between the War Committee and the members of the Opposition, and by similar conferences held at intervals when Parliament is not in session.

At such conferences the Government will be prepared to disclose, in confidence, full and detailed information, both as to its actions and the considerations on which those actions are based. The effectiveness of the Opposition, far from being impaired, will be greatly increased by the knowledge gained by their leaders by such conferences. Members of the Opposition, as regards their rights of criticism, will have, as they have now, only the limits imposed by their personal sense of responsibility as citizens and members of Parliament. From the standpoint of the public interest, conferences of this kind would certainly have the merit of increasing confidence in Canada's war effort and thereby help to prevent the development of uneasiness which provides such a fertile ground for subtle enemy propaganda aimed at destroying the unity of that effort.

CABINET RECONSTRUCTION

The acceptance, on Friday last, by Colonel J. L. Ralston of the portfolio of National Defence was followed by Colonel Ralston's resignation as Minister of Finance. I am pleased to announce that the Honourable J. L. Ilsley, who until to-day was filling the office of Minister of National Revenue, has been appointed as Colonel Ralston's successor as Minister of Finance.

As honourable members are well aware, Mr. Ilsley, during recent years, whenever occasion required, has been the acting Minister of Finance. During the period of the illness of the former Minister of Finance, the Honourable Charles Dunning, and during Mr. Dunning's absence abroad, Mr. Ilsley ably presided over the affairs of the Finance Department. He is wholly familiar with its several activities. His ability as administrator in the years that he has been a member of the present Cabinet has gained for him an enviable reputation in all parts of Canada. It is not a surprise, therefore, that public opinion generally, as reflected through the medium of the Press, seemed to take it for granted, when it became known that Colonel Ralston had agreed to leave the Department of Finance for that of National Defence, that Mr. Ilsley would be the logical successor.

I hope that the Prime Minister's commendations of his colleagues do not create any uneasiness on the part of honourable members of this Chamber. If it is felt that I should limit this statement to an announcement of the changes in and additions to the Cabinet, I will do so.

Mr. Ilsley was sworn to his new office at noon to-day. In order that he may give his undivided attention, at this time of war, to the work of

the Department of Finance, Mr. Ilsley has resigned as Minister of National Revenue.

Honourable members are aware that, in addition to his duties as Minister of Transport, the Honourable C. D. Howe has, since April 9, been at the head of the new Department of Munitions and Supply. Mr. Howe has to-day given up the portfolio of Minister of Transport in order that, from now on, he may devote his entire time to the work of the Department of Munitions and Supply.

I have referred to the contraction in the work of the Department of Public Works, occasioned by the Government's policy as largely as possible to restrict, during the period of the war, the construction of public works. I have also referred to the transfer of certain services from the Department of Transport to the Department of Munitions and Supply. As the services of each of these departments have been somewhat curtailed, it has been felt that the administration of both departments could be entrusted to the one Minister. Accordingly Honourable P. J. A. Cardin, who is Minister of Public Works, has to-day been appointed Minister of Transport.

I am pleased to be able to announce that my colleague the Honourable J. G. Gardiner, the present Minister of Agriculture, has agreed, once the Act creating the new Department of National War Services has been passed, to undertake the organization of that new and important department of government. I need not say anything of Mr. Gardiner's special qualifications for such a task. His long experience in public life, his exceptional organizing abilities, his power as administrator so effectively disclosed in the years of his premiership of the province of Saskatchewan, and as a federal Minister, are all guarantees that the purposes of the new department will be promoted with zeal, energy and skill, and the department made one of the most effective instruments in a nation-wide furtherance of the war effort of our country.

Mr. Gardiner will become, when he assumes the office of Minister of National War Services, a member of the War Committee of the Cabinet. That his undivided energies and time may be given to the work of the new department, he will shortly vacate his present position as Minister of Agriculture.

I am particularly pleased to be able to announce that I have obtained from the Premier of Nova Scotia, the Honourable Angus Macdonald, the promise of his willingness to resign the premiership of the province of Nova Scotia, a position which he has held with such honour and distinction alike to his native province and to himself, and to accept, immediately upon the establishment of the new department, the portfolio of Minister of National Defence for Naval Affairs. In thus responding to my request to assist my colleagues and myself in the prosecution of Canada's war effort, Mr. Macdonald is giving to our country another example of devotion to public duty and of a willingness to serve, which in the public mind are already associated with his name. In addition to bringing to his new post his proven administrative ability, Mr. Macdonald has had an experience of military affairs gained as an officer in the last war. Such experience as will come with him to the council table will serve to strengthen not only his own, but all branches of the defence services.

It will be recalled that when Mr. Power accepted the portfolio of Minister of National Defence for Air, in order that he might give his entire time to the work of the Department of Defence, he resigned the position of Postmaster General. The affairs of the Post Office Department have since been administered by Mr. Ilsley, as acting Minister. It is felt that the vacancy created in the office of Postmaster General by Mr. Power's resignation should now be filled. I need not say to honourable members of the House, and particularly to those who are numbered among my own supporters, that I have had few more difficult tasks than that of deciding to which of their number I should entrust the administration of the Post Office Department and the administration of the Department of National Revenue.

The resignation, at the time of his appointment to the Senate, of the Honourable W. D. Euler as Minister of Trade and Commerce—a portfolio subsequently filled by the appointment to that position of the Honourable J. A. MacKinnon, as a Minister from Alberta—and the tragic death of the Honourable Norman Rogers, have deprived the province of Ontario of half of its representation in the Government. It would, I am sure, be generally expected that in the filling of existing vacancies this representation of Ontario in the federal Cabinet should be restored. At all events, my colleagues and I have so viewed the matter. That has been the least of the difficulties. A much more perplexing problem has been that of making a choice from among the many honourable members from the province of Ontario who possess qualifications and claims for Cabinet recognition. I have felt that at this time of war, the citizens of Canada generally, and in particular those of the province of Ontario, would, other things being equal, welcome the appointment of members of this House who had seen active service in the last war, and who, on this as well as other grounds, might be expected to bring valuable experience to the Ministry in this most critical of all times.

Recommendations have, accordingly, been made to His Excellency the Governor General to-day, which His Excellency has been pleased to approve, for the appointment of Colonel William Pate Mulock, of the city of Toronto, member for York North, as Postmaster General, and Colonel Colin Gibson, of the city of Hamilton, member for Hamilton West, as Minister of National Revenue.

I have given the House in considerable detail particulars of the manner in which the administrative functions of government have been extended and improved by attaching to the public service a large number of outstanding Canadians from all fields of industrial, financial and other endeavour. Each and every one has been chosen because it was considered that he was best able to advance the war effort of this country by specialized knowledge, and service based upon specialized education and experience.

I have offered to honourable gentlemen opposite, in the only manner I have felt consistent with responsible government, an opportunity to share in our deliberations. By that invitation I have asked them also to give to the Government the benefit of their wisdom and their experience. I have not asked them to share in our ultimate responsibilities, because that would not be fair either to them or to the electors of this country.

I hope that my honourable friends will find themselves able to accept one or other of the proposals I have made. Whatever may be their decision, I believe that I can at least make this claim on behalf of my colleagues and myself. We have not flinched from our primary and ultimate responsibility. We have not trimmed our sails to the breezes of popular

favour or disfavour. While we have recognized our responsibility for policy, we have sought to obtain the best advice available in the country to assist us in its formation and pronouncement.

I leave this recital of facts with confidence to this House and the people of Canada. It tells its own story. It is the brief record of a Government which at a time of great peril in the affairs of the world has done everything in its power to meet its responsibilities, to strengthen its administration, to mobilize the brain-power and resources of this country—in short, to do its plain duty, honourably and fearlessly.

Right Hon. ARTHUR MEIGHEN: Honourable members, I cannot help suggesting to the honourable leader of the House (Hon. Mr. Dandurand) that hereafter he seek to condense, in his own inimitably terse and vivacious manner, these interminable dissertations which come from the other Chamber. Outside of the announcement of certain changes in the Administration, which had already appeared in the Press, I really have to say that the disquisition just given us was a lot more lengthy than interesting.

About this said-to-be-reconstructed Administration, very few words will suffice. I have no adverse comment to make as to the three new figures in the Government. It is my misfortune that I scarcely know the men. I have heard them well spoken of. As one public man to others, I give them a welcome to the higher sphere of public duty which they now enter. Speaking frankly, though, I can see no change whatever in the colour of the Ministry. If anything, it is a little more partisan than before. I express special disappointment that there is to be in charge of a great new service, the administration of which should above all others be sacredly judicial, one who to my mind is without question the maddest partisan extremist in our history.

Hon. Mr. DANDURAND: My right honourable friend will not deny his ability.

Right Hon. Mr. MEIGHEN: I doubt if in ability as a servant of his party he has ever been equalled. Actually, speaking now in advance of the work to be done, I cannot but express amazement that the man should be placed in charge of it.

It would be interesting indeed that the honourable leader of the House (Hon. Mr. Dandurand), if he felt himself free, should give the names of those others—of whom it was at least intimated they were Conservatives—who had been offered and had refused posts in the Administration. As the Minister is not free to give the known facts, I am not free to give the presumed facts, but to my own mind they are the same. Of the respectability of these men and their right to the respect they enjoy, I make no doubt at all. By the admission of those who have never been identified at all, or have been identified only in a quiet and comparatively unknown manner, with political effort, political organization or political trust in our country, to seek to place the Government on any other than the partisan basis it has always been on is crude and presumptuous.

I have no word at all as to this offer to certain persons to sit and listen in the War Cabinet. Those to whom the offer was made will decide for themselves. I know them. I have not spoken to them, but I know how they will decide.

BREN GUN DELIVERIES

INQUIRY

On the Orders of the Day:

Right Hon. Mr. MEIGHEN: Before the Orders of the Day are called, I think the honourable leader of the House (Hon. Mr Dandurand) should give the Government answer—I know what it is, for he has been good enough to vouchsafe it to me—to the request I made for particulars as to deliveries of Bren guns. I am not asking him to give me the facts, for he gave them to me as a Privy Councillor.

Hon. Mr. DANDURAND: I imparted to my right honourable friend the intimation of the department that it was not in the public interest to give the details asked for, but I submitted them to him as a member of the Privy Council.

Right Hon. Mr. MEIGHEN: The honourable leader of the House states the fact. But I am justified in making this remark: Continuously for weeks the Government, through its Public Information Bureau, so called, has issued to the Press an official statement as to the Bren gun plant being in mass production. Now I want to say very plainly and in a sentence: that statement is not true.

Hon. Mr. DANDURAND: My right honourable friend may cross swords with the Department of Information for making a statement that he believes is misleading or untrue, but I would ask him whether there is any special reason for discussing the matter from that angle. My right honourable friend has requested me to make sure that the work of the contractors was being carried on according to schedule, and he has asked for some special information on the point. When I give it to him, I suppose, he will be satisfied, because I shall make the statement authoritatively. As to figures being given and the hope expressed that the contractors are in mass production, it may be true within a few weeks.

Right Hon. Mr. MEIGHEN: It is stated, not as a hope at all, but as a fact.

Hon. Mr. DANDURAND: I know. But what does "mass production" mean? In order to be in a position to answer my right honourable friend I should have to ascertain what the term implies and read the statement issued by the Information Bureau. He says I have it on my desk; very likely I have. But I think this is of minor importance. The contractors for the British Government and for the Canadian Government are, I believe, doing their level best to secure maximum production and are in advance of schedule; so no complaint could be made as to their work. My right honourable friend will appreciate that the Department of National Defence is particularly interested in peak production and is following the work very closely.

Right Hon. Mr. MEIGHEN: I am not now calling in question the right of the Government nor its wisdom in not divulging exact figures. All I protest against is the statement, repeated day in and day out for weeks, that the Bren gun plant is in mass production. It is not a true statement. Now the Minister says deliveries are at least in advance of—what is the word?

Hon. Mr. DANDURAND: Schedule.

Right Hon. Mr. MEIGHEN: I have not seen the contract, but I do know that on May 16, 1938, the Minister of National Defence of that day, Hon. Mr. Mackenzie, describing in the Commons in some detail the final terms of the contract, said that it was dated March 31, 1938,—

Hon. Mr. DANDURAND: I could not find it in his speech of May 16, 1938.

Right Hon. Mr. MEIGHEN: —and that the company had guaranteed deliveries within two years.

Hon. Mr. DANDURAND: Yes.

Right Hon. Mr. MEIGHEN: If that is the case, the company is not six months ahead of schedule. It is not even up to schedule, however well it thinks it is doing.

Hon. Mr. DANDURAND: This is all hypothetical. I hope to be able to-morrow to give my right honourable friend the actual date of the contract.

Right Hon. Mr. MEIGHEN: No matter what the date is, the contract certainly was dated at the time the Minister spoke, and that was May 16, 1938. There were no deliveries whatever within two years of that date, although he said deliveries had been guaranteed.

Hon. Mr. DANDURAND: I think we shall be on safer ground when we get the contract.

Right Hon. Mr. MEIGHEN: I shall be.

Hon. Mr. DANDURAND: My right honourable friend will see. I hope he will be.

PRESS REPORTERS OF THE SENATE.

REPORT OF COMMITTEE

On the Order for consideration of the second report of the Standing Committee on Debates and Reporting:

Right Hon. Mr. MEIGHEN: The honourable senator from Grandville (Hon. Sir Thomas Chapais) is absent, which is rather rare for him. I suggest that consideration of the report stand over until to-morrow.

Hon. Mr. DANDURAND: I have been informed by one of our colleagues that he intends to oppose the adoption of this report on the ground that there is no need for the expenditure. I would suggest that, as the arrangement dates from 1917, it would be advisable to refer the report back to the committee, or to the Standing Committee on Banking and Commerce, in order that we may consider the advantages which the Senate derives from the arrangement. I suppose a majority of honourable members now present were not here in 1917, and consequently do not know the circumstances under which the arrangement was made.

Hon. Mr. MURDOCK: In 1938 a similar report was presented to the Senate by the late Senator Gillis and referred to the Committee on Internal Economy and Contingent Accounts. I understood that a motion would be made to-night for the adoption of the report, and therefore I was going to discuss it. However, if the procedure of 1938 is followed now, I shall be quite content to discuss the report in the Committee on Internal Economy and Contingent Accounts, of which I am a member.

Right Hon. Mr. MEIGHEN: I only suggested holding the report over because of the absence of the chairman, the honourable senator from Grandville (Sir Thomas Chapais).

Hon. Mr. MURDOCK: I agree with that suggestion entirely.

Right Hon. Mr. MEIGHEN: I do not think we ought in his absence to deal adversely with the report.

Hon. Mr. MURDOCK: If it is his intention to deal with it as a smiliar report was dealt with in 1938.

Right Hon. Mr. MEIGHEN: I have not spoken to him.

The Hon. the SPEAKER: I understood the right honourable gentleman from St. Mary's (Right Hon. Mr. Meighen) to move that this report be considered to-morrow. Is it your pleasure, honourable members, to adopt the motion?

Some Hon. SENATORS: Carried.

The motion was agreed to.

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

THE SENATE

Tuesday, July 9, 1940.

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

Prayers and routine proceedings.

DIVORCE BILLS

FIRST AND SECOND READINGS

Hon. Mr. MURDOCK, on behalf of Hon. Mr. Robinson, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first and second times:

Bill N2, an Act for the relief of Peter Logush.

Bill O2, an Act for the relief of Goldie Wolfe Goldberg.

Bill P2, an Act for the relief of Ethel Witkov Myers.

Bill Q2, an Act for the relief of Tilly Fishman Constantine.

Bill R2, an Act for the relief of Rachel Ruth Levenstein Schwartz.

Bill S2, an Act for the relief of Eleanor Mabel Campbell Townsend.

Bill T2, an Act for the relief of Isabel Margaret Gill Bacon.

Bill U2, an Act for the relief of Michele Fiorilli.

Bill V2, an Act for the relief of Gertie Schwartz Simak.

Bill W2, an Act for the relief of Geneva Clementine Hurley Picard.

Bill X2, an Act for the relief of René Gaudry.

Bill Y2, an Act for the relief of Fanny Costom Copelovitch.

Bill Z2, an Act for the relief of William Gerald Dickie.

PRESS REPORTERS OF THE SENATE

REPORT OF COMMITTEE

On the Order for consideration of the second report of the Standing Committee on Debates and Reporting:

Hon. Sir THOMAS CHAPAIS moved that the report be referred to the Committee on Internal Economy and Contingent Accounts.

The motion was agreed to.

BUSINESS OF THE SENATE

Hon. Mr. DANDURAND: Honourable senators, in the expectation that we may receive certain bills from the House of Commons this afternoon, I move that the Senate adjourn during pleasure—say, until a quarter to five.

I would draw the attention of the members of the Committee on Banking and Commerce to the fact that immediately after adjournment we shall continue our examination of a certain Bill. As the committee will report that proposed legislation to the Senate, I would suggest that honourable senators who are not members of the committee attend, so that they may follow the discussion and be as well informed in regard to the Bill as the committee members themselves.

The Senate adjourned during pleasure.

After some time the sitting of the Senate was resumed.

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

THE SENATE

Wednesday, July 10, 1940.

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

Prayers and routine proceedings.

NORTHWEST TERRITORIES BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK presented, and moved concurrence in, the report of the Standing Committee on Banking and Commerce on Bill 12, an Act to amend the Northwest Territories Act.

He said: Honourable senators, the Banking and Commerce Committee, to which this Bill was referred back, have considered the same and now beg leave to report it with an amendment: to strike out the proposed section 35 and substitute a new section. The first part of this section would extend jurisdiction in

civil matters to the courts of the provinces of Ontario, Quebec, Nova Scotia, New Brunswick and Prince Edward Island with respect to all parts of the Territories lying east of the 89th meridian, and to the courts of the provinces of Manitoba, Saskatchewan, Alberta and British Columbia with respect to all parts of the Territories lying west of the 89th meridian.

The second part of this section would read as follows:

The courts having surrogate powers, of all the provinces, shall, throughout the Territories, have the like jurisdiction and authority in relation to the granting or revoking probate of wills and letters of administration of the property of deceased persons and all matters arising out of or connected with the grant or revocation of grant of probate or administration as the said courts have within the territorial limits of their respective ordinary jurisdiction.

Hon. Mr. DANDURAND: Honourable senators, as I have not had occasion to discuss this amendment with the Minister who presented the Bill in the other House, I shall not oppose the amendment, but leave it to the good judgment of the Commons.

The motion was agreed to.

THIRD READING

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

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

FARMERS' CREDITORS ARRANGEMENT BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK presented the report of the Standing Committee on Banking and Commerce on Bill 25, an Act to amend the Farmers' Creditors Arrangement Act, 1934.

He said: The committee have considered the Bill and recommend the same without amendment.

MOTION FOR THIRD READING—DEBATE ADJOURNED

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

Hon. Mr. ASELTINE: Honourable senators, before the report is adopted—the report has not been adopted yet?

Hon. Mr. MURDOCK: No.

Hon. Mr. ASELTINE: Had I been a member of the Banking and Commerce Committee, I would have put forward a certain amendment.

Hon. Mr. DANDURAND: My honourable friend will perhaps defer his remarks until the third reading.

Hon. Mr. ASELTINE: I want to make myself clear before the report of the committee is adopted. As would be expected from the remarks I made a short time ago, I should like to see the legislation done away with entirely; but if the Act is to remain in force in Saskatchewan and Alberta, I intend, on the motion for third reading of the Bill, to move an amendment respecting appeals from boards of review.

The Hon. the SPEAKER: Is it your pleasure, honourable gentlemen, that this Bill be now read a third time?

Right Hon. Mr. MEIGHEN: I think the proper procedure is to put a motion for adoption of the committee's report.

The Hon. the SPEAKER: I am inclined to think that when a Bill is reported by a committee without amendment, a motion for third reading of the Bill is in order.

Right Hon. Mr. MEIGHEN: If the Bill is reported by the committee without amendment, that is right.

Hon. W. M. ASELTINE: Honourable senators, I would move, seconded by Senator Horner:

That the Bill 25 be not now read a third time, but that it be amended by adding to it, as clause three, the following:

"3. The said Act is amended by adding thereto, next after section twelve, as section twelve A, the following:

'12A. (1) For the purposes of this section "Appeal Court" means the same court as that mentioned in subsection four of section one hundred and fifty-two of the Bankruptcy Act.

(2) The farmer or any creditor may appeal to the Appeal Court from a proposal which has been confirmed by the Board and the Appeal Court may pronounce such judgment or make such order or formulate such proposal as in its opinion the Board ought to have pronounced, made or formulated, and the decision of the Appeal Court shall be final and conclusive.

(3) The Board shall certify to the Appeal Court a record of the material filed with it and the information obtained by it upon which it has purported to act.

(4) The Board may state a case for the opinion of the Appeal Court on any question of law arising in connection with a proposal.

(5) An Official Receiver may act on behalf of the farmer on any appeal or on a stated case.

(6) No costs shall be imposed upon or charged against the farmer on any appeal or stated case.

(7) The Governor in Council may make rules and regulations governing the manner of taking evidence and obtaining information by the Board and the procedure in the case of an appeal or stated case and, subject to any such

rules and regulations, appeals shall be governed by the rules of the Appeal Court to which the appeal is taken.'"

I should not like my action in bringing forward this amendment to be interpreted as a reflection on the boards of review administering the Act in the different provinces. The men composing these boards are, without question, men of the highest calibre; they are highly respected, and, in my opinion, are doing their best under very difficult circumstances. We all admit, I think, that the Act is a very difficult one to enforce. The trouble I find is this. The boards of review, in their desire to rehabilitate the farmer financially and keep him on the farm, are sometimes led by their ardour into thinking that they must make cuts here and cuts there. In consequence injustices of various kinds arise and many a creditor finds his property being taken away from him.

As has already been explained in the House, a proposal that has been formulated by a board of review is final, and the creditor on the one hand and the farmer on the other hand must abide by it. There is no appeal. The object of this amendment is to rectify that state of affairs, and to give the creditor, and also the farmer, the right of one appeal, and no more. That is to say, if the creditor makes an appeal to the Court of Appeal of the province, and that court decides upon it, its decision is the end of the case.

It is not my intention to enumerate any of the cases in which, in my opinion, injustice has been done. Some of them were enumerated in the Committee on Banking and Commerce the other day, and I mentioned one or two of them a week or so ago. It seems to me only right that, in accordance with the custom of British law, a man should not be deprived of his property except by due process of law. Under the Act as it stands, this has not been the rule, but if the amendment carries it will be, and I appeal to this honourable body to accept the amendment on that broad general principle.

I should like to refer honourable senators to subsection 6 of the proposed amendment.

Hon. Mr. McMEANS: May I ask the honourable gentleman how a provision of that kind can be enforced? The official receiver is not a lawyer. A lawyer has to be employed, and the cost of employing him must be paid by the farmer if the farmer makes the appeal.

Hon. Mr. ASELTINE: I do not agree with the honourable gentleman. I shall deal with that question in a moment.

Subsection 6 provides:

No costs shall be imposed upon or charged against the farmer on any appeal or stated case.

That means that if the creditor appeals he must pay all the costs of the appeal except the costs of the solicitor acting for the farmer.

Hon. Mr. COPP: Suppose the farmer appeals?

Hon. Mr. ASELTINE: If the farmer appeals the creditor pays the costs.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. ASELTINE: That is, the creditor would pay his own costs.

Hon. Mr. EULER: The farmer would appeal every time.

Hon. Mr. ASELTINE: Under this amendment no costs can be charged against the Government, so far as I can see. If the amendment is passed it will do away with one of the chief objections to the Act. It is not fair that a man's property should be taken away from him in any way whatsoever without recourse to a higher authority, as can be done under the Act as it stands. If an appeal is taken in Manitoba and a certain point is decided there, the decision will be binding in Saskatchewan and Alberta. If the creditor has to pay his own costs, and no costs are imposed on the farmer in any event, there will not be many appeals. They will be taken only where an obvious injustice has been done.

Hon. Mr. ROBINSON: Is there any time limit?

Hon. Mr. ASELTINE: No. Subsection 7 provides for the adoption of certain rules and regulations to cover that.

Hon. Mr. HUGHES: I intend to vote against the amendment.

Hon. Mr. DANDURAND: One moment. The amendment has not been read from the Chair.

The Hon. the SPEAKER: The honourable gentleman has proposed an amendment, but it has not yet reached the Table, and has not been read.

Honourable senators, it is proposed by Hon. Senator Aseltine, seconded by Hon. Senator Horner, that this Bill be not now read a third time, but be amended as follows—

Some Hon. SENATORS: Dispense.

Hon. Mr. DANDURAND: As the amendment has not yet been distributed, I would suggest that His Honour the Speaker read it slowly, so that all honourable members may understand it.

The Hon. the SPEAKER: It is moved:

That the Bill 25 be not now read a third time, but that it be amended by adding to it, as clause three, the following:

"3. The said Act is amended by adding thereto, next after section twelve, as section twelve A, the following:

'12A. (1) For the purposes of this section "Appeal Court" means the same court as that mentioned in subsection four of section one hundred and fifty-two of the Bankruptcy Act.

(2) The farmer or any creditor may appeal to the Appeal Court from a proposal which has been confirmed by the Board and the Appeal Court may pronounce such judgment or make such order or formulate such proposal as in its opinion the Board ought to have pronounced, made or formulated, and the decision of the Appeal Court shall be final and conclusive.

(3) The Board shall certify to the Appeal Court a record of the material filed with it and the information obtained by it upon which it has purported to act.

(4) The Board may state a case for the opinion of the Appeal Court on any question of law arising in connection with a proposal.

(5) An Official Receiver may act on behalf of the farmer on any appeal or on a stated case.

(6) No costs shall be imposed upon or charged against the farmer on any appeal or stated case.

(7) The Governor in Council may make rules and regulations governing the manner of taking evidence and obtaining information by the Board and the procedure in the case of an appeal or stated case and, subject to any such rules and regulations, appeals shall be governed by the rules of the Appeal Court to which the appeal is taken.' "

The question honourable senators, is on the amendment. Is it your pleasure to adopt the amendment?

Hon. J. J. HUGHES: Honourable senators, I intend to vote against the amendment, and want to state my reasons for so doing. I should like to vote for an appeal from the unreasonable decisions sometimes given by boards of review, but this amendment would make the situation worse than it is now. If an appeal is taken by a farmer and he loses his case, the creditor, the man who wins the case, has to pay the costs. That is what it says.

Right Hon. Mr. MEIGHEN: I think there is some misunderstanding. That is not correct.

Hon. Mr. HUGHES: I am glad to hear that it is not correct. If the amendment is a reasonable one I will vote for it, but in my opinion the explanation given killed the amendment.

Right Hon. ARTHUR MEIGHEN: Honourable members, I rise, first of all, to state again my opposition to the whole measure.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: I am opposed to it and will vote against it. We have had lengthy hearings on the subject before the committee, and have had before us members of the board of review of Manitoba, the Prime Minister of that province, the leader of the Conservative party in the provincial House, the leader of the Social Credit party and the leader of the C.C.F. party. Two other parties, headed by and composed of Ex-Judge Stubbs and a Communist, did not appear, but we were assured both these gentlemen supported the others in their desire to have the Act reinstated in Manitoba. All who listened to the evidence will agree that the Premier of the province presented his case in a very fair and thoroughgoing manner, and with the courtesy which is his wont. The same can be said for Mr. Willis and for the others present, although their statements were more extreme.

I am not now going to review the matter at length, because I am afraid I have already talked almost ad nauseam on the question in this and other sessions. I am opposed to the reinstatement of the Act in Manitoba, even if it was sound and in the public interest in the beginning. I not only voted for it, but introduced it. I cannot help feeling complimented by the frequent references of honourable members to that fact. In the minds of many honourable members it appears to be the principal pedestal upon which the Act rests.

Hon. Mr. HARDY: Hear, hear.

Right Hon. Mr. MEIGHEN: I suppose it is not altogether immodest, either, to feel a certain self-satisfaction that any admission on my part of ever having been wrong is a source of tremendous surprise to many honourable members.

Some Hon. SENATORS: Oh, oh.

Right Hon. Mr. MEIGHEN: Instances admittedly have been rare, and consequently there is justification for the expressions of amazement which come from so many quarters. Even had the measure been soundly based and in the public interest in the first place—for at the time it was passed the situation was doubtless emergent—the time has come when, in my judgment, the Act should no longer apply, anywhere.

Hon. Mr. DUFF: Hear, hear.

Right Hon. Mr. MEIGHEN: It is a most extraordinary measure. It empowers tribunals to take the property of one man and give it to another, to strip this man of his coat and put it on that man. Worst of all, it spreads everywhere the feeling that we have reached

that stage in the world's evolution when debts no longer mean debts, and when it is only a matter of custom and of no discredit at all—on the contrary, perhaps, a matter entitling one to admiration—to avoid payment of one's just obligations where possible. It has undermined business morale wherever it has operated. Indeed, though it may have temporarily helped some, at the cost of much to them, it has injured far more than it has helped. It has injured the honest as well as the dishonest, and the honest chiefly. It has brought about a condition where we no longer have a healthy feeling of self-dependence and self-reliance, upon which alone the civilization we enjoy can rest.

But what I set out to say was this. Even had the Act been justified by emergent conditions existing when it was passed, surely now, when every farmer has had ample opportunity in the last six years to apply to a board with respect to any debts contracted before May 1, 1935—and no debt contracted after that date is affected by the Act—and when it is not claimed that the boards have been congested with work, there having been only 177 cases dealt with last year, surely now it is impossible to argue that legislation of this most extraordinary and deleterious character should remain longer upon the Statute Book. Once you establish interference of this kind with debt principles, to get away from it is a Herculean task. Show me the province that has not had trouble even with its own legislation. Talk about calamitous results to credit in Alberta! How long is it going to take in that province to get away from the catastrophic course which has been pursued there during these last few years?

Here we are asked to renew an Act in Manitoba after Parliament decided that its usefulness was over; to renew it with respect only to debts incurred prior to May 1, 1935, five years ago. Do we think that if we restore this law it will be cancelled some day by an Order in Council? I think it is infinitely more likely that we shall receive a further appeal, to bring within the purview of the Act debts contracted since May 1, 1935.

Hon. Mr. CALDER: And to restore the Act in Prince Edward Island.

Right Hon. Mr. MEIGHEN: And, perhaps, to restore the Act in other places.

I will not say more at this time in opposition to the Act itself. But if the Bill must pass—and I know it may, as some honourable members are very much influenced by the unanimity of the Manitoba Legislature's desire—I sincerely think the amendment as moved, or some better amendment, if one to the same end can be found, should be adopted.

To-day the Act is in operation in only the three Prairie Provinces; in two of them without restraint, and in Manitoba with respect to applications filed up to June 30 last year. It applies most inequitably and unevenly to farmers and creditors in one province as compared with farmers and creditors in another province. The honourable gentleman from West Central Saskatchewan (Hon. Mr. Aseltine) says the law has been a difficult one to administer and he thinks the boards of review have done their best. I am not sure I can follow him in that conclusion. I believe the board has done its best in Manitoba, but Manitoba has been particularly favoured with the character of its board. I am told that Nova Scotia has been equally well favoured. But no one can suggest that instances such as were brought to the attention of the committee from the other two Western provinces could ever have occurred if all boards of review had been competent and fair. Aside, though, from the competency and fairness of boards, the inequitability of application between provinces, and even between districts of the same province, is most marked. In one province the board will take five per cent as a basis of interest for what debt it will allow to continue, and in another province a rate of six per cent will be taken. In respect of certain debts the rate of interest will be set in one province at three per cent and in another province at five per cent. Besides, the boards adopt different systems of fixing valuation, and, particularly, different systems of distinguishing the rights of first mortgagees or secured creditors from those of unsecured creditors. In certain provinces the unsecured creditor seems to be able to get something out of the first mortgagee, whereas in another province the first mortgagee has his security held intact if the security equals the debt. That these inequalities of application should not be allowed to continue, I think every honourable member will agree. No one can defend such unfairness of application in one district as contrasted with another.

It was further shown to the committee that on the part of certain boards there was a presumption of authority in law, which in the judgment of counsel for the Mortgage Association was a wholly false presumption, but when the matter was referred to the court of appeal the court said that because of the exclusive provision of the Act it had no jurisdiction. So, as the Act has operated up to date, and as it stands now, there is no appeal on any ground, whether on fact or on law. The right of appeal to the courts of the country is the very essence of democratic justice. You cannot do away with that and

maintain even the show of having a democratic nation. To the extent that you take away the right of appeal to the impartial court, you establish despotism. There has been a tendency to do that in many fields, and no better example can be found than this very law. Give the right of appeal, and that evil feature of the present measure will disappear.

What is the nature of the right of appeal which is embodied in the proposed amendment? Under it the farmer and the creditor would be able to appeal to the provincial appellate court from the decision of the board of review. It forbids going farther than one court of appeal. I fancy there has been in the minds of all honourable members, though expressed by only some, a dread that once the door of appeal is opened the farmer will fight shy of the board, lest he be dragged before the courts at an expense which he cannot afford. That state of mind is quite consistent with a full sense of duty on the part of honourable members of this House. We do not want even to think of giving such access to the courts that he who is in forma pauperis—as every applicant under this Act necessarily is; otherwise he would not go before a board of review at all—will have red lights in front of him, warning him that he must keep away or he will only render himself liable to further legal obligations. On the other hand, those who want to make the appeal a matter of pure justice are averse to burdening a mortgagee or any other creditor with the costs of appeal even when he is right. That is what is in the mind of the honourable senator from King's (Hon. Mr. Hughes).

Hon. Mr. HUGHES: Yes. But that would be the effect of the amendment, I think.

Right Hon. Mr. MEIGHEN: And they are rightly averse to that. The amendment makes an attempt to provide some method of meeting the situation. I had not to do with the formulation of this amendment, that having been done by our Parliamentary Counsel. The amendment seeks to meet the situation by providing right of appeal to the appropriate court, that is, the appellate court of the province in which the action arises. The farmer is entitled to ask to be represented by an official receiver, that is, any official receiver, not necessarily the one nearest where the farmer lives.

Hon. Mr. McMEANS: They are not lawyers.

Right Hon. Mr. MEIGHEN: The honourable senator from Winnipeg (Hon. Mr. McMeans) says the official receivers are not lawyers. Not all of them are, but commonly they are lawyers, and the farmer would be able to choose from a good many of them. He would not need to be represented by an official receiver who is not a lawyer, for he would have a right to the services of one who is a lawyer. This amendment would make it the business of the official receiver, who is an official of the State, to give such legal assistance as the farmer desired, and for this there would be no charge to the farmer. Nor would there be any cost to the creditor. Suppose the farmer wins in an appeal. I should say that, under this amendment, the judge would have power to give costs against the creditor. But, no matter who wins, the judge would not be able to order the farmer to pay the creditor's costs. So in an appeal the farmer would be put to little or no expense. Mr. D'Arcy Leonard, general counsel for the Mortgage Association, said: "In order to have the right of appeal, so that we shall be able to establish some uniform law, some defensible principle of operation, with uniformity of application in the three provinces, we are ready to take that special burden so far as our association is concerned. Even if we do win, we will never ask that any part of our costs be paid by the other side. The farmer, on the other hand, has very little, if any, costs; he has no lawyer's fees to pay; consequently he need not fear he will be burdened with the usual expenses of litigation which otherwise everyone who resorts to law must shoulder."

Such is the amendment as framed.

Hon. Mr. SINCLAIR: Before the right honourable gentleman leaves that point with regard to the official receiver, I should like to put this question. The official receiver is the one who, in the first instance, tries to make a settlement between the farmer and his creditors, and he must act fairly between them in the capacity of judge. Is it fair, then, to ask him to plead the case of the farmer before the appeal court?

Right Hon. Mr. MEIGHEN: I should think it is all right, for this reason. The official receiver having failed to make a settlement, the case goes to the board of review. The board of review either confirms the proposed settlement or makes a finding of its own on somewhat different terms, in which finding, without doubt, the official receiver concurs. He is no longer an antagonist.

Hon. Mr. SINCLAIR: Not necessarily.

Right Hon. Mr. MEIGHEN: He may think the finding is unfair to the farmer. It is possible, though very unlikely, that he may think it unfair to the creditor. The finding then becomes law. He is still the official

receiver, and there is nothing unreasonable in saying to him: "Now, the board of review having established that settlement, it becomes your business to act for the farmer before an appeal court. It is your busines to go there and present his case to the best of your ability." I can think of no one more competent to do so. The purpose is merely to save the farmer the expense of engaging counsel.

Hon. Mr. SINCLAIR: I think you are putting the official receiver in an unfair position and hampering him in dealing with the case before the board of review. He knows that should an appeal be taken he will represent the farmer, and naturally when acting as official receiver he will try to look after the farmer's interest rather than the interest of the creditor.

Right Hon. Mr. MEIGHEN: I do not see how he would be hampered in settling the case because he knows before he goes to the board of review that he may act for the farmer in the event of an appeal. He does not even know that he will be called upon to act. The farmer does not have to go to that particular receiver; he has the right to the services of any receiver. I think so.

Hon. Mr. HUGESSEN: The amendment does not say a farmer shall have the right to the services of an official receiver. All that subsection 5 says is that an official receiver may act on behalf of the farmer on any appeal or on a stated case.

Right Hon. Mr. MEIGHEN: Yes. I am glad of the interruption, because possibly I overstated the obligation. I have not consulted with Counsel on the subject, but I see no reason why, if the services are requested, they should not be made an obligation of the official receiver.

Hon. Mr. HUGESSEN: Perhaps so.

Hon. Mr. HUGHES: In the event of the official receiver not being a lawyer, or being a very unworthy one—as sometimes happens—would the farmer be compelled to accept him?

Right Hon. Mr. MEIGHEN: This Act is in operation in only three provinces. I do not know how many official receivers there are in Manitoba—

Hon. Mr. HAIG: Fourteen.

Right Hon. Mr. MEIGHEN: Several of those would be lawyers; so the farmer would have a pretty good choice, since all Manitoba lawyers are good lawyers. The same remark applies to the other two provinces.

Hon. Mr. HARDY: In case a farmer, instead of asking the official receiver to act for him, retained high-class counsel at $100 or $200 a day, who, under the amendment, would pay that fee?

Right Hon. Mr. MEIGHEN: If the farmer is not satisfied with an official receiver, he would, I am afraid, have to pay his counsel's fee. But he has a wide range of choice; in Manitoba, for instance, where, I suppose, most of the fourteen official receivers would be lawyers.

Hon. Mr. HAIG: Most of them are.

Hon. Mr. HARDY: He is not obliged to take one.

Right Hon. Mr. MEIGHEN: You cannot do everything for a fellow who is getting his work done for nothing.

Hon. Mr. HARDY: But he might retain high-class counsel out of spite, in order to penalize the appellant by adding just so much more to the costs of the appeal.

Right Hon. Mr. MEIGHEN: Then he does not get those costs back; he has to pay them himself.

Hon. Mr. HARDY: I do not see anything in the amendment to that effect.

Right Hon. Mr. MEIGHEN: He gets, first, his lawyer free, and, secondly, if he loses, he does not have to pay the costs of the other side. That is all. The other side, if it loses, may be asked to pay his costs.

Hon. Mr. HARDY: But would the creditor have to pay the farmer's lawyer?

Right Hon. Mr. MEIGHEN: Oh, no.

Hon. Mr. HARDY: Then that is all right.

Hon. Mr. HUGESSEN: Only if he lost.

Right Hon. Mr. MEIGHEN: The amendment does not make the creditor liable; and I am sure if a farmer refused the choice of counsel from among half a dozen or a dozen lawyers of such standing in the community that they have the confidence of the Government, and if he insisted on retaining his own counsel, the appeal court would not allow him his costs, no matter what happened.

Hon. Mr. EULER: Suppose the creditor lost his appeal. Could he be saddled with the costs of the official receiver?

Right Hon. Mr. MEIGHEN: He could be saddled with such costs as the court of appeal thought were reasonable.

Hon. L. McMEANS: I should like to ask the right honourable gentleman on what grounds an appeal could be based under this amendment. The only record for the appellate court is what you may be able to get from the board of review. The board of review with their inspector and their valuator survey the farm very carefully, take into consideration the reputation of the farmer and the conditions under which he has managed his land, and decide whether or not he should be granted relief. But the discussions are not recorded; so you have nothing with which to go before the court of appeal except the papers of the board of review and the written opinion of their valuator. There is no other evidence on which the court of appeal can base a decision. Would any honourable senator ask two or three judges to decide whether or not a farm had been too highly valued? They would be the last men I would go to for such an opinion. I cannot see what material there is for the court of appeal to act on. You cannot produce before it any new evidence, and the only record you have is contained in the papers and the valuation of the board of review.

Right Hon. Mr. MEIGHEN: I have almost lost track of the honourable senator's question. As I apprehend it, it is: What can come before the court of appeal? His remarks in support of his question seem to be based on the assumption that nothing can be appealed except the valuation, and that that is mainly a matter of opinion, based on evidence, and something with which a court of appeal would not lightly interfere. Assuming that nothing more will come before the court of appeal than the valuation, there may be very good grounds of appeal. The record may show that the valuation has no supporting evidence at all, just as, when the verdict of a jury is appealed, an appellate court may find there was no evidence to support the verdict. In any case from a board of review where the appeal is in respect of a valuation, the court of appeal could interfere.

But many questions other than that can come before the court. Some were mentioned by Mr. D'Arcy Leonard. For example take the case of a $6,000 farm in Manitoba, with a first mortgage for $5,500 and a second mortgage for $2,000 and other debts. The board of review are legally competent to reduce that first mortgage to $4,000 and say to the applicant: "That is all you need ever pay, even though your farm is worth $6,000, even though your mortgagee is ready to take over your farm and give you $500 into the bargain." The mortgage companies contend: "That is neither within the power of a board of review, nor is it the meaning and intent of the Act, and we want to appeal the case." But they find the door of the appeal court closed to them by the terms of the Act. Should they not be allowed to appeal? Without doubt they should. Before another board of review a very different principle may be applied. The result of giving a right of appeal will be to bring about uniformity in the application of the Act, and all concerned will know where they are at. They do not know to-day. We were told that in one district a board of review reduced a first mortgage to $4,000, and the interest to 3 per cent, and told the mortgagor he need not pay it off any faster than $100 a year, even though he has crop enough in one year to pay off all arrears. But in another part a board of review would say: "You must pay interest at 5 or 6 per cent and discharge it at the rate of $500 a year." It does seem to me manifest that means should be adopted of bringing about something approaching uniformity of principle in the application of this law.

This amendment is satisfactory to the general counsel of the Mortgage Association. I feel it would also be satisfactory to anyone representing other creditors, who have suffered vastly more than the mortgage companies from the operation of the Farmers' Creditors Arrangement Act. In the main they are left destitute.

Hon. Mr. BUCHANAN: Will this amendment apply to cases already heard, or to those to be heard in the future?

Right Hon. Mr. MEIGHEN: I do not like to give too many legal opinions, and I will ask someone else to take over the obligation. But it appears to me that if we pass a law giving a right of appeal it will not apply to past cases. However, if it did apply I should not be a bit worried. I should hope it would.

Hon. Mr. McMEANS: It seems to me that under this amendment, no question of law being involved, a court of appeal would have no power whatsoever to refer a case back to the board of review. The court of appeal would either have to allow the appeal or refuse it on the ground that they could not interfere.

Right Hon. Mr. MEIGHEN: I think there are many questions of law. We are told by counsel who for years has handled cases under the Act that questions of law are involved and he is debarred from having them decided. Surely that ought to satisfy us. But subsection 2 gives the appeal court power to "pronounce such judgment or make such order

or formulate such proposal as in its opinion the board ought to have pronounced, made or formulated." I feel certain that no power is given to submit new evidence; but if, on evidence already submitted, there is an error of law, the court can correct that error and make such a proposal as it would appear should have been made on the basis of that evidence. I am not going to say the courts cannot apply their judgment in the matter of the weight of the evidence. Possibly they can, under this amendment. I hope they can. If they can, so much the better. But certainly they may alter the proposal to such form as they feel it should have been in, and on questions of law they can correct the board of review. No one can say there may not be questions of law. Already there have been plenty of them, and no means of deciding them. It is to provide a means that this amendment is now introduced. Also, as questions of law are decided, there will be established a uniformity of principle of application wherever the Act remains in force.

Hon. Mr. COPP: So far as the farmer is concerned, subsection 6 is all to the good. If a farmer is dissatisfied with a decision of the board of review, he will say: "I will appeal. It will not cost me anything." But what about the creditor?

Right Hon. Mr. MEIGHEN: That is right. There is an element of unfairness there, but you cannot protect the farmer, who is appealing in forma pauperis, without someone else suffering. I cannot say that all creditors agree to this, but the main creditors do. It is worth while to get these principles established, especially in Alberta and Saskatchewan, and those concerned are ready to pay the cost. I do not think there will be many appeals from the doctor and the storekeeper. There may be. If they win they will have to pay their own counsel. Of course they will not have to pay for the other side.

Hon. Mr. EULER: In view of the questions that have arisen, even in the mind of my right honourable friend, who is a very competent lawyer, as to exactly what the amendment means, it seems to me it would be advisable to have this amendment referred back to the Committee on Banking and Commerce.

Right Hon. Mr. MEIGHEN: I have no objection to that.

Hon. JAMES CALDER: Honourable senators, I was about to make a similar proposal. I think it would be most unfortunate to call upon honourable members to cast their votes upon this question at this time. Take the matter of costs, for instance. As the amendment reads, I do not know what it means. I am not intimating that what is proposed should not be the law, but the amendment as drafted is so indefinite and so lacking in real point that one does not know what may happen.

Then there is the question whether or not the amendment will apply to all the cases that have been heard in the past. Subsection 2 says:

> The farmer or any creditor may appeal to the Appeal Court from a proposal which has been confirmed by the Board and the Appeal Court may pronounce such judgment or make such order or formulate such proposal as in its opinion the Board ought to have pronounced—

and so on. Now, those boards that have been in operation have dealt with hundreds, probably thousands, of cases, and as I read the amendment they would all be thrown open to appeal. I may be wrong. I do not intend to labour the point, but it seems to me that more time should be given to it if this is to become law.

There is only one other matter I wish to refer to. I am not a member of the Committee on Banking and Commerce, but I have listened to all that has been said, and nobody has given the slightest intimation as to why this law should be continued. I agree with the stand taken by the right honourable gentleman to my left (Right Hon. Mr. Meighen). We put an end to this law in Manitoba a year ago. We are now asked to bring it into force again. Why?

Hon. Mr. SHARPE: Because we did not then have the facts we have had since.

Hon. Mr. DANDURAND: Perhaps for the reason that actuated the honourable gentleman in leaving Saskatchewan under the law.

Hon. Mr. CALDER: I do not get the point.

Hon. Mr. DANDURAND: We eliminated Manitoba, but we left Saskatchewan under the law.

Hon. Mr. CALDER: No. We left Saskatchewan under a law that could be terminated, and there was an idea that it would be terminated within a reasonable time.

As I say, I thoroughly agree with the right honourable gentleman that this class of legislation should be brought to an end everywhere in Canada just as soon as possible—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: —and unless someone can indicate why we are again asked to perpetuate this law in the province of Manitoba, I shall certainly vote against it.

The Hon. the SPEAKER: Honourable senators, may I be permitted to call attention to the fact that the discussion this afternoon has been proceeding somewhat irregularly, not in accordance with the rules of the Senate. However, if honourable members are satisfied to continue in this manner, the Chair will remain silent.

Hon. A. D. McRAE: Honourable senators, as I am not a lawyer, I make no pretence of understanding the amendment offered to the House. There has been a great deal of talk about the principle of this legislation. Personally, I cannot see that the principle is in issue at this time. Good or bad, favourable or unfavourable, the law is in effect in the provinces of Saskatchewan and Alberta.

Hon. Mr. CALDER: And there is power to terminate it.

Hon. Mr. McRAE: That is correct.

As we all know, Manitoba is in the same economic sphere as Alberta and Saskatchewan, but two years ago we removed it from the influence of the Act. As one honourable senator has said, we did that because of a lack of knowledge of the situation. At that time I voted for the removal of Manitoba from within the provisions of the Act because I did not understand the true situation. Now, as a result of the facts placed before your committee during its several sittings, I am supporting the Bill.

I do not think we need to refer to the question of principle. What concerns me at the moment is the question of what is fair to the province of Manitoba. That province is as much entitled to the benefit of the legislation as is the province of Alberta, and almost as much as the province of Saskatchewan. As to the evidence submitted to the committee, I may say to honourable senators, particularly to those who are not members of the committee, that it showed that the administration of the Act in Manitoba had been eminently satisfactory. The representative of the mortgage companies who appeared before the committee stated distinctly that he was satisfied. He said in so many words that he had no complaint so far as Manitoba was concerned, but he hoped the situation in Saskatchewan and Alberta would be rectified.

If honourable members are dissatisfied with the Act they should introduce a Bill to repeal it; but if it is going to remain on the Statute Book, as undoubtedly it is, then I say Manitoba should receive the same treatment as Saskatchewan and Alberta. It seems to me that the only thing we have to consider is whether we are going to reinstate Manitoba under the Act and extend to the people of that province the same privileges as are extended to the people of Saskatchewan and Alberta, and certainly I am in favour of that.

Hon. A. L. BEAUBIEN: Honourable senators, when Bill 25 came before us in this Chamber it was agreed that it should be referred to the Standing Committee on Banking and Commerce in order that the question whether the Farmers' Creditors Arrangement Act should come into effect in Manitoba should receive closer study than could be given to it in this Chamber. The Committee on Banking and Commerce invited the members of the board of review in the province of Manitoba to appear before it, and after hearing them, the Prime Minister of Manitoba, the leaders of the largest groups in the Legislature of that province and the representative of the mortgage companies, the committee, which is composed of prominent members of the Senate, decided to report the Bill to this House without amendment.

To-day an amendment is proposed which nobody understands. Even the right honourable the leader of the Opposition was rather reluctant to give an opinion upon its meaning. There are one or two clauses of the amendment to which I wish to refer particularly. The first is this:

An Official Receiver may act on behalf of the farmer on an appeal or on a stated case.

The official receivers to-day receive $15 for every application brought before them by the farmers. Who is going to compel the official receiver to act for a farmer without remuneration? Surely you are not going to say that the farmer in Manitoba may have his case decided by the court of appeal, unless you make some provision for him to be well represented by counsel. I should like to ask honourable members of this Chamber who are lawyers how much they charge when they go before the court of appeal of any province on an important case—and every one of these cases is important, for it may determine whether the farmer is to remain on the land or not. If I hired counsel to represent me, as a farmer, before the Manitoba Court of Appeal, what would the fee be?

Hon. Mr. HUGESSEN: How much have you?

Hon. Mr. SHARPE: That is well answered.

Hon. A. L. BEAUBIEN: I think that is a fair answer to the question. My experience, since I have been in public life, is that lawyers charge pretty heavy fees.

Hon. Mr. SHARPE: All you have.

Hon. A. L. BEAUBIEN: And I have no objection, none whatever. If I, as a farmer, have my case taken by a creditor before the court of appeal, I ought to be represented there by competent counsel. In many cases before the courts points of law are argued for days and days. Well, I do not suppose I could get competent legal counsel for less than $100 or $200 a day.

Hon. Mr. McMEANS: Oh, yes.

Hon. A. L. BEAUBIEN: I can say to this honourable House that I have heard a great deal of criticism because counsel in important royal commissions were getting $150 and $200 a day.

Some Hon. SENATORS: Hear, hear.

Hon. A. L. BEAUBIEN: That is what they charge.

Who is going to compel an official receiver to act for me, as a farmer, and who is going to pay for his services? There is nothing in this amendment requiring an official receiver to act without remuneration.

Hon. Mr. CALDER: Will the honourable gentleman permit me to make an interjection? I think the point is well taken. Suppose the Act permitted the farmer to select any official receiver to represent him. Then, let us say that in a certain case the receiver chosen had to travel a considerable distance to reach the court, and was obliged to spend two or three days away from home while the case was being heard. Who would pay his travelling and living expenses?

Hon. A. L. BEAUBIEN: That is what I should like to know. How can a farmer avoid being compelled to disburse a good deal of money if his case goes before the court of appeal, whether he or a creditor appeals?

The Act has been in force since 1935. At the committee yesterday—I was present, though I am not a member of the committee—counsel for the mortgage companies tried to build up a case in support of the right of appeal to the provincial Supreme Court by citing isolated instances of probable misjudgment on the part of boards of review. There is some misjudgment on the part of those who administer any law on the Statute Book, but that does not make the law unsatisfactory. I do not think our judgment with respect to the proposed amendment to this Bill should be based upon what has happened in isolated cases.

I repeat what I said when the Bill was before us in this Chamber a little while ago, before it was sent to the Committee on Banking and Commerce, that the economic and debt situation in the province of Manitoba is similar to, though probably less acute than, that in Alberta and Saskatchewan. To-day our Western country is facing perhaps one of the most serious situations that it has ever faced. Our cost of production is bound to go up, and our markets are being taken away from us day by day. That situation should be appreciated by this Chamber, and I think it would be only a matter of justice to the West to restore the Farmers' Creditors Arrangement Act in Manitoba.

Hon. J. W. deB. FARRIS: Honourable senators, I am strongly in favour of the amendment. May I point out that I think it is unfortunate the suggestion of His Honour the Speaker was not accepted by honourable members. For we are not now discussing the merits of the Bill. What we are discussing is the amendment, which is that the right of appeal shall be incorporated in the main statute. As I take it, the question of the merits or demerits of placing Manitoba within the jurisdiction of the Act is not immediately before us.

Speaking to the amendment, I am strongly in favour of the provision for appeal, on two distinct grounds. First, there is the broad ground of principle applicable to all tribunals vested with semi-judicial or actual judicial powers. Mr. Leonard, who was before the committee yesterday, took the liberty of quoting an address which I gave to the Canadian Bar Association two years ago, dealing with this subject of administrative tribunals. He also quoted, as I myself did in that address, from a book by Gordon Hewart, Chief Justice of England, called "The New Despotism." From wide experience gained as counsel and in the positions he had held, the author gave solemn warning of the danger in tribunals which have powers similar to those of the courts, but are not restricted as the courts are, and whose orders or findings are not subject to the right of appeal, which for so long has guided our jurisprudence under the British system. It is my belief, honourable senators, that if completely arbitrary powers are given to any group of men for an indefinite period, and no right of appeal is provided for, abuses will sooner or later creep in.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. FARRIS: In that address to the Canadian Bar Association—I should not speak of it here if it had not been mentioned yesterday—I referred to the Workmen's Compensation Board of British Columbia. I know the members of that board and had something to do with their appointment. I consider the chairman to be as able a lawyer as we have in the province, and a fair-minded man. But

the board has now been exercising unhampered power in the province, subject to no appeal, for twenty years, and cases that have come to my attention show what is bound to happen under conditions of that kind.

These are war times, when it is necessary to create tribunals with respect to which it is not praticable nor feasible to stop and give thought as to what could be done in normal times. But though the need for assistance under this Act may be an outcome of war, what the boards of review are doing is not relative to immediate problems of the war, and I think here we should tie up to well-established principles and be guided by that experience which has taught us over the years how necessary certain safeguards are to the rights of individual citizens and of the community.

I believe there are some very essential reasons for a right of appeal from the findings of boards of review under this Act. I am surprised that my honourable friend from St. Jean Baptiste (Hon. A. L. Beaubien) and other honourable members who have such strong convictions in favour of the Act are opposed to the amendment. What has been the principal ground of attack on the legislation? In almost every case the opposition they have had to fight in order to keep the Act alive has been based upon instances of abuse. As I see it, any person who has this law at heart ought to be prompt to say, "Let us take steps to get rid of these abuses, and so do away with the chief argument against the Act."

Hon. A. L. BEAUBIEN: Would this amendment remove the abuses?

Hon. Mr. FARRIS: I do not know of anything that would do more towards removing them. It would not overcome the objection voiced by the right honourable leader opposite (Right Hon. Mr. Meighen), who believes the Act is fundamentally wrong because of its effect upon the farmer. But I had in mind the detailed accounts of abuses in the administration of the Act which were given to us in previous sessions, and the severe criticism we have heard of judgments of different boards of review. Perhaps no remedy could completely cure abuses of that kind, but I have no hesitation in saying, and I think everyone here will agree with me, that the right of appeal would tend very materially to correct them.

Let us take first the question of law. From the innumerable cases that we have been told about here we know that different boards of review proceed on different principles, on entirely different interpretations of the Act. I can think of nothing more necessary for the proper and efficient administration of this law than a common jurisprudence. It is true that there are different courts of appeal in Canada, but almost without exception the judgment of one appellate court will be accepted by another. If this amendment is adopted, a judicial interpretation by the court of appeal in Manitoba, let us say, on the question of the board's jurisdiction, or on the effect of any particular section of the Act, would be binding upon not only the Manitoba board, but, as a matter of practical experience, upon the boards in the other provinces. If either of those boards failed to follow that interpretation, an appeal would go to the appellate court of Saskatchewan or Alberta, and that court would be almost sure to accept the ruling of the Manitoba court. So in the result there would be complete uniformity of interpretation. Nothing can be more desirable than that. On the other hand, nothing can be a greater hazard to the satisfactory administration of an Act than half a dozen different interpretations by half a dozen arbitrary boards, none responsible to the others nor to a common head. In my judgment that is the strongest reason why there should be a right of appeal in cases of this kind.

The honourable the senior member from Winnipeg (Hon. Mr. McMeans) has suggested that in some cases there will be no recorded evidence to present to the appeal court. I would refer my honourable friend to subsection 7 of the amendment, which provides that "the Governor in Council may make rules and regulations governing the manner of taking evidence and obtaining information by the board and the procedure in the case of an appeal." I did not have anything to do with the drafting of this amendment, but I assume it follows the suggestion which counsel for the mortgage companies placed before the committee yesterday, that if a dispute arose on questions of assessment, which would certainly be taken to an appellate court, either side might request in advance that, at its own expense, a stenographic report be made of all the evidence. Almost of necessity such a provision will be incorporated in the rules and regulations to be made by the Governor in Council. With this stenographic report the case could be carried to appeal and judgment obtained on its merits. And after all, it is judgments on the merits that are essential.

Before the Committee on Banking and Commerce someone suggested that with five judges on a court of appeal and three on a board of review many mistakes might be made. Let me point out, what I am certain not only honourable senators in the legal profession but other senators also know, that a group of men will proceed very carefully

if they are conscious that what they do may be scrutinized by a superior authority. I predict the mere fact that a court of appeal is empowered to review what all boards are doing under the Act will have a very salutary effect on their disposition of every case. From my experience I know that these boards are often swayed by their sympathies when dealing with cases involving considerable personal hardship. Nothing more certainly tends to cure that weakness than the knowledge that sitting over them always, with the power of review, is a court of appeal.

One or two questions of interpretation have been raised in this debate, one having to do with costs, and some honourable members have said that they do not know exactly what this proposed amendment means. It has been said that you can drive a coach and horses—

Hon. Mr. COTE: A coach and four.

Hon. Mr. FARRIS: —through any statute. While that is of course a playful exaggeration, there is always room for argument in the interpretation of any legislation. If, however, we were intimidated by such a statement there would never be any progress in the improvement of our statutes.

As to the official receiver acting for farmers on appeals, I do not think there is much ambiguity. As I read the amendment, it is not compulsory, and I think that unless something further were done it could not be considered as compulsory. But I venture to say further provisions will be made.

Hon. Mr. CALDER: Who will make those provisions?

Hon. Mr. FARRIS: It may be that further provisions—

Hon. Mr. CALDER: Will be made by Orders in Council?

Hon. Mr. FARRIS: No; I think, voluntarily by the boards. It seems to me that is the only way in which it can be done under the Act. But, as someone has already said, you cannot make every provision for the farmer. There may be some cases of hardship because the farmer cannot get the official receiver to act and cannot afford to pay a lawyer. But I would remind honourable members that we have a Bankruptcy Act which very seriously affects the rights of insolvent debtors, and many cases are appealed, but no provision is made to assign counsel to the bankrupt. This proposal goes further than any legislation I know of to assist the unfortunate farmer who seeks protection under the Act. I would point out, however, that even if he cannot afford counsel he will be at no disadvantage. I am sure it is the experience of every member of the Bar in this Chamber that the most embarrassing case in court is where the other side has no lawyer.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: Suppose the court is composed of five judges. He finds every one of them is looking after the interest of the poor litigant who is trying to conduct his own case. It is perhaps a foolish statement for me to make that it is good policy to appear in court without a lawyer. However, I have no doubt that in the few instances in which this will happen the court of appeal in the provinces wherein the Act is still operative will take good care to see substantial justice is accorded to the unfortunate respondent.

Some question was raised as to the retroactive effect of the proposed amendment. I have no doubt in my mind that it could not be retroactive unless so expressed. Only pure questions of procedure are implied to be retroactive in legislation. Anything involving a substantive right is not retroactive by implication. An order under the Act for the benefit of the applicant would be a substantive right, and therefore, in my opinion, the amendment would not affect past cases of that kind. I would point out also that under subsection 7 it is provided that the rules of the appeal court in each province shall apply. In British Columbia the maximum time allowed for an appeal is three months, and I do not think it is longer in any of the other provinces. So only as to cases that have come up in the last three months could this proposed amendment be retroactive, even supposing it to be capable of such interpretation.

For these reasons, honourable members, I am in favour of this amending legislation, for I believe it will improve the statute and give the public greater confidence in its proper administration.

Hon. Mr. DANDURAND: Honourable senators, I am in a somewhat especial position. This Bill, based upon a unanimous resolution of the Legislature of Manitoba, was submitted to the House of Commons by the Government. A very important amendment is suggested, which covers not only Manitoba, but also the other two provinces, in which the Act is still in operation. Yesterday the representatives of the Provincial Legislature, from Premier Bracken to the leaders of the other groups, appeared before our Banking and Commerce Committee. Most of them were asked if they would object to such a right of appeal being given to parties applying before a board of review. So far as my memory goes, no one expressed any clear hostility to the proposal. Premier Bracken said he was not ready to give

an answer. I am not disposed to stand in the way of the Senate reaching a decision on this matter, and therefore I refrain from expressing any opinion at this stage. I had intended moving adjournment of the debate until to-morrow, in the hope of being able then to give a definite opinion personally and on behalf of my Government colleagues.

The Hon. the SPEAKER: Do I understand the honourable senator to make a motion for adjournment of the debate?

Hon. Mr. DANDURAND: I do so.

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

BREN GUN DELIVERIES

INQUIRY AND DISCUSSION

On the Orders of the Day:

Hon. RAOUL DANDURAND: Honourable senators, before the Orders of the Day are called, I should like to give to my right honourable friend (Right Hon. Mr. Meighen) the answer which I promised him last Monday. He then said:

Now the Minister says deliveries are at least in advance of schedule. I have not seen the contract, but I do know that on May 16, 1938, the Minister of National Defence of that day, Hon. Mr. Mackenzie, describing in the Commons in some detail the final terms of the contract, said that it was dated March 31, 1938, and that the company had guaranteed deliveries within two years. If that is the case, the company is not six months ahead of schedule. It is not even up to schedule, however well it thinks it is doing.

This is the answer which I promised my right honourable friend:

The contract for the manufacture of the Bren machine-guns was signed on the 31st of March, 1938.

The delivery of the said Bren machine-guns was to be completed within the time limits specified in Exhibit "D," forming part of the contract.

The schedule of deliveries from the date of execution and the delivery of the attached agreement was as follows, according to Exhibit "D":

24th-36th	month,	inclusive.....	1,000 guns
37th-48th	"	"	3,000 "
49th-60th	"	"	6,000 "
61st-64th	"	"	2,000 "

It will thus be seen that it was an erroneous statement which allowed the right honourable gentleman to say that the first delivery had to be made within twenty-four months, which would have ended on the 1st of April last.

The first batch of the Bren machine-guns under the contract is due for delivery any time from the 24th to the 36th month, inclusive. As delivery has already been made of a certain number of guns, it is quite logical to say that the delivery of those guns is in advance of the schedule thus agreed upon.

Naturally, the first thousand guns will have to be completely delivered before the end of the 36th month, or before the 1st of April, 1941.

It is quite evident that that first delivery will be completed quite in advance of that date.

Right Hon. Mr. MEIGHEN: In the statement quoted by the honourable leader of the House I said the assertion given out by the Public Information Bureau, and continued for two or three weeks, that this gun was now in mass production, was false. This is wholly confirmed by what is read to-day, and to—

Hon. Mr. DANDURAND: It does not bear on the statement my right honourable friend makes now.

Right Hon. Mr. MEIGHEN: Wait until I get through. What is read to-day shows something else is wrong. The statement that deliveries are six months in advance of schedule has no foundation whatever in fact. And that assertion has gone on for about three weeks. I never knew until just now what the contract called for in the way of delivery. The contract, which was dated the 31st of March, 1938, called for one thousand guns between the twenty-fourth and the thirty-sixth months.

Hon. Mr. DANDURAND: Yes.

Right Hon. Mr. MEIGHEN: Now some have been delivered; I wish I were in a position to say how many; but not one was delivered until June, which would be the twenty-sixth month. For anyone to assert in the name of the Government that that is six months in advance of schedule is simply stating a falsehood. There is nothing done in advance of schedule. The number delivered between the twenty-fourth and the twenty-sixth months is not in advance of schedule, nor will the number be up to schedule unless one thousand are received within the year. I presume they will be. I am not saying the deliveries are behind schedule under contract, but I do say this: to assert that they are six months in advance is to assert a falsehood.

Hon. Mr. DANDURAND: On whose authority does my right honourable friend make that affirmation?

Right Hon. Mr. MEIGHEN: You cannot be six months in advance of a schedule which calls for delivery of one thousand guns between the twenty-fourth and thirty-sixth months unless you have delivered before the twenty-fourth month.

Some Hon. SENATORS: No, no.

Right Hon. Mr. MEIGHEN: You cannot be. Cannot we all understand English? The company undertook to deliver one thousand guns between the 31st of March, 1940, and the 31st of March, 1941.

Hon. Mr. DANDURAND: Yes.

Right Hon. Mr. MEIGHEN: They have delivered a few guns up to now, the twenty-sixth month. Who says that is in advance of schedule? Does anybody say so? It is not a day in advance, not an hour.

Hon. Mr. DANDURAND: Will my right honourable friend not admit that if there were no delivery for the next six months, and a thousand guns were delivered on the 1st of January next, it would be ahead of schedule?

Right Hon. Mr. MEIGHEN: If one thousand guns were delivered before the thirty-sixth month the delivery would be ahead of schedule; but as yet there is nothing ahead of the schedule requirement.

Hon. Mr. DANDURAND: I think the right honourable gentleman is splitting hairs.

Right Hon. Mr. MEIGHEN: They start delivering guns in the twenty-sixth month, and they are under contract to deliver one thousand between the twenty-fourth and the thirty-sixth months. Yet we are solemnly told they are in mass production and ahead of schedule. It is false.

It is true that I said the Minister of National Defence, when speaking in the House of Commons on the 16th of May, 1938, gave to this country the solemn assurance that the company had given an agreement guaranteeing delivery within two years. That is what I said.

Hon. Mr. DANDURAND: Within what time?

Right Hon. Mr. MEIGHEN: Within two years. In his speech of May 16, 1938, the Minister led the country to believe that the company had so guaranteed; and I do not say he was making any wrong statement when he said it. Assuming that he was making a perfectly correct statement, the company undertook to commence deliveries before the 31st of March this year.

Hon. Mr. DANDURAND: No. There never was a contract to deliver before thirty-six months. If that statement was made by the Minister, I do not doubt it was erroneous.

Right Hon. Mr. MEIGHEN: I will get it.

Hon. Mr. DANDURAND: But there is one thing my right honourable friend does not know, or feigns—I will not say that; I will say has forgotten, for I doubt very much that a document so important would have escaped his attention; and that is that the whole contract, bearing the dates of delivery just as I have stated them, was laid on the Table of the House of Commons on the 29th of June, 1938. Even if the correction of the statement made on the 16th of May escaped the Minister when he received his manuscript, it could not have escaped the attention of Parliament on the 29th of June, 1938, when, in response to an address on the 27th, he laid on the Table of the House the whole contract.

Right Hon. Mr. MEIGHEN: Quite all right. I am glad to have my honourable friend frankly say the Minister was wrong. He gave to the country a statement which was not true.

Hon. Mr. HOWARD: Why?

Right Hon. Mr. MEIGHEN: Speak up! Do you say he did not? He said the Government had a covenant that delivery should start within two years. The honourable gentleman says that is not correct, and the wrong statement was corrected by the tabling of the contract on the 29th of June. I accept that—that the statement given on the 16th of May was wrong.

Hon. Mr. FARRIS: It may have been a misinterpretation.

Right Hon. Mr. MEIGHEN: No; it is as plain as day. That is what I have been referring to all along. It is pretty serious to make a statement which is wrong.

Hon. Mr. DANDURAND: It was corrected within thirty days.

Right Hon. Mr. MEIGHEN: You are not correcting it by filing thirty days afterwards a big, voluminous contract. Besides, I always thought that though the contract might not have provided for deliveries within that time, a post-contract covenant had been taken for further deliveries. Then I call attention to the fact that the date given by the leader of the House now for the filing of that contract was the next to last day Parliament sat that year. Parliament, I am pretty sure, prorogued on the 1st of July.

Hon. Mr. DANDURAND: In 1938?

Right Hon. Mr. MEIGHEN: I think so.

Hon. Mr. DANDURAND: Was it not last year?

Right Hon. Mr. MEIGHEN: I am not infallible, but I think I am right. This contract was filed at that time, and it is not very likely that honourable members would soon be corrected in the wrong impression which they got from the Minister.

But it does not matter a whit. I did not read the Minister's assurance as meaning that the contract so provided, for he referred to a covenant that delivery should commence within two years. Consequently I should not have been corrected if I had seen the contract. So what I have stated in this House is true in every essence; and more than I have stated is true. The assertions of the Public Information Bureau are wrong, first, in declaring for two or three weeks that the company has been in mass production, and, secondly, in telling the country the company is six months ahead of schedule in deliveries.

Hon. Mr. DANDURAND: I am most surprised at the stand my right honourable friend is taking. This, as I have said before, is a tempest in a teapot. In view of what we are facing to-day, and faced yesterday, it does not matter whether or not the Minister said on the 16th of May, 1938, that deliveries would begin in twenty-four months, because a month afterwards he placed on the Table of the House a contract which shows the time as thirty-six months, not twenty-four months. My right honourable friend forgets that in the first session of 1939 an inquiry into this very contract occupied the attention of a committee of the House of Commons for weeks. Surely this petty error, which may have been committed by the Minister, or may have been the result of the shorthand writer taking down twenty-four instead of thirty-six, should not assume the dignity of a full-fledged assault against the Public Information Bureau.

Right Hon. Mr. MEIGHEN: No, no.

Hon. Mr. DANDURAND: It is the Information Bureau which has said the guns were in process of mass production, and ahead of schedule. As a matter of fact, anything that is being done now would show that the contract is being carried on fairly well ahead of the schedule; and delivery of the one thousand guns could wait until the last day of March next. But delivery has been started, and will continue in increasing quantity. Yet my right honourable friend quarrels with the Information Bureau because it speaks of mass production. Mass production, of course, is a very difficult expression to analyse, and leads us nowhere. It does not help the country in the very important job before it of carrying on the war.

Right Hon. Mr. MEIGHEN: I leave what we have said to be quietly read and reviewed by honourable members, so they may see who was right.

FERRY SERVICE, WOOD ISLANDS, P.E.I.-CARIBOO, N.S.

INQUIRY

Hon. Mr. TANNER: In the answers brought down the other day by my honourable friend in response to an inquiry of mine, two of the questions were not answered. I shall put them down again. I think my honourable friend will find that the answers come from the Department of Trade and Commerce, which makes the contracts for subsidies.

Hon. Mr. DANDURAND: I will see to it.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed:

Bill N2, an Act for the relief of Peter Logush.

Bill O2, an Act for the relief of Goldie Wolfe Goldberg.

Bill P2, an Act for the relief of Ethel Wilkov Myers.

Bill Q2, an Act for the relief of Tilly Fishman Constantine.

Bill R2, an Act for the relief of Rachel Ruth Levenstein Schwartz.

Bill S2, an Act for the relief of Eleanor Mabel Campbell Townsend.

Bill T2, an Act for the relief of Isabel Margaret Gill Bacon.

Bill U2, an Act for the relief of Michele Fiorilli.

Bill V2, an Act for the relief of Gertie Schwartz Simak.

Bill W2, an Act for the relief of Geneva Clementine Hurley Picard.

Bill X2, an Act for the relief of Réné Gaudry.

Bill Y2, an Act for the relief of Fanny Costom Copelovitch.

Bill Z2, an Act for the relief of William Gerald Dickie.

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

THE SENATE

Thursday, July 11, 1940.

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

Prayers and routine proceedings.

INTERNAL ECONOMY AND CONTINGENT ACCOUNTS

REPORTS OF COMMITTEE

Hon. G. V. WHITE presented the fifth and sixth reports of the Standing Committee on Internal Economy and Contingent Accounts.

The Hon. the SPEAKER: When shall these reports be taken into consideration?

Hon. Mr. MURDOCK: At the next sitting.

The Hon. the SPEAKER: It is moved by Hon. Senator Murdock—

Hon. Mr. MURDOCK: No, Mr. Speaker, I am not making a motion. The reports have not been read yet.

The reports were then read.

The Hon. the SPEAKER: I was expecting the honourable senator from Pembroke (Hon. Mr. White) to move that the reports be concurred in. As such a motion was not made, I was about to put a motion by the honourable senator from Parkdale (Hon. Mr. Murdock).

Hon. Mr. MURDOCK: Your Honour, may I call attention to the fact that I made no motion. I merely asked for observance of the rule, so that the reports would not be considered until to-morrow. I presumed the chairman of the committee (Hon. Mr. White) would father that motion.

Hon. Mr. WHITE: I move, honourable senators, that the reports be taken into consideration to-morrow.

The motion was agreed to.

DEPARTMENT OF NATIONAL DEFENCE BILL

FIRST READING

A message was received from the House of Commons with Bill 74, an Act to amend the Department of National Defence Act.

SECOND READING

Hon. RAOUL DANDURAND: Honourable senators, with the leave of the Senate, I would move the second reading of this Bill. It will be recalled that last May we passed a Bill to amend the National Defence Act and it was given Royal Assent on the 22nd of that month. The purpose of that legislation was to appoint a Minister of National Defence for Air. The present Bill repeals that statute and provides for the creation of an Associate Minister of National Defence, a Minister of National Defence for Naval Services, and a Minister of National Defence for Air. In fact the Bill goes a little further, as appears by subsection 2 of section 3:

During the tenure of office of any such additional Minister of National Defence the powers exercisable by him shall be as follows:

(a) An Associate Minister of National Defence shall, unless the Governor in Council otherwise directs, be entitled to exercise all the powers of the Minister of National Defence, including those defined by this Act.

The object of this enactment is to allow the Minister of National Defence to have by his side the Minister of National Defence for Air, who may act as his Associate, fully clothed with all his powers. When the Minister for National Defence, Hon. Mr. Ralston, was asked to take upon his shoulders the heavy duties of his office, he suggested that he should be allowed an Associate Minister upon whom he could rely to further the activities of the Department of National Defence when he, the Minister, was absent, or was for some other reason unable to perform his duties. This would give the Minister of National Defence for Air, Hon. Mr. Power, who is working very closely with the Minister, full authority as Minister before the personnel of the department and before the public.

This explanation as to the end in view covers fairly well, I think, what is contained in the Bill, namely, the appointment of a Minister of National Defence who will be clothed with authority to attend to naval matters, and an Associate Minister of National Defence to help the Minister who has accepted the responsibility of that department.

With this short explanation I move, seconded by Right Hon. Mr. Graham, that the Bill be read the second time.

Right Hon. ARTHUR MEIGHEN: Honourable members, I have not the Bill before me, on my desk. I received it just before I came into the Chamber and was able to give it only a very hurried reading. I gathered from that hasty perusal that the Bill provides for two new ministerships, one for the Minister of National Defence for Naval Services and the other for an Associate Minister of National Defence, or a total of four ministers in charge of war departments.

Hon. Mr. DANDURAND: But represented by three individuals.

Right Hon. Mr. MEIGHEN: Is the leader of the House sure of that?

Hon. Mr. DANDURAND: Oh, yes.

Right Hon. Mr. MEIGHEN: I do not say the honourable gentleman is wrong, for I read the Bill hurriedly; but I will read section 4A. It says:

When such a proclamation as is first mentioned in section two of the War Measures Act has been issued under the said section additional Ministers of National Defence may be appointed as follows:

(a) an Associate Minister of National Defence;

(b) a Minister of National Defence for Naval Services, and

(c) a Minister of National Defence for Air.

That is, three in addition to the Minister of National Defence.

Hon. Mr. DANDURAND: Will my right honourable friend allow me to read the statement made by the Prime Minister on this very question?

Right Hon. Mr. MEIGHEN: It is the law that will govern, not the Prime Minister's statement.

Hon. Mr. DANDURAND: I know, but I should like to read to the House what the Prime Minister said.

Right Hon. Mr. MEIGHEN: The Bill goes on to provide:

(2) During the tenure of office of any such additional Minister of National Defence the powers exercisable by him shall be as follows:

(a) An Associate Minister of National Defence shall, unless the Governor in Council otherwise directs, be entitled to exercise all the powers of the Minister of National Defence, including those defined by this Act;

(b) A Minister of National Defence for Naval Services shall be entitled to exercise all the powers of the Minister of National Defence in respect of any matter relating exclusively to the naval service;

(c) A Minister of National Defence for Air shall be entitled to exercise all the powers of the Minister of National Defence in respect of any matter relating exclusively to the air service.

Quite clearly this Bill, whatever the Prime Minister may have said, would provide for the existence of three additional Ministers of National Defence—necessarily all members of Parliament—besides the Minister of National Defence. If, as I gathered from the remarks of the honourable leader with respect to the clause providing for appointment of an Associate Minister, the intention is only to authorize someone to take the place of the Minister of National Defence in his absence, that someone to be, in the first place, the Minister for Air, or, in the second place, the Minister for Naval Services, there is no need of having such a clause in the Bill, because the desired effect can be achieved by making one of these additional Ministers the Acting Minister of Defence. You do not require any cumbersome Bill for the purpose of clothing one Minister with the powers of another: it is necessary only to pass an Order in Council making the Minister for Air, say, the Acting Minister of National Defence, just as is done frequently in the course of any government's history.

Whatever the Prime Minister may have said, if this Bill were passed and carried out Canada would have four Ministers of National Defence, whereas Great Britain has only three. Our war effort at the scene of the conflict may not compare very well with Britain's, but on the home front, what might be called the Civil Service front, we have a very formidable army. I see that it has been increased by some six thousand odd. I sometimes think if we could move it overseas it would have a fearsome effect upon the enemy. The Service is growing at a prodigious rate. The number of co-ordinating officers—the term appears with a harsh frequency in the Prime Minister's statements to the Commons—the number of these alone is almost terrorizing. I do impress upon the Government that you cannot win a war on paper, and you cannot win it by multiplying the Civil Service in Ottawa. I have no objection at all to our having a Minister for Naval Services, and a Minister for Air, in addition to the Minister of National Defence, but I am really in fear—as I should like the Germans to be—of the Civil Service of Canada. It is an army of formidable proportions, and growing every hour. Would that our other army were growing as fast!

I call attention to another feature of the Bill, which is of much less consequence, and I do not know that I am right about it. One clause provides that certain duties, under certain conditions, shall be performed by the Minister for Naval Services, and certain duties, under certain conditions, by the Minister for Air, and that under certain other conditions those same duties shall be performed by the Minister of National Defence in consultation with the Minister for Naval Services or the Minister for Air. Well, of course, Ministers often perform duties in consultation with their colleagues, and properly so, but I doubt the wisdom of providing for this by legislation. A question comes to my mind. If the Minister of National Defence should take action without consulting the Minister for Naval Services, say, under conditions for which this Bill stipulates consultation, would such ministerial action be deemed invalid? Provision for consultation, and that sort of thing, are all right in newspaper articles and in service club constitutions, but I do not like them in statutes.

Hon. Mr. DANDURAND: As my right honourable friend knows very well, no official or written record is kept of the relations

between Ministers. And of course, as he says, it is always open for Ministers to consult one another.

My right honourable friend criticizes the provision that an Associate Minister of National Defence shall be entitled to exercise all the powers of the Minister. The present Minister has asked for a parliamentary enactment that would clothe his Associate, whenever acting in place of the Minister, with full ministerial authority, so that the whole staff of the department, and the public at large, would understand that for anything he might deem it wise to do, the Associate had full authority, not merely authority temporarily delegated to him by the Minister. The right honourable gentleman will see how important it is that all concerned should realize this. There may be occasions when the Associate Minister would have to make a decision affecting a large number of people, and it is well that not only in the military and civil services, but throughout the country, there should be no doubt as to the Associate's powers.

My right honourable friend contends that the Bill would authorize the appointment of three Ministers in addition to the Minister of National Defence himself. When the Bill was before the House, a question on this very point was put to the Prime Minister by an honourable member, Mr. Stirling. I should like to read a brief extract from the Commons Hansard:

Mr. Stirling: Do I understand from the explanation given by the Prime Minister that there will be three individuals, namely the Minister of National Defence, the Minister of National Defence for Naval Services and the Minister of National Defence for Air, who, at least for the present, will also be Associate Ministers?

Mr. Mackenzie King: No; there will be three ministers of defence. There will be the Minister of National Defence, the Minister of National Defence for Air and the Minister of National Defence for Naval Services, each of whom will have full authority with respect to his own immediate department. But with respect to the Department of National Defence there will, when this Bill becomes law, be associated with the Minister of that department the Minister of the Department of National Defence for Air, who will have the same authority with respect to matters of national defence as the Minister of National Defence himself would have. There is no provision made for an Associate Minister beyond the Department of National Defence.

Mr. Stirling: Just three individuals?

Mr. Mackenzie King: That is correct. The purpose is to expedite matters, and also to assist the Minister himself in connection with the many matters which will come before his immediate department. In other words, the Minister while dealing with one important matter might wish to have someone with the authority of a Minister of National Defence deal with some other matter also relating to defence. This provision would give authority without question arising in the mind of anyone as to whether or not authority existed.

I noticed from further discussion on this point that although the Prime Minister admitted the clause could be construed as providing for the appointment of an Associate Minister, he said the Government's present intention was not to name a separate individual to this post, but to utilize the Minister for Air as the Associate Minister. He thought it was wise, though, to leave the Bill in its present form, because no one knew what might become necessary in the future.

Right Hon. Mr. MEIGHEN: I accept what the honourable leader says as to the present intention of the Government, but there is no doubt that this Bill would authorize the appointment of three ministers besides the Minister of National Defence. And if we pass the Bill, the Government may make the three additional appointments at any time it chooses.

It is not necessary to come here with a Bill providing that in the absence of the Minister of National Defence the Minister for Air may be given full ministerial power. There is already in existence a statute under which the Minister for Air would be vested with full power.

Hon. Mr. DANDURAND: But not with the authority which would be vested in him under this Bill.

Hon. Mr. EULER: Without this Bill, an Order in Council would be necessary, would it not?

Right Hon. Mr. MEIGHEN: Yes, but that would take only five minutes. By statute, the Acting Minister has all the power of the Minister, without reservation of any kind.

Hon. Mr. FARRIS: That would be an intermittent, instead of continuous, authority.

Right Hon. Mr. MEIGHEN: No. During the absence of the Minister, he could be given full power by Order in Council, just as under this Bill.

The honourable leader did not reply to the last point I made, as to the danger in a clause requiring that certain matters shall be dealt with, in certain circumstances, by the Minister in consultation with the Minister for Naval Services or the Minister for Air. It is true no record is kept of ministerial consultations, but that does not affect the point. There is danger that an undesirable situation may arise. It is not likely, I know, but there is no use in legislating to make it possible. Suppose the Minister of National

Defence exercised certain powers without consulting one of the other Ministers, when, according to the terms of the section, there should have been consultation. If later on that other Minister should fall out with the Government and resign, he might be able to prove that he was not consulted—and even have some record of that fact—and take action to upset what the Minister had done. I do not think there is any sense in putting in that clause. It does not do a particle of good, and it creates danger.

Hon. W. D. EULER: Honourable senators, I do not quite agree with my right honourable friend (Right Hon. Mr. Meighen). Apparently he prefers that whenever the Associate Minister, the Minister for Naval Services, or the Minister for Air is to act in place of the Minister of National Defence, it should be necessary to have Orders in Council passed.

Right Hon. Mr. MEIGHEN: Just one.

Hon. Mr. EULER: Yes. The point I make is this: any of those Ministers could act only in the absence of the Minister of National Defence, whereas if you give him associate powers he has those powers at all times. It is possible, and, I think, very probable, that occasions will frequently arise when it is desirable that there be to all intents and purposes two Ministers of National Defence. For instance, Colonel Ralston might be very busily engaged in some particular work and at the same time it might be desirable that he should be working on something else. An Associate Minister, in such a case, could act for the Minister of National Defence.

Right Hon. Mr. MEIGHEN: I would object still more if that were so. The honourable leader of the House said the Associate Minister would act only in the absence of the Minister.

Hon. Mr. DANDURAND: There are many reasons why the Minister of National Defence may need other persons in the department.

Right Hon. Mr. MEIGHEN: But not with ministerial powers co-ordinated with his own. I do not think the Minister of National Defence intends that. You cannot have two Ministers with equal powers in the same department. I do not see how it could work.

Hon. C. C. BALLANTYNE: Honourable members, it seems to me this proposal is open to very serious objection. My honourable friend the former Minister of Trade and Commerce (Hon. Mr. Euler) favours it, but I do not think he would like to have had an associate Minister of Trade and Commerce, and I am quite satisfied that if he were Minister of National Defence he would not want to have a second Minister associated with him. These war days call for quick decisions and the Associate Minister might have one point of view on a very important matter while the Minister himself might have another, and one would not know what the other was doing. This is dangerous legislation. As my right honourable leader (Right Hon. Mr. Meighen) has pointed out, it is a very simple matter to pass an Order in Council naming a certain Minister to be Acting Minister, and this would cover the whole situation. I know what would happen to a business if two general managers were running it, each not knowing what orders the other was giving.

Hon. Mr. EULER: I do not like to speak twice on the same motion, but may I be permitted to add this. I quite agree with my right honourable friend that ordinarily it would not be desirable to have two men of equal authority in the department; but we are now living and working under unusual conditions.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. EULER: Everyone knows that the work in the Department of National Defence is tremendously extensive, strenuous and difficult, and if it could at times be divided, a division would certainly be desirable in the present unusual circumstances.

I should like to draw this further point to the attention of the Senate. I think we may take it for granted that the present Minister of National Defence and the Minister for Air, and the Minister for Naval Services who is to be appointed, have the fullest desire and intention to co-operate in every way possible, and I do not anticipate that there would ever be any friction among those gentlemen. I repeat that I agree with the opinion that ordinarily it would be entirely undesirable to have divided authority in this department, but in view of the fact that to-day the work is so tremendous and so extensive, it might be worth while to divide that work systematically in order to get it done promptly and satisfactorily.

Hon. Mr. BALLANTYNE: Would Great Britain not be more than justified in having two Secretaries of State for War?

Hon. Mr. EULER: I do not think that argument is relevant.

Hon. J. A. CALDER: I think they have Assistant Secretaries of State over there.

I am inclined to agree that there should be an assistant Minister. As the honourable member has said, these are extraordinary

times, and from the experience I have had I know that one of the great dangers in a situation such as this is that Ministers are tremendously overworked.

Hon. Mr. EULER: They are.

Hon. Mr. CALDER: They never get the real assistance they should have in order to carry on their work properly. For that reason, if for no other, I am very strongly inclined to approve this proposal.

There is another reason why I favour it. As every person knows who has been in a Government, when an Acting Minister is appointed he is never really looked upon as a real Minister.

Hon. Mr. DANDURAND: Hear, hear.

Hon. Mr. CALDER: He hesitates to a great degree to act as a full Minister. I know from my own experience. When I was appointed as Acting Minister of a department—as I was on many occasions, both provincially and federally—I always hesitated to deal with anything of importance. I would shelve it for the Minister himself to deal with.

Hon. Mr. EULER: Exactly.

Hon. Mr. CALDER: This proposed measure takes care of such a situation. In these days matters must be dealt with promptly. There may be two, three, four or five problems, all pressing for consideration at the same time, and the only man who can give a decision is the Minister or someone clothed with his powers. The proposal simply means that instead of this entire burden being carried by one person, it will be divided between two. I think that in the present circumstances this is a move in the right direction. We all know that if any Minister in this country was ever burdened with work that he should not have been called upon to perform it was Hon. Mr. Howe, the Minister of Munitions and Supply. I was delighted to see that an arrangement had been made in order to take some of that burden off his shoulders. I am quite sure that Hon. Mr. Ralston is now very much in the same position, and anything that can be done to relieve him and others of a portion of the enormous load they are carrying should, I think, be approved.

Hon. Mr. DANDURAND: I would draw my right honourable friend's (Right Hon. Mr. Meighen's) attention to this situation. We do not know what may happen in the near future. This war may be long, it may be short; we do not know. But suppose something very important happens on the Pacific, and the Minister of National Defence is called to Vancouver—

Hon. Mr. CALDER: He might go to England.

Hon. Mr. DANDURAND: —to attend to a very serious situation. He leaves behind a Minister clothed with full power, and this Minister will not have the hesitancy of an Acting Minister, such as my honourable friend from Saltcoats (Hon. Mr. Calder) has just mentioned.

My right honourable friend has said that I have not answered his argument. I direct his attention to subsection 3:

> In respect of any matter affecting both the naval service and any other service, the powers of the Minister of National Defence shall be exercisable by him in consultation with the Minister of National Defence for Naval Services, if any, and in respect of any matter affecting both the air service and any other service, such powers shall be exercisable by the Minister of National Defence in consultation with the Minister of National Defence for Air, if any.

By that subsection it is directed that when a matter affects two services the responsibility for deciding it shall be divided. I do not see any difficulty in that. And if in my right honourable friend's view it goes without saying, I submit it goes still better by being said.

Right Hon. Mr. MEIGHEN: I will not labour the latter point any more, but I have something to say about this Acting Minister business. By statute an Acting Minister has the full powers of the Minister in the latter's absence. The Acting Minister can be appointed and given power to act any time the Minister is two miles from Ottawa, even for a period of only two or three days. That authorization accomplishes everything. The argument of the honourable senator from Saltcoats is just this: an Acting Minister having full power given him by one statute will defer action on important matters, but if he has full power given him by two statutes he will act without hesitation.

Hon. Mr. CALDER: No. In practice he does not do so.

Right Hon. Mr. MEIGHEN: That is what it amounts to.

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

THIRD READING

Hon. Mr. DANDURAND, with the leave of the Senate, moved the third reading of the Bill.

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

PROPOSED UNEMPLOYMENT INSURANCE LEGISLATION

DISCUSSION

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN: Honourable members, on the Orders of the Day I want to say a word as to a statement appearing in the Press this morning to the effect that we are to be presented soon, and the House of Commons still sooner, with an Unemployment Insurance Bill. I have heard it said, and I think the honourable leader of the House (Hon. Mr. Dandurand) will probably not disagree, that it is the intention to prorogue Parliament in the course of, say, about two weeks: that is what we are seeking to do. I protest against an Unemployment Insurance Bill coming before our House within two weeks of the close of any session; and we shall probably have such a measure submitted to us within one week of prorogation. To that Bill this House, if it is to have any value to Canada, should give prolonged, careful and close attention, and we should hear the views of those affected thereby. Those who desire to be heard will be many, and the effect of the Bill upon them will be very heavy. I cannot see the remotest justification for trying to deal hurriedly with such proposed legislation this session, unless we intend to sit here until at least the month of September.

Now, while I am on my feet I want to say something more, and I hope the honourable leader opposite and the House generally will give me credit for sincerity. I cannot have any other reason. No man can add to his popularity—if such a thing exists—by what I am going to say. I do not think this is a time for unemployment insurance legislation, and I will say why. We are in the black, crucial period of a fearful peril, of a war of unparalleled and unprecedented intensity, in which the last ounce of energy of everyone, on our side at least, is necessary if we are to have a chance of success. The weight of destiny that depends on the few months or, maybe, few weeks ahead, can scarcely be comprehended by the human mind. What is going to be required in the way of human and material contributions is terrific. The end we cannot see, but we do know that the immediate demand passes all the efforts of the imagination. In these conditions is this country to be advertised as launching upon new and very expensive social reforms? Ordinarily I am in favour of unemployment insurance. I took that position six years ago, and in similar circumstances, or anything like them, I would take it again. But surely circumstances are not similar. Is it going to be of value for us to be known as launching upon this great programme of reform, entailing scores of millions per annum, at this truly desperate stage of our war effort?

What is going to be the influence on other nations? What is going to be the reaction in the United States? We may think, and many do, that we are carrying on a very vigorous and thoroughly creditable effort; but the Press of the United States is none too laudatory, to put it very mildly. Tremendous things depend upon the attitude and conduct of that nation—so tremendous that I would not even venture to indicate them. Will it appear that we feel we have given our last ounce, have thrown our last atom of energy into the struggle, if we are seen providing a great and tremendously burdensome system of unemployment insurance at this time? That will not be the effect. There is not a member of this House but knows that will not be the effect. On the contrary, our action will have an ill effect on the measure of help, in such form as it may choose, that we know we must have from that great country. I say this now in hopes that the Government will reflect upon it and let us wait for a more convenient season.

I do not like referring to the tax situation. I think the Government's tax programme has been pretty well received. No matter how heavy the tax is now, the people will pay it if they can. But I have heard, almost directly, men who are the closest political friends of the Government itself say that business after business will have to close or be taken over by the Government under the present scale of taxation. I do not know that they will have to close, but I do know that in a city not far from here there are men who think so. The burden is fearfully heavy, and it is going to take all the ingenuity of the business and industrial community throughout the land to keep the economic machinery of this country going.

In the face of these two positions, the first of which I emphasize more, and the second of which I emphasize much, I ask the Government to give second thought to this subject. If they do, I promise to give them utmost credit for so doing.

Hon. RAOUL DANDURAND: My right honourable friend brings up this subject in advance of legislation which may reach us. He does so with the conviction that the Government would benefit by weighing anew the reasons he gives in favour of postponement.

At the moment I see one paramount reason which has been advanced in favour of our moving now towards unemployment insurance. It bears on the day when the war will be

at an end, the various war industries will stop, and tens of thousands of men will lose their employment. The argument in favour of proceeding now arises from the fact that more and more men throughout the land who are now earning a wage, and, with the employers, will be contributors to the fund, will be able to enjoy the benefits of insurance during the period of readjustment. My right honourable friend remembers the long discussions we had in this Chamber as to the desirability of similar legislation at a time when, according to the returns from the Bureau of Statistics, there were even more unemployed men than there are to-day. Tens of thousands of men will be employed and in receipt of fairly good wages during the continuation of the war. It is surely opportune, then, to try to gather together a fund for the dark days of unemployment throughout the land. This is the main argument I have heard in favour of unemployment insurance at this time.

My right honourable friend has suggested that it would be quite inopportune for the Government to send such an important measure to this House during the last days of the session. I may say that I have had it in mind to suggest to my colleague who will have charge of the Bill when it comes before the Commons that he prepare a little statement reproducing what I may call the Bennett Act, along with the changes that may be made by the new Bill which is to come before us. I have no hesitation in saying that if the changes are few in number we shall enlist the support of honourable members of the Senate, including my right honourable friend himself, for those clauses which were presented by the right honourable gentleman, and defended by him, in 1935.

My right honourable friend says that many interests will have to be heard. I would remind him that all those interests were heard by the Senate Committee when the former Unemployment Insurance Act was before us. I am sure he would not ask that all those who appeared before us to present their views on that occasion should again be called upon. He knows how many sittings we gave to the hearing of interested parties at that time.

Right Hon. Mr. MEIGHEN: But conditions are very different now. They would be differently affected.

Hon. Mr. DANDURAND: That is a special feature to be remembered. Though I do not know the form of the Bill to come before us, I feel that to a large extent the way has been cleared, because the previous Bill covered all that we want to effect by the forthcoming measure. However, this is simply an academic discussion of a question which is not even properly before us, and I only make these few remarks so that my right honourable friend may understand the other point of view.

I confess that sometimes when I express certain views to members of the House of Commons whom I meet, they look at me and smile as if to intimate that I have no direct contact with the people and do not know the trend of public thought. If such a proposal comes before us we shall have the views of the members of the other House; and already the Prime Ministers and Cabinets of the various provinces have expressed their willingness that this legislation should come before this Parliament and not before their legislatures.

With these few remarks I leave the matter as it stands. But I shall draw the attention of my colleagues to the statement of the right honourable gentleman.

Hon. Mr. COTE: I wonder whether it would be in order for me to add a thought that came to my mind when the leader of the Government was speaking. If we create an unemployment insurance fund while employment is artificially stimulated by war conditions, and thousands of contributors to the fund are thrown out of employment as soon as the war is ended, the fund will be condemned to immediate bankruptcy.

Hon. Mr. DANDURAND: But there will be a fund. What if there is no fund at all?

Hon. F. B. BLACK: Honourable senators, I do not wish to take up the time of the House, but I should like to say a few words with regard to this legislation, which is not before us. We are only discussing what may or may not happen.

Hon. Mr. DANDURAND: And there is nothing before the Chair.

Hon. Mr. BLACK: With the consent of the House I should like to make a few remarks.

The fact that similar legislation was discussed in 1935 does not mean that legislation of this character is appropriate at the present time. There is one feature that appeals to me very strongly. Although the demand for war materials and supplies has greatly increased employment and wages in some industries, a very much larger and more important section of our industrial life has not been favourably affected by war conditions. Ordinary businesses throughout the country are not making money now as they were before this war broke

out, nor as they did during the last war. I myself am to some extent interested in business, and I know of concerns that are about to close up because they are not able to make ends meet. That is an unfortunate state of affairs, but there it is. The firms I have in mind are not bankrupt. They are simply unable to carry on because of the heavy taxes that have been imposed by the federal, provincial and municipal governments. I do not suggest these taxes are unjust; I am merely stating the fact that in some cases they are too great a burden to be borne any longer. I know of businesses in the Maritime Provinces —old, well-established companies—that have carried on for three years with an adverse balance sheet, and the people who manage them are now saying: "We cannot go on in this way any longer. We do not want to discontinue these old businesses, but we must."

No doubt all honourable members will agree there is a limit beyond which yearly losses cannot be allowed to go. As a rule the amount of net profit made by ordinary legitimate business concerns is never large, and, I repeat, war-time activities have not benefited them to any material extent. So a considerable number of such companies, if required to set aside a few cents a week, or even a few cents a month, for every one of their employees, will have no choice but to go out of existence. That fact, and that fact alone, explains why I urge upon this House and the Government that it is undesirable to put any unemployment insurance legislation into effect at the present time.

We have no idea how taxation may be increased at the next session of Parliament. The expenditures Canada is now making for war purposes are enormous, but there is nothing to indicate they may not be doubled. Suppose taxes are increased by even ten or fifteen per cent next year. The only way many companies could meet them would be to discontinue dividends. We know that joint stock and other concerns are operated with a view to making something in excess of their overhead expenses in order to yield some return to the people who have invested their money. If for a number of years a business finds itself unable to pay any dividend, the stockholders become dissatisfied and disgruntled, and ultimately the business collapses.

I say to the House that if at this time we impose a further tax in order to create an unemployment insurance fund, we shall jeopardize the existence not so much of the large companies as of the infinite number of small commercial organizations which, so far as the Maritime Provinces are concerned —and just now I am speaking for no other section—are the very life-blood of business. We have no very large companies, and probably never shall have any, because we are too far away from the centre of population, but for two centuries and longer many small enterprises have carried on successfully down there. We should all deeply regret additions to the number of concerns we have already lost, and we fear that such would be the disastrous result of any new burden imposed just now, be it large or small. There is no immediate demand for unemployment insurance on the part of the provinces or the people generally, and it does seem to me that if ever there is a time to go slowly before placing a heavier burden on the shoulders of business, that time is now, when we are in the midst of this awful war.

FARMERS' CREDITORS ARRANGEMENT BILL

THIRD READING

The Senate resumed from yesterday the adjourned debate on the amendment of Hon. Mr. Aseltine to the motion for the third reading of Bill 25, an Act to amend the Farmers' Creditors Arrangement Act, 1934.

Hon. L. McMEANS: Honourable senators, before the honourable leader of the House (Hon. Mr. Dandurand) makes any further statement with regard to this Bill, I desire to raise a point of order. In the form in which it came here from the Commons and was sent by us to a committee, the measure was a simple one, whose sole object was to place Manitoba in the same position as Saskatchewan and Alberta under the Farmers' Creditors Arrangement Act. It was agreed to in the committee and reported to this House, and then the amendment now before us was moved. I am strongly of opinion that this amendment, which would have an important effect upon, not merely the Bill, but the main statute, is out of order.

Why should we attach so far-reaching an amendment to a simple measure like this? We might as well insert a new clause to provide that a man may be sent to jail for certain things having no relation to the purposes of the Bill. This amendment would affect the operation of the law in every province where the law is in force, whereas the Bill is concerned with Manitoba alone.

I want it distinctly understood that I am not opposed to the right of appeal. So far as I am concerned, any number of appeals might be authorized. But, I repeat, in my opinion the amendment is entirely out of order, because it would make a very import-

ant change, not only in the Bill before us, but in the Act itself. I must confess that I am not very sure as to the soundness of my point. However, there are a number of eminent authorities in this House, and I should like to have the point decided, so that there might be a precedent to guide us in future. I appeal to you, Mr. Speaker, to give a ruling.

The Hon. the SPEAKER: It is the impression of the Chair that the most effective way of meeting the honourable senator's purpose would be to defeat the amendment.

Hon. Mr. McMEANS: No. I should like to have the point decided, because I question whether an amendment of this kind is permissible. A ruling would be valuable, not only in the present instance, but for the future.

Hon. Mr. DANDURAND: Honourable senators, I moved adjournment of the debate yesterday afternoon because I wanted to obtain the views of some of my colleagues, and more especially of the one who had sponsored this Bill in the other House. I now wish to say the colleagues I have consulted are of opinion that the measure should be adopted in the form in which it left the Commons. Of course, they are all aware the Senate may make any amendments it considers necessary, but they feel it is somewhat late in the history of this legislation to bring into effect a new form of procedure.

However, the responsibility of piloting the Bill in this House is mine. Having that responsibility, and knowing the Government is desirous that the Bill be passed, I confess I am somewhat reluctant to jeopardize the measure by using any authority with which I may be clothed to oppose the amendment. I fear if the amendment were rejected some difficulty might be encountered at the third-reading stage. In these circumstances, I suggest that honourable members vote on the amendment according to their own inclinations.

Hon. Mr. MURDOCK: Honourable senators, I believe the Farmers' Creditors Arrangement Act should never have been put into effect, but I think that this amendment will put more democracy into that Act than it ever had before. I am going to vote for the amendment.

Hon. HENRY A. MULLINS: Honourable senators, I should like to say a word or two on this Bill. I have lived in Western Canada for more than fifty years, through all the ups and downs of agriculture during that period, and I know what the farmer on the prairies has suffered.

When this Bill was introduced I was opposed to it, but after thinking of the men located in the rural parts of Manitoba I have—

Hon. Mr. HORNER: I rise to a point of order. The question before the House is on the amendment, not on the Bill.

Hon. Mr. MULLINS: I shall come to the amendment in a minute, if my honourable friend will be patient. Let me tell him that I do not want to see the farmers of Western Canada threatened with appeals if they resort to the protection of the Farmers' Creditors Arrangement Act. I do not want them to have to go near a court of law; in a word, I do not want them to have anything to do with lawyers.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. MULLINS: In the early days of Manitoba, when great buffalo herds roamed the prairies, there were frequent wallows on each side of their track, and passing them a man would turn his toes in. To-day he has turned them out and gone over into the wallows, and finds himself in a mess. I want to help him out—to be a friend of the man struggling on the land in Manitoba. I am not personally affected, but I say the amendment does not suit the conditions which confront the man out west who to-day is trying to wrest a living from the land.

We have had a good many changes and ups and downs in the West since the time when I homesteaded there. And we have had a good many political parties too. I have before me a book full of the nostrums of new parties and new organizations that have been formed in Western Canada during the last thirty years. When members of those parties were returned to the House of Commons, my good Liberal friends got them all. I remember their coming down here and being absorbed into the Liberal fold.

I am not opposing the Bill; I am opposing the amendment, which was drafted by a clever lawyer, whom I know pretty well. As I have said, I want to help the man on the land out west, and I want honourable members opposite to help him, too. They secured the vote of every member of those parties that came down here, and since they are all in the Liberal fold I think the Liberal party should stand right behind the men of the Western Prairies and help them out. It is only a square deal that our Government should come to the assistance of our Western farmers, and it is their duty to do so. Look at the hardships which the farmers of the West are up against. Let me give one instance. In the last four months the Government has brought in

27,000,000 pounds of bacon from the United States. When, last Saturday, I looked at fifty fine hogs in a pen, all very clean and nicely bedded down, I thought of the difference between the bacon which those hogs would provide and the kind which has been brought in from the States; and I pitied their poor owners.

Do honourable members know how bacon hogs are fed in the United States?

An Hon. SENATOR: We know.

Hon. Mr. MULLINS: Their bacon does not compare for a moment with the quality of ours. American hogs are put in behind cattle to feed on the corn that comes through the steer undigested. Our hogs are fed the very best of grain, and as a result our bacon has a very high reputation for quality.

Some Hon. SENATORS: Order, order.

Hon. Mr. MULLINS: I would remind honourable senators that I used to be in the cattle export trade, never in the hog business. True, once my partner and I brought 4,000 hogs from Manitoba and delivered them in the yards at Toronto, where they came under the hammer of a great monopolist, a splendid man, who has since passed away. When he came to the stockyards with his horse and buggy he stepped down, took out a basket and handed each one of his clients a rose. My partner turned to me and said, "I wonder what this rose is going to cost us." After we got through our business we found that that rose had cost us a lot of money. That taught me a lesson. I retired from the hog business and went into the cattle export trade.

It is out of the hog business that packers make their money. If I dared take up the time of this House, I should like to tell honourable members what goes on in the hog business—how bacon brought in from the United States has dropped the price of Canadian hogs two cents a pound; and especially should I like to point out who profits from those conditions. I found out something about that wealthy man; and I may tell honourable members that to-day there is the same strain of monopolists as existed in the early days. As a matter of fact, to my knowledge there has been a monopoly in the hog business all down the last sixty years, and the farmer has been the victim. I know my legal friends do not understand what I am talking about, and I am sorry I cannot put it into the form in which I should like to bring it home to them, but that is one of the things the farmer in the West has suffered from for more than half a century.

I was one of the few who saw the last buffalo on the open ranges of Western Canada; and recently I read in the newspapers that the Government had slaughtered all the buffalo in Wainwright Park. The buffalo meat was thrown on the market and depressed the prices of the farmers' live stock from five to seven cents a pound. How good the Liberals are to their friends! They gave that buffalo meat to contractors and sold the hides at a low figure, only $1.50 apiece. In the old days a buffalo hide would fetch $2.50 on the ranges.

Our farmers have to meet still further competition. The Government allows vegetable oil to be imported freely into Canada, and that competes with the fat which the farmer puts on his cattle. Yes, my good Liberal friends, you are doing him a lot of harm. There are States in the Union that impose a prohibitive tariff in order to exclude vegetable oil. Yet we import trainloads for the manufacture of soap and shortening. I do not think this is good for the health of the people. Probably vegetable oil shortening brings about indigestion, and you would not see so many cut-rate drug-stores to-day if vegetable oil were excluded.

I hope honourable members will not think I am in a fault-finding spirit. I shall support the Bill, but not the amendment. I appeal to honest Liberals to pass this Bill. I am a Conservative, and intend to stay that way, but I should like to say to you: If you wish to be kind to the struggling farmer in Manitoba, vote for the Bill as introduced and reject the amendment. The farmer of Manitoba is afraid of law courts and lawyers. I am very much afraid of them myself, and have always kept away from them. I do not want to have anything to do with lawyers except to get one of the best I know to draw my will. As I have listened to the pros and cons of this legislation, my thoughts have turned to the bitter struggle of the people in the West, and, remembering their plight, I appeal to this Chamber to support the Bill and defeat the amendment.

Hon. R. B. HORNER: I think the honourable senator from Marquette (Hon. Mr. Mullins) has taken altogether too serious a view of what he fears may be the adverse effect of the amendment. Instead of neglecting any of the people he speaks of, and whom I represent as a farmer, I am endeavouring to help those neighbours of his, from whom he bought cattle years ago—and I hope he always paid them a decent price. I am endeavouring to protect his old neighbours who in many cases have sold their land and retired in the hope of living on returns from their farm mortgages. The honourable senator does not care for lawyers. I think, like most farmers, they are first-class. But some farmers have taken advantage of the Farmers'

Creditors Arrangement Act to evade their debts, and have neglected farm homes that his neighbours kept in tiptop shape. All we are asking by this amendment is to allow a right of appeal in cases where we believe great injustice has been done. I am convinced that the adoption of the amendment will give satisfaction to all concerned. The right of appeal will not affect the operation of the Act in Manitoba, where, it is claimed, there is a good board of review. If a decision of the board was correct in the first instance, then there will be no appeal. The amendment should not create any alarm, for it does not adversely affect Manitoba in any particular. For these reasons I shall support the amendment.

The amendment of Hon. Mr. Aseltine was agreed to: contents, 39; non-contents, 23.

The Hon. the SPEAKER: The question is now on the motion for third reading of the Bill, as amended.

Hon. J. A. CALDER: Honourable members, I wish to say a word or two on the motion for third reading. The other day I may have said something that would indicate I am opposed to the original legislation. I am not. I supported that legislation at the time of its enactment. I think it was very opportune, because a frightful condition grew up in Western Canada, particularly on account of drought and other troubles, and that condition continued for a long period of years. I know that personally, because I had to have two or three cases dealt with, and the board of review settled them very satisfactorily. The point I tried to make the other day was simply this. I did hope the time would arrive when this legislation would cease to operate. We dealt with the matter in previous sessions and terminated the Act in all the Maritime Provinces, in Ontario, and, if I am not mistaken, in British Columbia,—

An Hon. SENATOR: Correct.

Hon. Mr. CALDER: —and in Manitoba. We allowed the Act to continue in Alberta and Saskatchewan, but in respect of those two provinces we provided that the Government could by Order in Council terminate its operation whenever they deemed it desirable to do so.

I shall vote for the Bill, even though I have voted against the amendment. There are some features of the amendment that I do not like at all, but I support the main purpose of the Bill. However, I do hope the Government will ultimately see their way clear to terminate this legislation.

I have just one other word to say, and it is rather in the nature of a complaint. As I stated the other day, I do not know what arguments have been advanced in favour of this legislation being perpetuated in Manitoba. The only matter placed before me the other day, by one of the honourable members from Manitoba, was the statement that the legislation was wanted in that province because it was still in operation in Saskatchewan and Alberta. That is not a reason. What is the reason for having this legislation in Manitoba? The members of the committee have made no statement as to the real necessity for it in that province.

Hon. A. L. BEAUBIEN: The Federation of Farmers' Associations in Manitoba passed a resolution asking that that province be reinstated under the Act.

Hon. Mr. CALDER: For what length of time?

Hon. A. L. BEAUBIEN: The Prime Minister of Manitoba, the leader of the Conservative party in the provincial House, and the leaders of the Social Credit party and the C.C.F. appeared before the committee and gave the reasons.

Hon. Mr. CALDER: The honourable gentleman has just referred to what I want. I want those reasons. The fact that this body and that have asked for a continuance of the legislation, and a statement of good and valid reasons why it should be continued, are two entirely different things. Could the honourable gentleman inform me now as to those reasons?

Hon. Mr. MURDOCK: What the honourable gentleman—

Hon. Mr. CALDER: Would the honourable gentleman pardon me a moment?

Hon. Mr. MURDOCK: I want to answer the question.

Hon. Mr. CALDER: I did not ask the question of the honourable gentleman.

Hon. Mr. MURDOCK: Premier Bracken and others gave very good reasons.

Hon. Mr. CALDER: I have no objection to that. My objection is that we have not had those reasons stated in this House. I am not a member of the committee—

Hon. Mr. MURDOCK: I am not a member of the committee either, and I heard the reasons.

Hon. Mr. CALDER: The honourable gentleman was probably there.

Hon. Mr. MURDOCK: Yes.

Hon. Mr. CALDER: Every honourable member of this House is not expected to attend the meetings of every committee appointed by the House. However, that is beside the question.

Since 1935 five years have elapsed, and during that time any farmer in Manitoba—and this applies equally to Alberta and Saskatchewan—could have put in his application and had his case heard.

Hon. A. L. BEAUBIEN: One of the main reasons given by the representatives of the Legislature of the province of Manitoba as to why this legislation should be re-enacted was that in many sections of the province which were in the dried-out area it was useless for a farmer to apply for a readjustment of his debts under the Act, because there was nothing to readjust. Since that time, in 1937 I think, we have had one good crop, and many of the farmers who did not come under the Act want to do so now.

Hon. Mr. CALDER: That may be a very good reason. I am not going to labour the point any further; but it seems to me the House is entitled to full information as to the necessity for this legislation. All I desire to say is that I trust the Government will see their way clear to put an end to the legislation at the earliest possible date. It was necessary at one time; but in essence it is bad, and we do not want to see it continued over a long period of years.

Hon. Mr. McMEANS: May I point out to the honourable gentleman that the committee went into this matter very carefully. They heard, among others, the representative of the loan companies, and he said, "We have no objection to this Act as long as you provide for a court of appeal." What more evidence does the honourable gentleman want?

Hon. Mr. MOLLOY: Honourable members, I have not taken part in this debate, and I rise simply to enlighten the honourable senator from Saltcoats (Hon. Mr. Calder). I am surprised that he should ask the question he has asked, or that he should be in the maze that he is in at the present time. He wants to know why this legislation is being asked for. The answer is that there is a provincial election in sight in Manitoba.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: I should not like that to be the last word on this Bill—

Some Hon. SENATORS: Oh, oh.

Hon. Mr. DANDURAND: —because the Bill was brought before Parliament last year, was passed by the House of Commons and was rejected in the Senate, and there were no elections in Manitoba then.

Right Hon. Mr. MEIGHEN: If we reject it this time again, there may be none.

Some Hon. SENATORS: Question!

Hon. Mr. DANDURAND: I move the third reading.

The motion was agreed to: contents, 49; non-contents, 12.

The Bill was read the third time, and passed.

ADJOURNMENT OF THE SENATE

Hon. Mr. DANDURAND: Honourable senators, I move that when the Senate adjourns this evening it do stand adjourned until to-morrow morning at 11 o'clock.

The motion was agreed to.

The Senate adjourned until to-morrow at 11 a.m.

THE SENATE

Friday, July 12, 1940.

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill A3, an Act for the relief of Agnes Dorothy Smith Bruneau.

Bill B3, an Act for the relief of John Eric Pitt.

Bill C3, an Act for the relief of Dennis Calvert Kerby.

Bill D3, an Act for the relief of Camille Perks.

Bill E3, an Act for the relief of Maria Cecilia Patricia Gatien Rowell.

Bill F3, an Act for the relief of Lemuel Athelton Lewis.

Bill G3, an Act for the relief of Joseph Philias Hector Sauvageau.

SECOND READINGS

The Hon. the SPEAKER: When shall these Bills be read a second time?

Hon. Mr. ROBINSON: With the leave of the Senate, I move that these Bills be now read a second time.

Hon. Mr. DANDURAND: Honourable senators, yesterday I learned unofficially that the Private Bills Committee of the House of Commons, to which Divorce Bills are referred, discussed at length the advisability of appointing certain of its members to attend meetings of our committee in order that they might at first hand satisfy themselves whether the evidence adduced justifies a recommendation for divorce. I suppose there would be no objection to their attendance. It seems to me our Divorce Committee might well explore the desirability of having a joint committee of both Houses to deal with divorce petitions. I simply make the suggestion—not to be acted on this session, but later on.

Hon. Mr. McMEANS: If these Bills all deal with undefended cases, I have no objection to the motion for second reading being proceeded with, but I think that if any cases were opposed we should proceed with them in the regular way.

Hon. Mr. ROBINSON: I think there is one defended case. I suggest that the Bill relating to it stand over and that the other Bills be given second reading.

The Hon. the SPEAKER: If any honourable senator objects to the Bills being given second reading now, the motion cannot be proceeded with.

Hon. Mr. McMEANS: I will not oppose second reading of the Bills being given now, but I do think that in opposed cases the Bills should not be given second and third readings without due notice.

Hon. Mr. ROBINSON: I am not asking that the Bills be. given third reading now.

Hon. Mr. McMEANS: Then I have no objection to the motion.

The motion was agreed to, and the Bills were severally read the second time.

The Hon. the SPEAKER: When shall these Bills be read a third time?

Hon. Mr. ROBINSON: At the next sitting of the House.

With respect to the remarks of the honourable leader of the House (Hon. Mr. Dandurand), I think there is a good deal to be said in favour of having a joint committee on divorce. On several occasions members of the Private Bills Committee of the House of Commons have attended meetings of our committee. They are supposed to be present throughout the sitting, but they do not always stay until the proceedings are concluded. I may say that a member of the Private Bills Committee of the House of Commons is in attendance at our meeting this morning.

Hon. Mr. DANDURAND: Does he come as an observer?

Hon. Mr. ROBINSON: He says he comes as a liaison officer.

NATIONAL WAR SERVICES—REGISTRATION AND MOBILIZATION

INQUIRY AND DISCUSSION

Hon. Mr. DANDURAND: Honourable senators, I had hoped last night to learn that one main and one consequential bill would reach us from the other House in time to be considered this morning. I understand now that we may not receive them until four or five o'clock. In these circumstances I would move adjournment of the Senate during pleasure.

Hon. Mr. HAIG: Before the motion is put, would the honourable gentleman indicate to us blind back-benchers just what those bills are?

Hon. Mr. DANDURAND: They have to do with the creation of the War Services Department which the Prime Minister announced recently. I think my honourable friend will find full information in the statement which I placed on Hansard last Monday.

Hon. Mr. HAIG: I heard the Prime Minister's statement from the Senate gallery in the House of Commons. So that we may not be taken by surprise this afternoon, I should like to put some questions to the honourable leader of the House. If he would prefer me to do so this afternoon, of course, I shall not insist on proceeding now.

Hon. Mr. DANDURAND: I should much prefer that my honourable friend put his questions now.

Hon. Mr. HAIG: I understand the Government intend to register every citizen between sixteen and sixty.

Hon. Mr. DANDURAND: I thought it was forty-five.

Hon. Mr. HAIG: I am giving my understanding that everybody between the age of sixteen and sixty is to be registered.

Hon. Mr. DANDURAND: That is for national registration.

Hon. Mr. HAIG: Yes. These are my questions:

1. Are all men between twenty-one and forty-five to be called up under the Mobilization Act?

2. Will there be categories, so that those persons engaged in certain occupations will be exempted?

3. Will they be called in these classes: (1) men, unmarried, from twenty-one to twenty-four or twenty-six years of age; (2) men, unmarried, from twenty-six to thirty-one, and so on?

I should also like to know when the Government expects that the first call will be made under the Mobilization Act.

The Hon. the SPEAKER: The honourable senator will of course realize that such questions may require notice.

Hon. Mr. HAIG: Pardon me, Mr. Speaker. I am quite willing to give notice of my inquiry, but I gathered from the honourable leader of the House that he was eager to get certain legislation before the Senate this afternoon, and unless these questions were asked now, I should have to present them later, when the honourable gentleman would not be in as favourable a position to answer them, and therefore could not very well proceed with his bills. I do not wish to delay passage of the proposed legislation by insisting on answers to these questions, but, if notice is required, and I have to ask them this afternoon—

Hon. Mr. DANDURAND: But they are already asked.

Hon. C. C. BALLANTYNE: Honourable senators,—

Hon. Mr. DANDURAND: Will my honourable friend pardon me? I did not catch the point made by the Chair. We should be sure that our procedure is correct, so that there may be no doubt that the honourable gentleman's inquiries are in order.

The Hon. the SPEAKER: I simply suggested to the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig) that it might be necessary to give notice of his inquiries instead of putting them directly to the honourable leader.

Hon. Mr. DANDURAND: As we are dealing with a matter of emergency, I am glad the inquiries have been made, because I shall be able to answer them this afternoon.

Hon. Mr. BLONDIN: With the consent of the Senate.

Hon. Mr. BALLANTYNE: Honourable members, I just wanted to say to the honourable leader that I have not read the Bill, but I realize what a far-reaching and important measure it is, and I cannot see how, in the very short time that will be at our disposal this afternoon, the Senate could give it due consideration. I do not know what the views of my leader (Right Hon. Mr. Meighen) may be. He will probably be in the House later. I personally feel that a Bill of this character should not be dealt with hurriedly, this afternoon, especially as we are likely to have a slim House. A good many senators are away, and others are likely to be going. Could the matter not stand over until next week?

Hon. Mr. DANDURAND: I have taken it for granted that the Government is very desirous of having this department set up, for many reasons, but especially in order to have the national registration proceeded with. The preliminary work is now in the hands of the Minister who will be at the head of the department, and I think he has already given a statement to the Press or to the Commons as to how he intends to proceed. He is a man of action, who will see that the whole scheme is organized thoroughly and quickly. So I think there is no time to lose, and I would suggest that the Senate should not postpone consideration of the Bill. Nevertheless, we should have all the time we need to examine it seriously. When I suggest that we convene again between four and five o'clock, at the call of the Chair, I do not mean that Royal Assent is to be given by six o'clock. We may continue our discussions this evening, and again to-morrow morning. So we can have all the time we need to deal with the measure. I understood the House of Commons did not intend to enter into a lengthy discussion on the Bill, because all honourable members of that House are well aware of the object of the measure, as I suppose all honourable members of this House are. I feel a duty devolves upon the Senate to assist in the progress of the work that is going on, and I hope we shall not hamper that progress by postponing consideration of the Bill till next week. The Privy Council will be holding a meeting at noon, and I shall then transmit my honourable friend's views to it. At four o'clock, or whenever we resume this afternoon, I shall make a statement to the Senate.

Hon. Mr. BALLANTYNE: I quite understand my honourable friend's remark, and I am glad he has stated we can sit to-night and to-morrow, if necessary. I really do not think it is possible for us to put through so important a Bill as this in less than an hour and have it given Royal Assent this afternoon.

Hon. Mr. DANDURAND: My honourable friend now understands that the Senate can have all the leeway it wants. We could discuss the Bill this evening and all day to-morrow, if necessary. Of course, we could not sit beyond midnight to-morrow, because then we should be into Sunday.

DEPUTY MINISTER OF INFORMATION

INQUIRY ABOUT PRESS REPORT

Hon. A. D. McRAE: I take advantage of this opportunity to raise another point. I noticed in the morning Press a report that a Deputy Minister of Information may be appointed. With that I should be in agreement. What I want to ask is: If such an appointment is made, will that Deputy Minister co-ordinate all the publicity departments in the various branches of government and be the head of that one body? The press report says it will be his duty to arrange for platform and radio speakers, cinemas, and other forms of publicity. That is quite in keeping with the decision of the Senate's Special Committee on War Co-operation. I should welcome such a Ministry if the man at the head of it were one to whom we could look as possessing authority over all the publicity branches. It does seem to me that there is a necessity for co-ordinating the publicity work of the various departments, and I think the practical way to co-ordinate it would be to appoint some one person in charge of it all.

Hon. Mr. DANDURAND: I am glad my honourable friend has put this question. I think it was in this morning's papers that I read a statement by the Minister who will be in charge of this new department—if the Senate passes the Bill which is to come to us—to the effect that there was no co-ordination among the publicity branches in the various government departments, and that he would make it his duty to bring about such co-ordination. If that is done, a complaint which we heard at meetings of the Senate's War Co-operation Committee will be cured. It has been pointed out that to place these publicity branches under one head would be difficult, because they want to remain autonomous. But I am quite sure the Minister who will have charge of the new department will see they are brought together, under one roof, so as to provide a common source of information for the public. That is what he said would be done, and I think it is a good idea. I have heard nothing about any proposal to appoint a Deputy Minister, but I shall see to it that the wish expressed by my honourable friend from Vancouver (Hon. Mr. McRae) is transmitted to the Government this noon.

I now move that the Senate adjourn during pleasure, on the understanding that we may be summoned by the ringing of the bell between four and five o'clock. If the Bill has then come over from the other House we shall have at least an hour for discussion before six o'clock, and if that is not sufficient we may resume at eight and examine the measure to our heart's content.

The Senate adjourned during pleasure.

After some time the sitting of the Senate was resumed.

ADMISSION OF TOURISTS TO THE PARLIAMENT BUILDINGS

The Hon. the SPEAKER: Honourable senators, certain articles have recently appeared in the Press stating that Americans or other tourists would be refused admission to the precincts of this building. It is my understanding that in the buildings there are two Houses, namely, the Senate and the House of Commons, and that each House has control of its own privileges.

Hon. Mr. DANDURAND: Hear, hear.

The Hon. the SPEAKER: What I want to bring to your attention is this. There is no intention on the part of the Senate, so far as I can judge, to prevent tourists from being courteously received and allowed to enter this building. It is understood, of course, that honourable members will be responsible for their own friends while they are in the building, and that privileges may be granted by the Speaker of the Senate delegating his powers, as occasion may arise, to the Clerk of the Senate.

I hope, honourable senators, that this meets with your approval, and that your co-operation is granted.

Hon. W. H. SHARPE: Mr. Speaker, would not each member of the Senate have the privilege of bringing friends into the building if he so wished?

Hon. Mr. MURDOCK: Yes.

The Hon. the SPEAKER: It goes without saying that members of the Senate are sufficiently trustworthy to be allowed to bring in their own friends, and friends of their friends, when they so desire.

Hon. WILLIAM DUFF: Honourable senators, I quite agree with what His Honour the Speaker has said as to tourists coming within the precincts of this building if some honourable member of the Senate vouches for them. At the same time, there must be

thousands of people, friends of ours—not personal friends—who come here from the United States and elsewhere, and for whom neither you nor I can vouch. Of course we must protect our liberties at this rather difficult stage in our history, but something should be done to extend every privilege possible to our neighbours from the south when they come to visit us.

During the last few days, when I have not had anything else to do—and I have not had much to do around this building of late—I have had occasion to walk over to the main door, and there I have seen many people refused admission because of a lot of red tape. In looking at the ladies, especially those in summer dresses, it would seem to me there is little possibility of any of them carrying concealed bombs. Seriously, however, I would go a long way, and I think the people of Canada would go a long way, to extend a welcome to persons coming here from the United States. Unless they are carrying satchels or grips which might contain dangerous articles, these people should not be excluded. After all, this is an historic building, and visitors to this country are desirous of seeing it. If when they reach our doors we turn them away, they will go back to their homes and tell their friends about the kind of reception they had in Canada. We do not want them to have any complaint. We want to bring or allow into this country every decent citizen of the United States who wishes to come here. The immigration officers and the customs officers at the border should be the ones to know and say who should and who should not be welcomed into this country.

Only a few weeks ago Hon. Mr. Howe made a statement to the Press in which he said that because of the state of foreign exchange and the desirability of getting new money into this country, we wanted every tourist we could possibly get to come here. The Minister of Finance, in introducing the Budget, said he wanted Canada to derive every dollar that could be derived from the tourist trade. Then let us lift the barrier. Let us remove every restriction we can. Surely there are enough people in this country whose duty it is to protect us and to know whether a man is a pro-German, or a pro-Nazi, or some other undesirable, who might want to blow up the Parliament Buildings.

Let us do away with red tape, and instruct the policemen on the door accordingly. Let us welcome visitors in such a way that they will be able to tell their friends and neighbours that if they come to Canada they will be warmly received by their friends and neighbours to the north.

Hon. RAOUL DANDURAND: Honourable senators, all I can say is that I will draw this very important matter to the attention of my honourable colleagues in order to bring about harmony in the matter of admitting strangers to the Senate and the House of Commons.

BUSINESS OF THE SENATE—ADJOURNMENT

Hon. Mr. DANDURAND: Honourable senators, the Bill which we are awaiting is still being discussed in the House of Commons. I would therefore move that the Senate adjourn until 8 o'clock to-night.

Hon. Mr. SINCLAIR: Call it 6 o'clock.

Hon. Mr. DANDURAND: We will call it 6 o'clock.

At 6 o'clock the Senate took recess.

The Senate resumed at 8 p.m.

DEPARTMENT OF NATIONAL WAR SERVICES BILL

FIRST READING

A message was received from the House of Commons with Bill 75, an Act respecting a Department of National War Services.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of the Bill.

He said: Honourable senators, this Bill has been considered in the other House and adopted unanimously there. It is a very short and simple measure. By way of explaining its purport, I will read the memorandum which was read to the Commons by the Prime Minister:

> The purposes for which the Government proposes to establish the Department of National War Services were given to the House in general terms by myself on June 18, and again on the 8th instant.
>
> The department, among other matters, will have to do with the due execution of some of the purposes of the National Resources Mobilization Act. Certain of the purposes of the Mobilization Act involve functions which will be performed by departments of the Government already in existence. Others do not so readily fit into any existing department. There is need, moreover, for seeing that all functions of the Act are properly co-ordinated.
>
> The most immediate and pressing of the duties to be discharged under the Act is the conducting of a national registration. The Minister of the new department will be charged with this responsibility. As I have already

informed the House, the preliminary work of organization has been completed by a special departmental committee. No time therefore is being lost in proceeding with the registration itself. It will no doubt be necessary, from time to time, to make under the Act further specialized surveys. Such surveys may, as required, be undertaken by the new department.

The War Services Department will also have the duty of directing to suitable fields of service those who have voluntarily placed their services at the disposal of the Government. The co-ordination of the work of voluntary service organizations will be undertaken by the department with a view to directing their energies into the most useful channels, to preventing the overlapping of functions, and to assisting in the arranging and timing of public appeals.

The department will also undertake the initiation and promotion of voluntary effort in new directions, in immediate furtherance of our war effort and to enable Canada to make in the most effective and efficient manner the necessary economic and social adjustments to meet domestic problems arising out of the war.

In organizing voluntary services, the Minister will be given power to form national, provincial or local councils, committees or boards, as well as to use existing agencies.

To avoid any break in the continuity of effort and direction and to permit of the utmost use being made of the same, the records and facilities of the Voluntary Service Registration Bureau, which was set up at the beginning of the war to receive and classify all offers of voluntary service, will be made immediately available to the new department.

The War Services Department will also undertake the important task of co-ordinating the existing public information services of the Government. The Minister will be empowered as well to originate or employ such further means of informing the public as may from time to time be required in order to obtain, in the furtherance of the national war effort, the utmost aid from the people of Canada.

The importance of this task can hardly be overemphasized. Perhaps the greatest single moral advantage which democracies enjoy over the dictatorships in time of war, as in time of peace, is their reliance upon the spontaneous support of an informed public. Military necessity dictates certain limits upon information, and the substitution of a large measure of compulsion for freedom of action. It does not however demand a total black-out of accurate information or total compulsion. Those are the very things we are struggling against. The struggle will be successful on the home front only in so far as accurate information is supplied as freely as military circumstances permit. In no better way can the spontaneous desire of the great majority of our people to give their services freely be effectively harnessed to the pressing needs of this time of war.

The three important types of activity I have mentioned and which will immediately engage the attention of the Minister and of the department are illustrative of its work. The functions of the department will, however, by no means, be limited to these activities. Problems of internal security, of economic organization and development, of meeting social, industrial, financial and other needs, will continue constantly to arise. These may be dealt with by the Department of War Services, by itself or in conjunction with other departments of the Government as authority for such purposes may, from time to time, be given the Minister by the Governor in Council.

In a word, it is intended and expected that the department, by its general supervision of war activities and needs, its co-ordination of State and voluntary effort, and the inauguration and carrying out of special war services, as need for the same arises, will become a most effective instrument in a nation-wide furtherance of the war effort of our country.

I have before me the discussion which took place in the Commons this afternoon, and I hope to be able, when we are going through the Bill clause by clause, to elucidate any points that may be raised. In this I shall have the help of Mr. Justice Davis, who is giving his services as one of the Deputy Ministers of the new department.

I move second reading of the Bill.

Right Hon. ARTHUR MEIGHEN: Honourable members, it would be amusing, if we were living in less heavy and heartrending times, to follow the efforts of the Government to make it appear that they are doing great things to-day.

Hon. Mr. DANDURAND: "Appear" is not quite the word I would accept.

Right Hon. Mr. MEIGHEN: No, I would rather have a more scornful word, but I refrain from using it at this time. This Bill provides for the creation of another department under another Minister and Deputy Ministers, with all the paraphernalia incidental to its creation. It is a poor day if we do not create a new department, a new organization, a new staff, and so forth. A former Deputy said the other day he wondered how we got through the last war. Then we did not create departments day by day. In fact there was only one overseas service. We were interested more in overseas service then than in multiplying departments in Ottawa and bringing everybody and his grandfather here and thrusting them into this service and that. Of course I know that for any great new work new men must be chosen, and there has to be a fairly substantial increase in the Service because of present activities; but we do not need anything like what we are getting now. In fact I am quite aware, from many sources, that the Service feels many of those brought in from the street and from business offices and making a great show are mostly nuisances. They have to be taught the routine. They do not know what is doing or where they are at. I believe the main trouble is that advice of trained officers of the effective

departments has not been followed, and the Government, because of neglecting to do at the right time the things that now have to be done, are pushing people from the ends of the Dominion into the Service at Ottawa. Now we are to have two Deputies for this new department. Why can we not get along in the old way? The two Deputies are pretty well chosen—if the department is to be a political organization; just as the Minister is admirably chosen. What is in his mind all the time is making his public service an engine of party advantage; that is the type he is; and that is what will eventuate in any department he presides over. He takes care that the Deputies shall not stand in his way; and their names have been announced.

To read this Bill you would think the Government were getting ready for a great new work. A statute merely declaring that a new department is to be created and it may have two Deputy Ministers would do all that this Bill does. The rest is nothing but soapsuds. Everything provided for in the rest of the Bill the Government can do now under the Mobilization Act. But that does not satisfy the Government, and they have to present another Bill containing pretty much the same stuff. I ask the honourable leader of the House (Hon. Mr. Dandurand) to name me one section, the powers under which, outside of what I have said, cannot be fully executed under the Mobilization Act we passed last week. And indeed under previous legislation you could do anything that Act provides for except conscript men. Most of this stuff we are getting is just show, a mere cover-up for what has not been done. There is no need of all these clauses to the effect that the Minister may co-ordinate this and that. When are we going to be through with this "co-ordinating" and get down to fighting? If a war could be won on paper, we should be masters.

I feel strongly about this war services scheme, because I know that where the Minister who is to be in charge of the new department is known there is no doubt of what will result from his organization of this department. We are in times when such things do certainly rouse feelings in the hearts of those who know the task to which this country has addressed itself. I am not objecting to registration, but to say it is the main purpose of this department taxes my patience. We are going to start—I do not know when—and get some registration done. But if we look across the Atlantic we can see, as plainly as we see the sun, developments that will determine the destiny of mankind before we are through with this registration.

Hon. Mr. DANDURAND: It must be done in four days.

Right Hon. Mr. MEIGHEN: No, we shall not be through with registration in four days. Wait until you see. Four days! What?

Hon. Mr. DANDURAND: Well, starting from a certain date.

Right Hon. Mr. MEIGHEN: Yes, four days from a date some time ahead—and the world will end at a date some time ahead.

An Hon. SENATOR: It took just one day for the election.

Right Hon. Mr. MEIGHEN: That is just what the Government have done. Let me tell the House something the proposed Minister of National War Services may do, and it is pretty significant. Under subsection 2 of section 3 he can appoint and fix the remuneration of such officers, clerks and employees as he shall from time to time deem necessary. That is preceded by this provision:

> Such other officers, clerks and employees as are necessary for the proper conduct of the business of the department may be appointed in the manner authorized by law.

But it is provided that the Minister may appoint them in a manner not heretofore authorized by law. Authorized by that section, he may appoint the whole of them himself and fix their salaries. I wonder whether anyone here who knows his own initials is not quite certain that is exactly what the Minister will do. The powers in paragraphs (a), (b), (c) and (d) in section 5 are just so much eyewash. The law would be the same if this Bill were not passed at all. The same can be said of sections 7, 8, 9, 10, 11, 12 and 13.

I did listen with some interest to the reading of what was said in the House of Commons—no doubt by the Prime Minister—that the great advantage of a democracy over an autocracy was that if the people just got the facts, then their energies in so many different ways could be thrown into the conflict. Well, it is amusing. I have never seen such systematic, tenacious determination exercised to ensure that the public do not get the facts. Has anyone heard in this House this session an answer that amounted to a hill of beans? There has not been one. "It is not in the public interest." We have to take steps to get accurate information from the Government. They have a Public Information Bureau feeding the newspapers day by day, shaping up and forging news to suit the Government and getting it into the hands of the Press, and a lot of it is just as false as could possibly be invented by the mind of man. Talk about accurate information! I do not know how many honourable members get this news, but

I find it on my desk. In two or three matters I have noticed that, as is quite apparent to anyone who knows the truth, the news is absolutely false. It is so grotesquely false that one wonders at the bravado of its being sent out at all. And now we are told of this effort to get accurate information so that democracy may do its work. I am informed, and I am pretty sure my information is correct, that the Government intend to see that no independent news agencies get access to the radio in Canada, whether the C.B.C. or any other, and that after this all news is going to be put out four times a day, I think, by the Canadian Press; and it will be well edited by the Government when it is. Never was there so efficient, so pitilessly selfish an organization to feed the agencies of public information as that erected and conducted by the Government. Control absolute! If we keep on in the way we are going, propaganda will not be any more thoroughly controlled under the despotism of Germany than it is here.

What will be the result of taking control of everything that goes over the radio, and using that one agency, which will work side by side with the Government every day, and, indeed, draw large sums of money from it? Nothing will go over the radio which is not coloured exactly to suit the Administration.

I am led to these remarks by the statement about the struggle to get accurate information to the people. Whenever you hear a statement like that, watch out. The struggle is just the opposite. Everything that goes over the radio in that way will be controlled and supervised and edited by the Government. The next step is to control everything that goes into the Press. True, we must have to-day a measure of censorship with regard to war news. But there is a great deal more censorship exercised than that, and when everything said over the radio is controlled, and the Press is edited besides, the liberties left are hardly worth preserving.

This Bill establishes a War Services Department. That department will be active, and, from a party standpoint, will be efficient, but I should like to see more war activity and less propaganda.

Hon. RAOUL DANDURAND: Honourable senators, I confess that I am daily more and more dissatisfied with the state of mind of my right honourable friend.

Right Hon. Mr. MEIGHEN: So am I.

Hon. Mr. DANDURAND: I thought he had been long enough with us to shake off the prejudices and party passions that sometimes animate commoners. I thought he had made some considerable progress along that line. But during this session I have found him a pessimist who saw no good in the Government in general, who damned everything it did, and offered no constructive suggestion. Yet, if I may question him as to the value of the men who are holding responsible positions in the present crisis, I would ask whether he can find another man who is worth the one I will not mention.

We have had as Minister of Finance Hon. Mr. Ralston. I have heard no criticism of him from the lips of my right honourable friend. At the pressing demand of public opinion Mr. Ralston was transferred from the Department of Finance to the Department of Defence. Everybody acclaimed that appointment. As everyone says, he is one of the best men that can be found. I do not say the best, for it is always hard to pick one man from among ten millions and say he is the best; but I will ask my right honourable friend to indicate a man who is more than his equal in reputation and intellectual capacity. We have had Mr. Howe, a wonder for work, carrying four or five departments on his shoulders and attending to his work from morning till night; jumping into his aeroplane and going to New York, and returning the next day and doing the work of ten good men. We have had as Minister of National Revenue Mr. Ilsley, a first-class Nova Scotian, who has now taken over the portfolio of Finance. We have had as Minister for Air Hon. Mr. Power, the popular "Chubby" Power. I wonder if anyone will rise in his place in this Chamber and say that Mr. Power is not fit for his job, and is not doing the best that any intelligent and experienced man could do. Can honourable senators indicate any men in Canada whom they would prefer to these? Now we have called Angus Macdonald for the Naval Services, and everyone has acclaimed his appointment. Yet the Prime Minister, who directs the Cabinet that chose these men, is always belittled. It is always the strongest figure at which stones are thrown. No credit is given to the Prime Minister for surrounding himself with strong men. It is said he is an ideal Prime Minister in time of peace, but not in time of war. I should like to have my right honourable friend name someone who could replace him.

Here we are with a Cabinet composed of men who have in their hands the organization of the country. We are in daily contact with Great Britain. My right honourable friend says, "You are making a fight on paper, but not on the field." I may tell the right honourable gentleman that we are in contact with the War Office and the Chiefs of Staff, and

that Canada is doing all they can expect Canada to do and all they are thinking of asking of her.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: It is all very well to take one or two small things and say: "Look at what they are doing with the radio. Look at the information they are giving us." I want to inform my right honourable friend that by adopting an inimical attitude towards the Minister of Agriculture, Mr. Gardiner, he is rendering him homage.

The right honourable gentleman himself knows what party passion and party activity mean, and as a party man he has found his equal in Mr. Gardiner, one-time Prime Minister of Saskatchewan. Why has the Prime Minister chosen him for this work, which is considerable? He has done so because he has seen Mr. Gardiner at work; because he knows what he has done in the West in meeting the difficulties in the southern parts of Saskatchewan and Alberta in the matter of rehabilitation. Mr. Gardiner is a man of action, a man of organization. The Prime Minister is interested in getting the best man, and he has chosen Mr. Gardiner because he knows he will carry on. My right honourable friend says, "We know him as a party politician." What has my right honourable friend been all his lifetime but a party politician?

Some Hon. SENATORS. Hear, hear.

Hon. Mr. DANDURAND: That is no insult to my right honourable friend. He started as a young lawyer, made his way, won in his constituency, carried the House of Commons, and became Prime Minister. This is no small accomplishment. But my right honourable friend did it as a party politician, as a fighter, and because of his capacity, which we all admire. Why should he throw stones at a rival who has met him in single combat more than once?

Right Hon. Mr. MEIGHEN: I never met him in my life.

Hon. Mr. DANDURAND: My right honourable friend did not meet him on the hustings, but when he dissolved the House and asked the suffrage of the people he knew what he had against him.

Right Hon. Mr. MEIGHEN: The machine.

Hon. Mr. LACASSE: There will be a Tory machine some day.

Right Hon. Mr. MEIGHEN: Pretty poor.

Hon. Mr. DANDURAND: In recent days I have felt that my right honourable friend was speaking as the leader of the Opposition in the House of Commons rather than as leader of the Conservative party in the Senate. Here, we are a revising body, removed from active party politics, reviewing bills from the House of Commons. Yet we have from my right honourable friend the kind of criticism to which we have listened this evening. I want to tell him that Mr. Hanson, Leader of the Opposition in the House of Commons, who had made some disparaging remark about Hon. Mr. Justice Davis, rose this evening at six o'clock and said: "I want to withdraw all I have said. I have discussed the situation, and I think he is the best man that could be selected for the job."

The House of Commons, with an Opposition which is not as strong, perhaps, as it should be, but which has some good men at its head, studied this Bill clause by clause, put questions and accepted explanations, and sat until a quarter to seven in order to allow the Government to pass the Bill and send it here. And this they did unanimously, without criticism or recrimination. I am sorry that my right honourable friend, whom I like very much, should show a cantankerous spirit in nearly every speech he makes in disparagement of the Government.

Let me ask him when loyalty to democratic institutions, to our system and to our Constitution, is tested. It is tested on the night of an election, when the minority in a democratic country agrees to be governed during the next four or five years by a majority whose principles it dislikes. I would remind my right honourable friend that the Prime Minister of 1911 and 1914 had opposite him a man who knew something about the value of democratic institutions, and that was Sir Wilfrid Laurier. Sir Wilfrid Laurier never dared to disparage, he could not think of disparaging, the man who had defeated him at the polls and become Prime Minister. He told the Prime Minister that he would help him, that he would not try to open the door to power with a bloody key, and he constantly did his best to co-operate. I know something of that, because I worked by his side. Can anyone imagine that in 1914 Sir Wilfrid Laurier would have considered it in accordance with his sense of dignity to ask the then Government to take him into the Cabinet?

Hon. Mr. HORNER: There was no scuttling of Parliament then.

Hon. Mr. DANDURAND: He never thought of making any such request. He loyally acted as Leader of the Opposition, and helped the Government from day to day.

Right Hon. Mr. MEIGHEN: Surely the honourable leader does not mean that. I sat in the House, and I know that what the hon-

ourable leader says is not so. After the first week of the war the Government had to face opposition as bitter as any government ever faced in peace-time, and that was consistently so, day by day, right to the end of the chapter.

Hon. Mr. DANDURAND: But I can say that the Opposition never advocated that it share power with the majority in a union government. Sir Wilfrid Laurier accepted the verdict of the people in 1911, and co-operated loyally in all the Government's war effort.

Right Hon. Mr. MEIGHEN: No, no.

Hon. Mr. McMEANS: He refused to co-operate by entering a union cabinet.

Hon. Mr. DANDURAND: And I may add that in 1914 the Borden-Meighen Government had a Nationalist wing. The Nationalist members had been elected across Quebec on a policy of no contribution to a British war except for the defence of Canada. We had to step in and carry on meetings to encourage the young men to enlist. At the end of October or the beginning of November, 1914, I helped to organize a large meeting in Montreal for Sir Wilfrid Laurier, in the interest of recruiting for the Twenty-second Regiment and other units. Some 10,000 people were present and 4,000 young men offered their services. I came to Ottawa and asked Mr. Sam Hughes, the Minister of Militia, to give us a brigade. He answered: "Oh, no. We have as many men as we want, and we lack officers." Sir Wilfrid Laurier carried on a voluminous correspondence on matters relating to co-operation in war efforts, during the years 1914, 1915 and 1916.

I heard a member of the Senate say, "There is a Liberal Government in office." Yes, and in 1914 there was a Conservative-Nationalist Government, as there was in 1915, and 1916 and up to May of 1917. Did we assail that Government on the ground that it was not a national government and not representative of the majority of the people? It had won the day in 1911 and we felt that it should carry on. Therefore we helped as much as we could. During those years I never spoke a word of politics in the Senate, as my right honourable friend can see by looking through our Debates. I worked day and night in trying to help win the war.

We recognized that the Conservative party, with a Nationalist wing, was in power in 1914, 1915, 1916 and up to May of 1917. In those years did anyone hear that young Beau Brummell, Mr. John Bassett, clamour for union government or a national government? Oh, no. The Conservatives were satisfied to retain power. We did not trouble them. On the contrary, we allowed them to extend their term by one year. In this Senate and in the other House we agreed to the extension. We did not stand up and say that everything the Government did was bad, crooked, and that the main purpose they had in mind was the winning of elections. The Conservatives were in power. I will not discuss now how they retained power in 1917; that is another chapter.

I should like my right honourable friend to realize that the Prime Minister stands high in the estimation of the people. The Government appealed to the people in March last and was returned by the largest majority any government ever received in Canada. The Prime Minister has surrounded himself with good and solid men, who are at the helm. Most people admit that our war boards are being administered by the best men obtainable, many of them standing high in the industrial and financial world. But apparently all that does not count with my right honourable friend. If you will read to-morrow the speech that he has made here this evening you will find it is a sorry exposition of party politics in this Chamber.

Hon. C. E. TANNER: Honourable senators, I have read and listened to scores of speeches like the one we have just heard.

Hon. Mr. LACASSE: Which one?

Hon. Mr. TANNER: What information did we get from it? How much wiser are we now with respect to the administration of war affairs than we were before the speech was made? Not the slightest. It was on a par with many speeches that are made here and in another place these days, and with speeches broadcast by radio and reported in newspapers. They are all of one tenor: general, miscellaneous, uninformative. For fifty years, more or less, I have personally been in contact with governments of all kinds, and long ago I came to the conclusion, which I think many people have come to, that because a man is able to write P.C. after his name it does not follow he has anything more than ordinary ability. If a person is not born with brains, he will not acquire them automatically upon appointment to a Cabinet. Yet there seems to be a general feeling in this country, and perhaps in other countries, that once a man steps into the Council Chamber as a member of a government he becomes a superman. There never was a greater fallacy. As I say, for fifty years I have been in contact with governments here and in Nova Scotia and other parts of Canada, and I am sure that no one listening

to me can point to any government, of whatever political party, which comprised a group of supermen. Therefore I resent most strongly the assertions that the men who at present have the right to sit around the federal Council table are any abler or better than the ordinary member of Parliament. They are not one whit better, and many of them are not half as good.

It is all very well for the honourable leader to tell us in a general way that the war effort is being well administered, because we have a lot of respectable men in the Government to-day. I do not doubt they are respectable, and in some ways they are capable, some of them more capable than the others. But I refuse to accept them as a body of supermen. They may be very good as administrators of the ordinary affairs of this country. My honourable friend mentioned Mr. Ilsley, who has been in charge of the Department of National Revenue for some years. He was a very capable administrator of that department in peace-time, and a very diligent man. The same thing may be said of Mr. Power: he is a very diligent and capable man, no doubt. And, as Cabinet Ministers go, all the others in the present Government are perhaps entitled to be classed as reasonably capable.

But just now we are not administering ordinary peace-time matters only. The present time surpasses all others as a difficult one for Government administration, on account of the stupendous tasks that have to be done and the difficult problems that have to be solved. That a man is a successful head of the Department of National Revenue, or the Department of Pensions, or any other department, in times of peace, is not an assurance that he is a good man to be in charge of the country's affairs during a war; not by any means. Back in 1914 the Right Hon. Mr. Asquith was one of the most eminent lawyers and prominent Liberals in Great Britain. What happened to him? I suppose that if he had been appointed to the Bench he would have been regarded as one of the most brilliant judges that ever presided over an English court. He had all the necessary ability to qualify him for a post of that kind; he was cultured and scholarly. But my honourable friend would not deny for one minute that as Prime Minister of Great Britain in time of war he was a total failure. That was no ground for reproach to him as a man. To use the language of the street, he was not cut out for the job. So he had to give way to a man who was cut out for it.

The other day the honourable leader brought before us a long list of men who have been taken into the public service of this country, into the Department of Munitions and other departments. Many of them were said to be eminent men, and perhaps they are eminent in their own lines. I say nothing against them, but because we have one or two hundred men in these departments carrying on the business of the country it does not follow that that business is being administered as it ought to be. The proof that it is being properly administered is to be found in what they succeed in doing, not in what they say they are doing. We are told they are doing things, but we are never told anything of their concrete successes. We cannot get any information. We have been here since the middle of May, and probably in less than two weeks we shall be going home. When we go into our respective districts people will ask us: "What are the Government doing? How are they preparing for this war?" What have we to tell them? We cannot tell them anything, because the Government will not tell us anything. Does anybody challenge that statement? I should like to hear it challenged.

Hon. Mr. LACASSE: You are the challenger.

Hon. Mr. TANNER: When we go back to our home districts we shall have to be witnesses of what? That this Government have refused to tell us what they are doing to prepare for war. It means nothing to me to see a long list of men who have been taken into this and that department, or to listen to my eloquent friend opposite making the kind of speech we heard a few minutes ago. There is no meat in that speech. It contains nothing to carry home to our people. It is only a piece of partisanship to boast of winning elections. What in Heaven's name do we care about elections now? Talk about winning elections and about having a great majority! Does my honourable friend not know as well as I do that his majority might melt away in twenty-four hours? Has he not often seen such things happen? I have, on both sides. I am ashamed to hear my honourable friend opposite boasting about winning elections while the world is in flames.

Let us know something about these matters. Tell us what is being done to prepare for the fight that is ahead of us. Does my honourable friend pretend to tell me that if the Germans and Italians were successful in breaking down her defences and taking possession of England, this country could stand up against invasion? I do not think he would dare tell me that. The defence of Canada is over there, in Great Britain. If that defence goes down, may the Lord help us, unless we do more than we are doing now. For my part, as I have said before —and I adhere to my statement—I am convinced that this war can never be allowed to come to an end until the forces of the British Empire are marshalled and equipped with

every implement of war that can be invented and made, in order that they may march into Germany and leave behind them a flame of devastation, not stopping until they reach Berlin and there dictate the terms of the British Empire to the barbarians of Germany and of Italy. I should like to know if my honourable friend opposite will challenge that attitude. I should like to know whether he is in favour of making peace with the Germans before the British armies march into Germany as they did in 1918. If such a folly were to be committed, we might as well stop now, for otherwise we should only be postponing the crushing results that would surely come upon us in the future.

Now, what are we doing to prepare for victory? What are we doing to equip our troops so they can go over fully armed to join in the march upon the German and Italian peoples and show them that the British Empire stands not only for freedom but for victory, and victory so overwhelming that the enemy will not forget it for a century?

Some Hon. SENATORS: Hear, hear.

Hon. Mr. TANNER: What are we doing? We are passing a great deal of legislation, we are appointing Ministers and Deputy Ministers and sub-deputy ministers galore. We are creating an army of officials, and we shall have to pay them. What are these persons doing in the way of preparing Canada for the part that she must play in this war in order to bring it to a successful end? Ask the Government. Ask my honourable friend. What does he tell us? "Oh, it is not in the public interest for you to know." As if the public interest were identical with the interest of the Government! I read to-day a speech which the Prime Minister delivered yesterday in another place, and in which, as usual, he emphasized the rights of Parliament, expatiated on parliamentary government and all that kind of thing. I presume we may consider ourselves a not insignificant part of this Parliament. But when Parliament, in the exercise of its rights, asks to be informed about what is going on, what is the answer? "It is not in the public interest to tell you."

I should not have taken part in this debate had I not listened to my honourable friend's eloquent, but not informative, address—an address that was an appeal not to reason, but to partisanship.

Hon. Mr. DANDURAND: It was an answer, too.

Hon. Mr. TANNER: It is not the first time he has told us about winning elections. What has he to do with elections? He is a member of the Senate and should be above partisanship.

Hon. Mr. DANDURAND: I was not speaking of that.

Hon. Mr. TANNER: Why does he boast about winning elections, then?

Hon. Mr. DANDURAND: Oh, no.

Hon. Mr. TANNER: Why does he talk about victory in the election? What we want to know about is victory in the war. But we shall never win this war with broomsticks or bows and arrows. We must have all the implements that genius can devise and mechanics make, and we have the genius and the mechanics right in this country. They can devise and make anything if you give them a chance. But they are not being given a chance. We are pouring millions and millions of dollars into the United States for equipment that we should be making in our own factories, where we have men every bit as capable and skilful as any to be found in the United States.

As I have said, the Prime Minister's theme yesterday was that Parliament is supreme. It appears that Parliament is supreme only when it pleases him. As an instance, take one statement of his. I do not know whether my honourable friend opposite has been informed regarding it, but so far as I am aware no one in this House has been informed. Speaking yesterday, as reported at page 1627 of the House of Commons Hansard, from which I may be allowed to quote a short paragraph, the Prime Minister said:

> I have here on this table communications that have arrived to-day, one of which I regard as so serious that I propose to show it to my honourable friend this evening.

He was referring to Hon. Mr. Hanson.

> I think he ought to know of it at once. I think his party ought to know of it.

And that is the end of it. Do we know anything about it? Are we taken into his confidence on such an important matter? No. I do not know whether my honourable friend has seen this statement or not, but there it is.

Hon. Mr. DANDURAND: I have seen the document itself.

Hon. Mr. TANNER: What I really had in mind in rising to my feet was this. I have said more perhaps than I intended to say—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. TANNER: —but I am not sorry for anything I have said.

An Hon. SENATOR: It is just what was needed to be said.

Hon. Mr. TANNER: In the Mother Country Parliament is taken into the confidence of the Government. Hardly two weeks pass there without a secret session being held, at which the Government invite criticism and constructive suggestions. This week there was such a secret session. The preceding night I listened to a broadcast from London by an eminent economist, during which he intimated that the purpose of the secret session was to deal with economic questions. "Of course," he said, "I do not know what the questions or the discussion will bring forth," and he went on to make a most interesting and illuminating address of fifteen minutes on the subject of the economic questions which he thought might be considered at that secret sesion. Why can we not have a few secret sessions of Parliament? Why can we not be told by men who know the facts about what is really being done to prepare us not only for our own defence, but for our offensive overseas against the German people? Why can we not have a secret session to which the honourable leader opposite could bring these men who know the facts as to what is being done, so that when Parliament closes we can go back to our homes feeling strong and resolute in the knowledge that concrete and practical measures are being taken, and that no matter what happens Canada will be prepared to play her part in the offensive as well as in the defensive operations of this war?

Hon. JAMES MURDOCK: Honourable senators, some few days ago I intimated, perhaps improperly, that General Gort, Commander-in-Chief of the British Forces, should be replaced. I think that after listening to the speech of the honourable gentleman from Pictou (Hon. Mr. Tanner), honourable members will agree that that distinguished old soldier believes he is the man for the job. He has asked frequently, "Why are we not being given the information that we should like to have?" Whenever I have felt resentful at not knowing just what was being done, I have had sense enough to realize that if I were given publicly such information as my honourable friend from Pictou is demanding, the spies and traitors in Canada, if there are any—and there are—

Hon. Mr. McMEANS: Where?

Hon. Mr. MURDOCK: You have some of them in the West—those spies and traitors would be getting that information as well as I should. I am confident my honourable friend from Pictou does not want spies and traitors to get information that may be handed to the Italian or the German Government, or to their representatives just across the line to the south of us.

Now, in just a few words I want to refer to a statement made, I think, by the right honourable gentleman opposite (Right Hon. Mr. Meighen). Early in his speech he referred to a former Deputy Minister who was in office during the last war, and who asked him the other day, as I understood: "How did we get along in the last war? How did we carry on?" Well, I am going to resurrect some notable evidence as a very brief intimation of how we got along. The United States entered the war in 1917, early in April. It has been said by some that they won the war. Maybe some of us do not agree with that. On the 30th of January, 1917, a distinguished gentleman, now deceased, the late Sir Sam Hughes, who during the early part of the war was Minister of Militia and Defence, gave some interesting evidence in another place as to what was happening in Canada. Anyone of an inquiring mind may read at page 573 of the House of Commons Hansard the following statement:

> I wish to relate another incident. One day I drove fifteen miles through the Valcartier camp and I found twenty-one officers on duty, out of some fifteen hundred. Having made inquiries, I found that the fishing was good up in the mountains, and that the company was very genial at the summer hotels. In other words, the camp had degenerated early in the game, into a huge picnic party.

Far be it from me to suggest that in the last war Canada did not do a wonderful job. I was interested then, and I have been interested ever since. But why this disparagement and the criticism that nothing good has been done during the last ten months, though the records indicate, as some honourable gentlemen know, that much more has been done in every necessary field of effort than was done in the first ten months of the Great War? No honourable gentleman can deny that statement.

Right Hon. Mr. MEIGHEN: I cannot think of any statement more untrue.

Hon. J. A. MACDONALD: Only one mind could conceive of that.

Right Hon. Mr. MEIGHEN: There were several battles fought before this stage in the last war. We had a lot to do with winning them.

Hon. Mr. MURDOCK: Yes, but my right honourable friend knows better, possibly, than any other man in this House that the battles in this war are not being fought as were the battles in the last war.

Hon. J. A. MACDONALD: Thus far Canada has had no part in any of the battles that have been fought.

Hon. Mr. MURDOCK: That is the honourable gentleman's view. The honourable gentleman knows the reason why. He has heard repeatedly of the Canadians being started on the way to Norway; he has heard of them being sent across the Channel; but simply because hundreds of them have not been slaughtered he insists that Canada has had no part in the war.

Hon. J. A. MACDONALD: Tell us where they got into the fighting line—

Hon. Mr. MURDOCK: It is all a game—

Hon. J. A. MACDONALD: —except for a few who went over to England a few years ago.

Some Hon. SENATORS: Order!

Hon. Mr. MURDOCK: It is all a game for developing the political resentment and buncombe we have to expect from certain individuals who, from the beginning of this session, have been poor sports, poor losers, and have tried to disparage everything Canada has undertaken in the war effort.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: Honourable senators, may I ask the leader of the Government if we are to go into Committee of the Whole on this Bill? There are some questions I should like to ask.

Hon. Mr. DANDURAND: My honourable friend has put me some questions.

Hon. Mr. HAIG: The trouble is this. I tried the other method once, and an honourable gentleman down here objected strenuously. I am afraid the same thing may happen to-night. Tempers are a little high. I think we had better follow the usual practice of going into Committee of the Whole. Then I can ask questions without having tempers rising.

Hon. Mr. DANDURAND: I move the second reading of the Bill.

The Hon. the SPEAKER: Honourable senators, I have the honour to inform the Senate that I have received a communication from the Assistant Secretary to the Governor General in the following words:

Sir,

I have the honour to inform you that the Right Honourable Sir Lyman P. Duff, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General will proceed to the Senate Chamber to-day at . . . for the purpose of giving the Royal Assent to certain bills.

The Honourable the Deputy of His Excellency is awaiting the passing of this Bill.

Hon. Mr. DANDURAND: Will Your Honour put the question?

The Hon. the SPEAKER: The question before the House, honourable senators, is—

Hon. Mr. HAIG: The honourable gentleman has not answered my question.

Hon. Mr. DANDURAND: It is my intention that the House go into Committee.

Hon. Mr. HAIG: All right.

The Hon. the SPEAKER: The question is on the second reading. Is it your pleasure, honourable senators, to adopt the motion?

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

CONSIDERED IN COMMITTEE

On motion of Hon. Mr. Dandurand, the Senate went into Committee on the Bill.

Hon. Mr. Sinclair in the Chair.

Hon. Mr. DANDURAND: Honourable senators, I was about to ask Hon. Mr. Justice Davis, who will be Deputy Minister if this Bill passes, to come to the floor; but I have just met the Minister-to-be, Hon. Mr. Gardiner, and, if the Senate has no objection, he is ready to sit by my side and answer directly, and not through me, the questions you may ask him. Is that satisfactory?

Right Hon. Mr. MEIGHEN: That is quite a change. I have no objection. It will be a precedent, though, which will likely be invoked for a long time to come.

Hon. Mr. DANDURAND: I have very often suggested it myself.

Right Hon. Mr. MEIGHEN: I have no objection.

Hon. Mr. DANDURAND: Mr. Gardiner says he would have far less objection to coming here as a senator.

On section 1—short title:

Hon. Mr. HAIG: Honourable members, this morning I asked some questions of the honourable leader (Hon. Mr. Dandurand). He probably has the answers, or, if not, Mr. Gardiner can give them.

Hon. Mr. DANDURAND: I have an answer from the Minister of National Defence. It is a general statement, and perhaps after I read it Mr. Gardiner will give more precise information. The statement is as follows:

The regulations are now in course of preparation. The exact details are not sufficiently settled to permit of categorical answers being

given. Registration is expected to include all those of sixteen years and over and the present plans, subject to final determination, will be that those to be called up will be from twenty-one to at least forty-five years of age.

The plans are that men will be called up by age categories in rotation. It is probable that there will be no exemptions from those provided for in the Militia Act and that there will be no exemptions for individuals as such, but the matter of essential occupations will probably be dealt with by a system of postponement as it is in England and Australia.

It is expected that the first category will be called up within two months.

We have long followed the practice of asking Ministers to come to our standing committees to explain bills. Now, for the first time, we have a Minister present at our Committee of the Whole.

Hon. Mr. HAIG: The honourable leader has omitted to give me the information I wanted. In the Militia Act and the Military Service Act of 1917, as in the British Act, certain categories are specified for registration purposes. That is to say, the youths from twenty-one to twenty-six, as the case may be, are required to register within a certain time, and older classes later, and so on, but various exemptions are provided for. For instance, men engaged in aircraft industries are exempt. Now, when I go home, I want to be able to answer any young man who comes to me and says: "Mr. Haig, I am twenty-two. When will my class be called up?" Another man may say to me: "I am twenty-two, and married. Am I to be called up at the same time as the single men?" And there will be questions as to whether a man with children is in a different category from a man who has no children.

Candidly, Mr. Minister, I think you would do a real service to Canada if you gave us information that would enable us to answer such questions. It would set at rest a great many anxious minds all over this Dominion. The young men of twenty-one to thirty, unmarried, in non-essential occupations, expect that they will be called up under the Mobilization Act, for home defence, but they have it in the back of their heads, I might as well tell you, that ultimately, if sufficient volunteers are not forthcoming, they will have to go overseas. Now, it is in order to settle existing unrest about these matters that I am desirous that we, as members of Parliament, should be able to give definite replies to inquiries we receive from young men when we go home.

Hon. Mr. DANDURAND: I have some information that perhaps covers these questions. When I finish reading, the Minister will give further information. This is from a letter setting out the duties of the judges in connection with national registration:

The boundaries of the registration unit will be co-terminous with the boundaries of the polling sub-divisions in each federal constituency in the election held in March last. All persons above the age of 16 must register. The registration will go on for three or four days. When completed, the Registrar in the local polling booth will extract the cards of all persons between the ages of 21 and 45, and will make copies thereof.

All the original cards will be sent by the Deputy Registrar in the poll to the Registrar, whose position corresponds to that of a returning officer in a Dominion election. The Registrar sends all these original cards to the Bureau of Statistics at Ottawa. There is, therefore, left in the province the copies of the cards of single men between the above ages. The Deputy Registrar sends these copies in a separate bundle to the Registrar for the constituency, and the Registrar, therefore, will have in his possession the cards of all single men in the constituency between the said ages.

Hon. Mr. HAIG: Between twenty-one and forty-five.

Hon. Mr. DANDURAND:

It will be the duty of the judge in charge of the constituency to go through these cards and classify them into two groups, namely, those who could safely be called at once for military training in Canada, and those who should not be called up because they are engaged in some vital war industry.

It is not the intention to set up tribunals or to have this judge hear any viva voce evidence.

It is realized that we must work out some principles to guide the judge, because a matter of national policy is involved. The national Government must designate essential industries as against non-essential industries, and an attempt will be made to furnish the judge with a list thereof so he will have this as a guide. Then we are giving consideration to preparing a form to furnish to all employers of labour, so that if an employer has a man of military age working for him and he feels that he should not be put on the immediate list, he will be able to fill out that form and make his representations therein, and mail it to the judge for the constituency. The judge will therefore have the card of the man under consideration and also any written representations his employer may see fit to make.

Instructions to the Registrar for the registration are going forward at once. The registration will take place some time about the middle of August. The judges will actually function a day or so after the registration is complete, and between now and then we will have prepared, printed and distributed to the judges instructions as to what are considered essential and non-essential services, principles to be followed, etc. Naturally, we will only be able to outline broad principles, and the judge will have to apply the same to the individual case. We have chosen the judges so that the people of Canada will be assured that an independent tribunal has dealt with each individual case and has classified the man as either immediate or postponed. In this way

no undue, improper pressure can be brought by any person to have a man's name placed on the postponed list.

As I have said, there will be no exemptions except a few limited by law, and a person will always be subject to call, but when will be dependent upon whether his name is on the immediate list or on the postponed list.

After the local judge in the constituency has classified the cards in this way, then all these cards, with the report of the local judge, will go to the central judge, who will keep them in his possession. He will be called upon to check the cards and classify them into year groups, that is, 21-year-olds, 22-year olds, etc. He will, therefore, know in each province how many young men of 21 there are in the province immediately available for military training. He will also know the number of men of 21 in the province who are on the postponed list because they are engaged in vital services.

When we are notified by the military authorities that a certain number of men are required, then this central judge will go to his records and call up the requisite number from the 21-year-old class in the immediate list, and on from year to year until the requisite number have been called up. The duties of the local judges in each constituency will terminate when their work is complete immediately after the registration, but the position of the central or directing judge will be more or less a continuous one. Provision will have to be made to deal with cases of men who come of age after the registration, and this central judge will also have to deal with the calling up of men from time to time as their services are required by the military authorities for military training.

I hope that I have made this clear.

It is our desire that as many as possible of the Superior Courts of Canada or district court judges should be used, and only when this type is not available should you call upon the services of police magistrates.

Does that give some of the information required by the honourable member?

Hon. Mr. HAIG: Yes. Now, with permission of the House, I should like to ask Mr. Gardiner to outline the set-up for registration.

Hon. Mr. DUFF: That cannot be done.

Hon. Mr. HAIG: Why cannot it be done?

Hon. Mr. DUFF: The statement would have to be made by the leader of the House.

Hon. Mr. HAIG: We asked the Minister to come in for the very purpose of making a statement.

Hon. Mr. SHARPE: Of course.

Hon. Mr. DANDURAND: Perhaps Hon. Mr. Gardiner may be allowed to answer.

Hon. Mr. HAIG: That is what I wanted.

Hon. Mr. DANDURAND: I do not know if there is any objection, but I suggest there should be none.

The Hon. the CHAIRMAN: I think the proper procedure is for the Minister to prompt the leader of the Senate, and the leader can then reply to the question.

Hon. Mr. HAIG: Mr. Chairman, technically you are quite correct, but in a time like this I am not a bit afraid of precedent. We might make a new precedent here, but I do not think there would be anything wrong about that. I have great confidence in Mr. Gardiner and I think that if he tells me what he is going to do, it will be done. I should like to hear him explain the set-up for the registration, so that we may all know about it. I am not trying to have your ruling rejected, Mr. Chairman, but I think we should hear Mr. Gardiner.

The Hon. the CHAIRMAN: Honourable members, if it is necessary to hear the Minister, then I think we should hear him at a meeting of a select committee. I do not think it is proper to hear him here.

Hon. Mr. DANDURAND: I have another statement, which will perhaps satisfy my honourable friend.

Hon. Mr. HAIG: I am afraid, Mr. Chairman, that we shall have to go to a committee, because I want to hear Mr. Gardiner. I warned the honourable leader (Hon. Mr. Dandurand) that my honourable friend from Lunenburg (Hon. Mr. Duff) would object to the making of a statement by Mr. Gardiner. I was sure of it.

Hon. Mr. DUFF: Honourable senators, I do not think it is fair that the honourable junior senator from Winnipeg (Hon. Mr. Haig) should say he knew I was going to object. I am simply desirous that the affairs of this Chamber should be carried on properly. Surely my honourable friend does not think he is in a police court in some outlandish place in Manitoba! We are in a very important Chamber, and we must be careful to follow precedents. I think we have already gone far enough afield in allowing the Minister of this new department to take a seat next to the honourable leader of this House. I did not object to that, but surely the honourable leader is quite capable of passing on to us any information in reply to questions. It was good of the Minister to come here, but I object to the extension to him of the privileges of a member of this House.

The Hon. the CHAIRMAN: Shall section 1 carry?

Hon. Mr. HAIG: No, Mr. Chairman. My honourable friend from Lunenburg insinuates I am trying to introduce police court methods here. I have no such intention at all. I

hope that I am participating in this discussion according to the rules of the Senate. I understood Mr. Gardiner came here to make a statement, but my honourable friend from Lunenburg has objected to that. I am willing to admit the objection is well taken, but I suggest that the Bill will probably not get through to-night.

Hon. Mr. DANDURAND: We could suspend the sitting and have Mr. Gardiner give us his explanation.

Hon. Mr. HAIG: That is not according to the rules.

Right Hon. Mr. MEIGHEN: The explanation would not go on the record.

Hon. Mr. DANDURAND: Here is a statement which I think will satisfy my honourable friend.

Hon. Mr. HAIG: No. I want the statement from Mr. Gardiner. I am not allowed to have it, and therefore we shall have to adopt the procedure which the chairman suggests. Let the Bill go to a select committee, where we can get all the information we may desire.

Right Hon. Mr. MEIGHEN: Honourable members, when the honourable leader of the House suggested that the Minister sit in and take part in our proceedings in committee by answering questions, I quite agreed; but I called attention to the fact that it was a very important precedent and meant a great deal to the Senate. This procedure had been debated here some time ago, and I myself had approved of the plan and the principle; but I did think it was pretty hasty to adopt it all of a sudden, without giving members an opportunity to review the rules and consider the subject calmly. It is an exceedingly important precedent. I favoured our hearing the Minister; indeed I got up and said I raised no objection at all. As I apprehend the discussion now, honourable members did not realize that an important step was being taken. They seemed to think the Minister would attend here in the office that usually a Deputy Minister occupies in a committee of this House for the purpose of furnishing information. If any senator objects, certainly our rules do not provide for what we are doing now.

Hon. Mr. DANDURAND: No.

Right Hon. Mr. MEIGHEN: Therefore I do not see how we could insist on hearing Mr. Gardiner, particularly in view of the fact that the chairman himself objects. He is the judge of procedure while we are in committee. I should certainly like to get the statement direct from the Minister, but I do not think that in the circumstances it is right to insist on this. I merely point out that I agreed and called attention to the importance of the step we were taking. It seems to me we ought to proceed just as expeditiously and thoroughly as we can to question the Government and have the advantage of replies coming from the Minister through the leader of the House.

Hon. Mr. DANDURAND: Then I will answer myself. Here is another statement which I think will satisfy my honourable friend. I suppose no one objects to Mr. Gardiner sitting by my side?

Right Hon. Mr. MEIGHEN: No.

Hon. Mr. HAIG: I desire to warn the honourable leader opposite that I do not intend to lie under the charge that I acted as though I were in a police court.

Hon. Mr. DANDURAND: Surely my honourable friend is not so thin-skinned as that.

Hon. Mr. HAIG: Either the honourable senator withdraws the charge or the Bill will not be proceeded with to-night.

Hon. Mr. DANDURAND: Will my honourable friend allow me to withdraw it for him?

Hon. Mr. HAIG: No.

Hon. Mr. DANDURAND: Then I will ask the honourable senator himself to do so.

Hon. Mr. DUFF: It is certainly too bad that we have such a sensitive member as the junior senator from Winnipeg.

Right Hon. Mr. MEIGHEN: That is not fair. The honourable the junior member from Winnipeg was proceeding according to the rules.

Hon. Mr. DUFF: I have the floor. When I am through you may get up. The honourable the junior member from Winnipeg deliberately made the statement that I objected—

An Hon. SENATOR: That he knew you would.

Hon. Mr. DUFF: Yes, that he knew—

Hon. Mr. HAIG: That I anticipated you would.

Hon. Mr. DUFF: No; the honourable member said he knew that I would object. That was a stupid and ridiculous thing for him to say, because he could not know what I would do; consequently I was quite justified in saying he was trying to adopt police court methods. Now, if the honourable senator will withdraw his statement in regard to me, I

will withdraw my statement in regard to him and say that he should be made a judge of the Supreme Court of Canada.

Hon. Mr. HAIG: No.

Hon. Mr. DANDURAND: I would draw the attention of my honourable friend to the fact that the Deputy Governor General is in the building awaiting the end of our debate on this Bill. I would ask that we examine the measure on its merits.

Hon. Mr. HAIG: I gave the honourable leader fair warning that some members on his side might object to the procedure which he proposed. Now the honourable gentleman from Lunenburg accuses me of saying he was going to object. I did not know, but I anticipated he would object—and I was right. Now, without that withdrawal there will be no progress.

Hon. Mr. DUFF: But it was only after I objected that the honourable gentleman said he knew I would.

Hon. Mr. DANDURAND: This statement will, I think, cover the questions which my honourable friend wants answered:

As it has already been indicated to you, it is the intention to have a National Registration forthwith of all persons in Canada of the ages of 16 years and upwards. This will be a national stock-taking of the human resources of the nation. To be of use the registration must be complete and the returns therefrom available in the shortest possible time, and it will be the objective to have everything done at least by the end of the month of August.

For the purpose of making the registration it is the intention to follow as closely as possible the procedure used in preparing voters' lists for election purposes. The unit for registration purposes will be the federal constituency. The boundaries of the registration unit will be based upon the boundaries of the polls used in the last Dominion election. Where for the sake of convenience it is necessary to alter such boundaries, authority will be given so to do. All those who will be required to register will have to attend in person and register. Penalties will be provided for failure to register.

It is the intention to appoint a registrar for each federal constituency whose position will correspond with that of a returning officer. There will be an assistant registrar appointed for each federal constituency whose position will be similar to that of an election clerk. It will be the duty of the registrar and his assistant, acting together, to appoint the deputy registrars in each poll.

The registrar and assistant registrar will be paid, as will be the deputy registrars.

The registrar and assistant registrar will be allowed their necessary travelling expenses, including mileage, on the same basis as in the Dominion election. They will be paid a reasonable per diem allowance for the time that they are actually engaged in organizing and conducting this national registration. The deputy registrars in the registration units will be paid a reasonable per diem allowance. Registration booths will likely be open for three or four days.

The most important consideration is to get efficient registrars and assistant registrars, as these men constitute the cornerstone of a proper organization. We want to obtain the services of the highest type possible. I am sure that Members will not forget that many returned soldiers are available capable of doing work of this kind.

It is the intention to make this drive for registration a national effort to be engaged in by all people of all classes and, so far as possible and practicable, on a voluntary basis. We want to conduct this registration at the minimum of cost and Canadians who wish to help Canada in the war will here have an opportunity of rendering service to the nation free of charge in carrying out this most necessary registration. We want to stress this factor —and all of this leads to the necessity for the registrar and his assistant being persons outstanding in the community who will command the respect of all classes in the constituency.

In the matter of deputy registrars in the registration units, it is essential that these persons also be such as will command the confidence of the public. I would suggest that preference be given to the younger men and women for these appointments, as they must carry the burden of this war. It is the intention to instruct the registrars and assistants, who will have the naming of these deputy registrars, that they should select men or women from say the teaching profession, municipal secretaries, secretaries of school districts, or other similar self-governing bodies, secretaries of Boards of Trade, Chambers of Commerce, service clubs, college graduates, bank clerks, office employees, etc. It is advisable that these people live in their registration units so that they will know the people with whom they will have to deal.

A questionnaire will have to be answered by each registrant in the registration unit where he registers, and great care will have to be exercised in getting them properly answered. There will have to be a considerable amount of tabulating done in the registration unit, all of which necessitates keen younger people with clerical experience to be sure that these records are properly compiled.

Would you please furnish me with your recommendation for the position of registrar and assistant registrar in your federal constituency? As soon as we have these names instructions will go to the registrar as to how to proceed.

It is my objective to have this registration completed in the month of August, and to attain this objective I must name the registrars and assistants by Friday morning of this week, which means that I would like your recommendation to be in hand not later than Thursday evening of this week. Naturally I would much prefer that you furnish me with these names, but if they are not received it will likely be necessary to go ahead and nominate people for these positions.

It is the intention that the Member for the constituency aid in the conduct of this registration by keeping a supervisory eye over the organization in the constituency and aiding in the setting up of a voluntary organization to assist the registrar and to get the people out to register.

Arrangements are being made in each province to have a member of the Judiciary act as Chief Registrar for the province.

The services of the Judiciary will also be utilized in classifying registrants with respect to the service which they may well be called upon to render the nation in the conduct of the war effort in Canada.

This letter, dated the 9th instant, was sent to all members of the House of Commons, and most of them have sent in the names as requested. My honourable friend will see that the work is very much advanced, and that it is important this Bill be adopted this evening, in order that it may be sanctioned at the same time as the Bill that we passed a few days ago. This would allow the new Minister for Naval Services and the Minister under this Bill, who will form part of the War Committee, to attend to their duties. It is extremely important that it should be done to-day, because we cannot afford to lose the two or three days which we call the week-end before getting down to this work. It is a matter of dire necessity, a question of days, perhaps of hours. There are very important questions to be decided, and the War Committee, including the two new members, will meet to-morrow morning. I think it is the duty of Parliament to hasten the adoption of this legislation so that no delay may occur in the carrying on of this work.

Hon. Mr. DONNELLY: Honourable senators, if I have correctly understood the statement which I have just heard from the leader of the Government in the Senate, all persons, without regard to how old they may be, would be obliged to register. If that understanding is correct, I should like the Minister to tell us why persons of seventy or seventy-five years of age will be obliged to register.

Hon. Mr. DANDURAND: There is no limit to the age. One of the reasons given is that these answers must be provided for the Health Department.

Hon. Mr. DONNELLY: What about the many people who are old and feeble? Is there any provision for them?

Hon. Mr. DANDURAND: There is provision in the regulations for sending an officer to register them at their homes.

Right Hon. Mr. MEIGHEN: Mr. Chairman, if this Bill is to go through to-night, and that appears to be the determination of the Government, I want to understand the substantial factors—the policy that will follow from the Bill. We are being told how registration is to be carried out, and how, after that, enrolment of men for the army is to be enforced under the Mobilization Act. This is more important than all the rest of the work we have done this session, and I should be ashamed to put through legislation foreshadowing it unless I fully understood the mechanism of the operation. Everything hangs upon that. I cannot see any great difficulty up to the time of registration. I mean that I cannot see any great need of controversy over the procedure up to registration; but I do want to understand how, after that, John is to be chosen and Sam is to be left at home. I want to understand the principle of choice and the principle of exemption. I understand what the Minister has read, but that is not enough. If I understand the situation aright, it will be something like this. The registration will give the names of all the younger men, of say twenty-one years of age; it will show whether they are married or not; it will state their education, their occupation, what they are specially qualified to do, and the like of that. This information will all be classified, and will go to the central judge. Then, without hearing any evidence at all as to any individual person, the judge will apply some general rule and say, for that set of people, "We call them all in." Really, I am terribly apprehensive of what is going to result. It is said there will be certain exemptions. What kind of exemptions will they be? There will need to be an exemption for agricultural purposes. How will it be arranged?

Hon. Mr. DANDURAND: There is no exemption for agriculture. There is a postponement during work in the field.

Right Hon. Mr. MEIGHEN: There is always work in the fields. When will the postponement come?

Hon. Mr. DANDURAND: During harvesting.

Right Hon. Mr. MEIGHEN: Just during harvesting?

Hon. Mr. DANDURAND: The training will last about six weeks, and the call may be postponed so that the training will not hamper the work.

Right Hon. Mr. MEIGHEN: That is only the training. I am talking about the man who is enrolled and trained to fight. He is told, "You are going into the army." What then? I am not saying there may not be a satisfactory answer, but I should like time to work out the answer. I have never in my life given as blind a vote as I shall be called upon to give if this Bill goes through to-night. The consequences of this Bill are unbelievably im-

portant; yet we are told the Governor General's Deputy is at the door, and it is up to us to pass the Bill.

Hon. Mr. DANDURAND: My right honourable friend will get his answer.

Right Hon. Mr. MEIGHEN: I want some time to think this over. Place the information upon Hansard, and I will read it, and read it carefully. I know something about getting ready for the enrolment of men in the army. I spent days and weeks on the Military Service Act. How, by means of answers to questions, you can draft men, classify them and deal with exemptions, passes my comprehension. If you have an exemption for agriculture during harvest, in many cases it may exempt two or three men on a farm. That will be a reason for many to go on the farm, and that is what they will do. If you apply a general exemption you will do the gravest injustice. If you do not, without consideration of each individual case, you will do a grave injustice again, because you lift the exemption from the young fellow who is the only one on the farm. I do not see how you can get along without the application of the intelligence of the human mind.

Hon. Mr. DANDURAND: This training is for home defence. These men are to be called by the Defence Department under the Mobilization Act, and that department will be furnished with all the data which is mentioned in and explained by the letters I have read. It will have before it the number of men of twenty-one years of age; and if it decides that one thousand men in a group or in a certain area are needed, it will have cards covering those men.

Right Hon. Mr. MEIGHEN: How will it decide that John Smith is to go and Jim Brown is to stay at home?

Hon. Mr. DANDURAND: They will all be trained.

Right Hon. Mr. MEIGHEN: Good gracious! That is just what I am afraid of—that we are going to do more registering, training and preparatory and preliminary work than anything else. Who is going to decide that John Smith is to go into the army and Jim Brown is to remain out?

Hon. Mr. DANDURAND: Throughout the and, they will all be trained for the defence of Canada, and they will get their training under the Mobilization Act. All men of a certain age will be called and trained.

Right Hon. Mr. MEIGHEN: Then all we are going to do is to call men and train them. The Minister is to be put in charge of mobilization and—

Hon. Mr. DANDURAND: No.

Right Hon. Mr. MEIGHEN: That is what this Bill says.

Hon. Mr. DANDURAND: No.

Right Hon. Mr. MEIGHEN: Great Scott! I thought I had read it. Look at section 4. It says:

> It shall be the duty of the Minister to assist in carrying out the objects of The National Resources Mobilization Act.

And look at the preamble:

> Whereas The National Resources Mobilization Act, 1940, provides for the mobilization of all the effective resources of the nation, both human and material, for the purpose of the defence and security of Canada, and
>
> Whereas it is expedient to create a Department of National War Services to assist in carrying out the purposes of The National Resources Mobilization Act, 1940, and for the other purposes of this Act—

and so forth. There may be someone helping him, or he may be helping someone. But that is what he is there for. You cannot tell the House that all the Mobilization Act calls for is training. The authorization is wide enough to enable you to train, but it also authorizes the mobilization of men in the army to fight.

Hon. Mr. FARRIS: Would the Minister of National Defence not be primarily seized with that responsibility?

Right Hon. Mr. MEIGHEN: If that is the case, is he going to mobilize men into the army to fight on the basis of these registration cards? If he is, we are going to have some time.

Hon. Mr. DANDURAND: If Canada is attacked. This is for the defence of Canada—

Right Hon. Mr. MEIGHEN: Oh, yes.

Hon. Mr. DANDURAND: —and we must train all the men for the defence of Canada.

Right Hon. Mr. MEIGHEN: I am not worried about the training. I am at the point where you summon the men to the army. Is it the intention to compel men to go into the army to fight for the defence of Canada up to the shores and three miles beyond? Are we going to act on the basis of a general registration, or are we going to apply human intelligence to the individual case?

Hon. Mr. DANDURAND: The Bill has nothing to do with that.

Right Hon. Mr. MEIGHEN: We are authorizing someone to assist. We are not going to provide for men to fight under this Bill?

Hon. Mr. DANDURAND: It will be done by the Department of Defence.

Right Hon. Mr. MEIGHEN: And when are we going to know on what principles the Department of Defence will select the men to be trained? It is authorized to do it now under that Bill. I think we should know on what principles it is going to do it. That is the important thing.

Hon. Mr. DANDURAND: But that does not come under this Bill. My right honourable friend will very soon have the regulations prepared by the Department of Defence, and they will answer his query.

Right Hon. Mr. MEIGHEN: Will they be submitted to Parliament for its judgment and review? All these other things are important, but they are nothing in importance compared to that. That is of vital importance.

Hon. Mr. DANDURAND: My right honourable friend was here when the Bill was passed the other day, and he knows the regulations must be laid before Parliament if Parliament is in session.

Right Hon. Mr. MEIGHEN: But this is put before us for review. Are we to be told that the principles upon which you are going to compel men to undergo training must be decided by Parliament, but that the principles upon which you compel them to fight are to be decided in the closet by the Government?

Hon. Mr. DANDURAND: This is for the purpose of registering the men who will be called to the colours to train and to prepare for the day when Canada may be attacked. We shall give training to selected men between certain ages, from the Atlantic to the Pacific.

Right Hon. Mr. MEIGHEN: I am not going to worry much about how you decide that. But I do want the Government to answer this question. Do you intend to lay before Parliament the principles upon which will be decided what men shall be compelled to join the army to fight for the defence of Canada, and what men shall be exempted? Are we to have any say at all about that?

Hon. Mr. GORDON: Honourable senators—

Right Hon. Mr. MEIGHEN: I should like an answer to that question.

Hon. Mr. GORDON: I beg your pardon.

Hon. Mr. DANDURAND: Of course, if the country is attacked there will be very little time to submit to Parliament the lists of men who will be called. All the available men will be called then.

Right Hon. Mr. MEIGHEN: I did not ask for the lists of the men who will be called. I asked for the principles which are to be followed in choosing the men. We are told now the principles which will be followed in selecting men to be trained. Is Parliament going to be informed of the principles to be followed in selecting which men are to fight and which men are to be exempted, or are those principles to be decided by the Government in closet, without any reference to Parliament?

Hon. Mr. DANDURAND: I suppose my right honourable friend knows what he means when he uses the term "in closet." He has been there himself. I suppose he means the Cabinet.

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND: I may tell my right honourable friend that I will transmit his query to the Minister of National Defence. I have already had placed before the Minister some questions which partially cover the very point the right honourable gentleman is exercised about, and here is Mr. Ralston's answer:

> The regulations are now in course of preparation. The exact details are not sufficiently settled to permit of categorical answers being given. Registration is expected to include all those of sixteen years and over and the present plans, subject to final determination, will be that those to be called up will be from twenty-one to at least forty-five years of age.
>
> The plans are that men will be called up by age categories in rotation. It is probable that there will be no exemptions from those provided for in the Militia Act and that there will be no exemptions for individuals as such, but the matter of essential occupations will probably be dealt with by a system of postponement as it is in England and Australia.
>
> It is expected that the first category will be called up within two months.

I can assure my right honourable friend that if these regulations are prepared within the next three or four weeks and we are still here, as I surmise we shall be, they will be submitted to Parliament.

Right Hon. Mr. MEIGHEN: The Government could have the regulations prepared within three or four weeks easily enough, and within one week. When my honourable friend says they will be submitted to Parliament, does he mean they will be submitted for review, to be passed upon by Parliament, or not?

Hon. Mr. DANDURAND: We have passed a law that decides upon that.

Right Hon. Mr. MEIGHEN: They will not be, then.

Hon. Mr. DANDURAND: I do not know.

Right Hon. Mr. MEIGHEN: I understood the honourable leader to say a moment ago that he would get some information from his colleagues for us. Will he also let us know whether we are to have any say about the regulations which are to determine what men will be called upon to fight and what ones will be exempted? Will he let us know this at the next sitting of the House?

Hon. Mr. DUFF: Mr. Chairman,—

Right Hon. Mr. MEIGHEN: I should like an answer to that question.

Hon. Mr. DUFF: I am rising to a point of order.

Right Hon. Mr. MEIGHEN: We are in order.

Hon. Mr. DUFF: No, I submit you are not in order, and that is why I am rising. I appreciate that the chairman, with his usual good nature and generosity, has allowed this discussion to go on in the way it has gone, but I submit it is entirely out of order. The Bill has nothing to do with what the right honourable leader on the other side (Right Hon. Mr. Meighen) is asking about. It deals with the registration of certain people in Canada, not with whether they fight or not. My right honourable friend has no right—I say that with all due respect to him—to ask the Government what will be done with the people after they register. I can understand he would like to know what the Government's intentions are in that respect. I too should like to know, but that is something, I submit, entirely beyond the scope of this Bill. Whether Tom Jones and John Smith and Jim Brown are to be called up will be a matter for the authorities after this measure is passed and our men have registered.

This Bill has to do with the registration of every man and woman in the country. It does not mention that women are to be included, but they may be, as I understand that under the law women are now regarded as persons, just as men are. The Bill provides:

The Minister may, with the consent of the Governor in Council,

(a) conduct such national registration and make such survey as may be required for the effective carrying out of the provisions of this Act and of The National Resources Mobilization Act, 1940;

(b) place the results of such registration and of such survey at the disposal of His Majesty in the right of Canada;

After the registration is completed, the name, place of birth, age, residence, and so on, of every man and woman in Canada will be placed before the proper authorities, and then it will be for them to say who shall join the Army, who shall fight for this country, and who shall stay at home, on the farm, or in the fishing boat. Surely the right honourable gentleman does not expect the honourable leader of this House—who has perhaps the brightest brain in Canada and probably does more work than any other member of the Cabinet—to tell us who will be chosen to join the Navy, the Army and the Air Force! I repeat that we are entirely out of order in discussing what should or should not be done after this Bill is passed. All we are asked to decide to-night is whether we are in favour of national registration.

Hon. Mr. DANDURAND: I may be able to end this debate by moving adoption of section 1.

Right Hon. Mr. MEIGHEN: Just a moment. I always tremble when I venture to oppose the judgment of the senator from Lunenburg (Hon. Mr. Duff). I remember his powerful personality from days past. What he argues is this, that although we are asked to pass a Bill calling for the registration of all the people of Canada, we have no right to know what will be done after the registration is completed. What effect the registration will have on individuals is said to be no concern of ours at all.

Hon. Mr. DUFF: I did not quite say that.

Right Hon. Mr. MEIGHEN: He does not mean that at all. Certainly we want to know what is going to be done after the registration is completed. Nothing could be more clearly pertinent to the Bill. However, the discussion would have been through before this if the honourable gentleman had not risen. If the honourable leader will say that at the next sitting of the House he will tell us what principles are to be applied in selection of the men and what regulations will govern, I shall be satisfied.

While I am on my feet, perhaps I may be allowed to say a few words about the matter of agricultural exemptions. We all know it is impossible to make a general exemption in favour of agriculturists. I am sure the honourable leader will agree with that.

Hon. Mr. DANDURAND: They are not exemptions; they are postponements.

Right Hon. Mr. MEIGHEN: That is to say, after the harvest is over the farmers will all be liable to call.

Hon. Mr. DANDURAND: Yes, they will serve a certain number of weeks.

Right Hon. Mr. MEIGHEN: I ask the head of the Department of Agriculture, who is within my hearing, to take note. In the last war the leader of the House was determinedly in favour of a general exemption of agriculturists. He knew then, of course, and he knows still better now, that such a general exemption is utterly impracticable. I hope his persuasive eloquence will not result in anything of the kind this time. I warn the Minister of Agriculture to be stout-hearted and to resist importunities in favour of such exemption.

Section 1 was agreed to.

Section 2 was agreed to.

On section 3—Deputy Ministers:

Hon. Mr. DUFF: It seems to me, honourable senators, there is no necessity for two deputy ministers in any department.

Right Hon. Mr. MEIGHEN: Hear, hear.

Hon. Mr. DUFF: I protest against this section and ask that only one deputy minister of this department be appointed by the Government.

Hon. Mr. SHARPE: What is the reason for requiring two deputy ministers?

Hon. Mr. DANDURAND: I move adoption of the section.

Right Hon. Mr. MEIGHEN: I support what the honourable senator from Lunenburg (Hon. Mr. Duff) says.

Hon. Mr. DUFF: Thank you very much.

Right Hon. Mr. MEIGHEN: I do not think there is any more necessity for two deputy ministers in this department than in any other department. Why two?

Hon. Mr. GORDON: Honourable senators—

Hon. Mr. DANDURAND: There have been two deputy ministers in the Department of Defence.

Right Hon. Mr. MEIGHEN: I know that. How many deputies in all are we to have?

Hon. Mr. GORDON: It appears to me the very height of absurdity, at this late date, to register everyone in Canada, no matter what his age. I understand that if a man is paralysed, or otherwise so ill that he cannot go out to register, an official will be sent to get his registration. For the life of me I cannot understand why people of that kind should be included. Every card that is filled out will mean a lot of extra work. I would ask the honourable leader if he does not think it would be more businesslike to set an age limit of, say, sixty or sixty-five for persons required to register, instead of requiring everybody to register, regardless of whether he is eighty, ninety or even one hundred years old.

Hon. Mr. DANDURAND: If a limit were fixed as my honourable friend suggests, the registration work would be far more cumbersome.

Hon. Mr. GORDON: No; the work would be far less.

Hon. Mr. DANDURAND: It would be necessary to have birth certificates produced by those who claimed to be beyond the age limit.

Hon. Mr. GORDON: If I had the say, I would limit registration to people up to fifty. What is the use of having the records cluttered up with a lot of useless information?

Hon. Mr. DANDURAND: It has been decided that a general registration would be far simpler.

Hon. Mr. GORDON: That will mean more cards, more employees, more time and more expense.

The Hon. the CHAIRMAN: I should like the committee to understand that we are now on section 3. I think that from now on we should confine our remarks to the section under discussion.

Hon. Mr. McMEANS: A point that is bothering me is this. What is going to become of all these ministers, deputy ministers, assistants and other officials after the war is over?

Hon. Mr. COPP: They will all be superannuated.

Right Hon. Mr. MEIGHEN: I think the point raised by the honourable senator from Lunenburg (Hon. Mr. Duff) is important. Let us be frank. Just what is the reason for requiring two deputy ministers in this department? The reason is that we have two races in Canada. If anyone thinks I am trying to keep a French Canadian out of the job, I will say this: Keep the French Canadian and dispense with the other one. One of the curses of this country is the system of duplicate appointments. There are a great many positions to which, if you appoint a French Canadian, you must also appoint an English-speaking Canadian, and now it is getting that we can no longer have only one deputy minister in a department. We cannot have one Parliamentary Librarian, but must appoint two, although there is as much need for two

as for fifteen wheels to a coach. We have a French Canadian Librarian now, and I plead with the Government to leave him without an associate. He is perfectly competent.

Hon. Mr. DANDURAND: I draw the attention of my right honourable friend to the fact that the two deputies will cost the country nothing, as they are already on salary. One of them, Colonel LaFleche, a fighting soldier, has had considerable experience in a certain line, as the other, Mr. Justice Davis, has had in another line.

Right Hon. Mr. MEIGHEN: I think you could get another man in Quebec. True, Mr. Justice Davis will draw his salary as judge, but there was no need of appointing him to the Bench. He has nothing more to do than to note the difference between night and day.

Hon. Mr. DANDURAND: Who?

Right Hon. Mr. MEIGHEN: What was the sense of appointing another judge in Saskatchewan? We appointed him at $9,000 a year. Now he is brought down here and we are told it will not cost us anything. Of course it will cost us something. We are getting two deputies in this department, two in another. We are just going to have two deputies in every department. I plead with the Government to get away from this practice.

Hon. Mr. LACASSE: I want to thank the right honourable gentleman opposite (Right Hon. Mr. Meighen) for his splendid gesture. I do not share all the views he has expressed to-night, but I endorse most emphatically the stand he took when, in subscribing to the principle implied in the suggestion of my honourable friend from Lunenburg, he stated that to prevent duplication he would go to the extent of sacrificing the appointment of an English-speaking deputy minister in this department. If you look through the Civil Service list you will find other departments with two deputy ministers.

The Hon. the CHAIRMAN: Shall the clause carry?

Hon. Mr. DUFF: No, Mr. Chairman, I cannot let clause 3 pass without protesting against the appointment of two deputy ministers. If we establish this precedent it means that in future, whenever opportunity offers, two deputy ministers will be appointed instead of one. A case came to my attention a few weeks ago, and the honourable senator from Queen's (Hon. Mr. Sinclair) is also familiar with it. A vacancy occurred in the deputy ministership of the Fisheries Department and continued for a year, when a deputy was appointed. I do not know who recommended him or what his qualifications were, but I do know he is a gentleman and a scholar. Outside of that I do not know why he was appointed. But within four weeks of his appointment it was necessary to appoint an assistant deputy minister to tell the deputy minister what to do, so the deputy minister could tell the minister. It is high time when we are trying to raise taxes to carry on the war that we take our stand in this Parliament and elsewhere in an endeavour to keep the Civil Service list as low as possible.

Right Hon. Mr. MEIGHEN: Hear, hear.

Hon. Mr. DANDURAND: Question!

Hon. Mr. DUFF: Not by any means. I say there is no necessity for two deputy ministers for national registration. I do not care who is deputy minister. In spite of what my friend to my left (Hon. Mr. Lacasse) has said, it seems to me one of the gentlemen suggested is not doing so badly: he was deputy minister of another department for many years and, I understand, he is drawing 100 per cent pension. Unless racial considerations are to govern, surely there are other gentlemen in Ontario, Quebec or Nova Scotia who could do the work just as well as he. As to the gentleman from the West, whether or not he is getting remuneration makes no difference; the principle is wrong. This registration is only for a short time, and once the work is done what is there for the deputy to do? Then why insist on appointing two deputy ministers? Let us economize whenever we can. Though it is not possible for a Government to economize as we would in our private affairs, undoubtedly there is no room for two deputy ministers in this proposed department.

Section 3 was agreed to.

On section 4—duty of the Minister:

Hon. Mr. HAIG: A couple of hours ago I rose to ask some questions. In the meantime there has been a good deal of discussion, and now I am back again. The right honourable leader on this side and the chairman pointed out that this Bill is for national registration. But under this section the Minister is to assist in carrying out the objects of the National Resources Mobilization Act, which is the conscription Act. The Mobilization Act provides for enlistment, not for overseas, but for home defence. Under the Act men will be called up for training and then for mobilization as part of the army for the defence of Canada. The six weeks' training is as nothing compared with real war work. In the old militia days you got your three weeks' summer training, and then you trained two nights a week during the rest

of the season, which would be much more than is proposed to-day. When the registration cards are ready you will need judges in every district to decide the principles on which men shall be called up. I remember under the Military Service Act one man was appointed by the Government and one by the judges of the province.

Right Hon. Mr. MEIGHEN: None were appointed by the Government.

Hon. Mr. HAIG: By a tribunal.

Right Hon. Mr. MEIGHEN: By a committee of selection.

Hon. Mr. HAIG: And they selected one man and the judges of the province selected another. There was an appeal from the decisions of the tribunal to the Supreme Court judges of the province. To my personal knowledge in Manitoba we must have had a thousand appeals.

Hon. Mr. DANDURAND: That concerned exemptions.

Hon. Mr. HAIG: Exactly; but this will be the same. There will be no exemptions from training, but when our men are mobilized for the defence of Canada we have a right to know what principles will be applied in deciding whether this or that man shall be taken. Take two cases: first, a man on a quarter-section, with four sons, aged respectively twenty-one, twenty-three, twenty-seven and twenty-nine, all single and living at home; the other, a man on an adjoining section of land with one son aged twenty-two. Principles must be laid down for the tribunals to apply in dealing with these and other cases. We have a right to know what the Government are going to do when this mobilization clause is put into operation. I am worried not about registration, but about mobilization.

I agree with the honourable member from Nipissing (Hon. Mr. Gordon) that it is not much use to register persons above fifty years of age. My father is ninety-one, and under this Bill he would have to register. Once men are called up under the mobilization part of this Bill, what principles are to be applied, and what happens? The honourable leader of the House does not answer my question by saying, "We will lay the Orders in Council on the Table, we will publish them in the Gazette, and we will send you, as a senator, copies of them." He told me that before. I want to know what principles will be laid down, such as you and I would approve when the man-power of this country is called upon to do its duty in the defence of Canada. You, Mr. Leader, and I and every member of Parliament are charged with responsibility in this matter, and we have no right to say, "Let the Government do it." Through the honourable gentleman opposite I suggest to the Government that it would be better to defer consideration of this Bill until Monday, when he should be in a position to say to us, "We propose to set up certain exemptions, and when questions arise on refusal to grant exemptions provision will be made for appeal to a tribunal composed of so and so." I think that is important.

Hon. Mr. DANDURAND: But that does not come under this Bill.

Hon. Mr. HAIG: Yes. Section 4 provides:

It shall be the duty of the Minister to assist in carrying out the objects of the National Resources Mobilization Act, 1940.

Hon. Mr. DANDURAND: Oh, yes, but there are many things in that Act.

Hon. Mr. HAIG: Yes, but one of the things is to call up men for the defence of Canada.

Hon. Mr. DANDURAND: The Department of National Defence will do that.

Hon. Mr. HAIG: The Minister of National War Services will assist.

Hon. Mr. DANDURAND: Oh, yes, but he will not draft the regulations.

Hon. Mr. HAIG: He will be a party to the drafting of those regulations. He is so instructed by this Bill.

Hon. Mr. DANDURAND: Oh, no.

Hon. Mr. HAIG: Otherwise this section would not be in the Bill. If the Minister's work is to be confined to national registration, then clause 4 should be struck out. Under clause 4 it shall be his duty "to assist in carrying out the objects of the National Resources Mobilization Act, 1940." I think the words are well chosen. I suggest, Mr. Minister, that you allow this Bill to stand until next Monday. We shall be here for three or four more weeks. You have power to go on with your registration. Come down here on Monday, Tuesday or Wednesday, whenever you are ready, and give us a general outline of the principles which will be laid down, so when we vote for this or any other section we shall know what we are voting for.

Hon. Mr. DANDURAND: If my honourable friend wants to take the responsibility of delaying this Bill for three or four days, let him vote accordingly, but I shall not be a party to it. It will delay registration for three or four days.

Hon. Mr. HAIG: How will it?

Hon. Mr. DANDURAND: Because that work has started and registrars are to be appointed all over the country.

Right Hon. Mr. MEIGHEN: They are at work now.

Hon. Mr. DANDURAND: But they cannot be appointed until authority is given the Minister.

Right Hon. Mr. MEIGHEN: He can appoint them under the Mobilization Act.

Hon. Mr. DANDURAND: Then if my honourable friend thinks this Bill is useless, let him vote against the motion for third reading.

Right Hon. Mr. MEIGHEN: That is not the point. I was answering the statement that they cannot go ahead appointing registrars. Of course they can go ahead. Everything they say they want to do under this Bill they can do. They have gone ahead already. Let them keep right on.

Hon. Mr. DANDURAND: They are preparing.

Right Hon. Mr. MEIGHEN: Sure, they have gone ahead. The Mobilization Act empowers them to do everything except create this department.

Hon. Mr. DANDURAND: No one has been appointed but Mr. Castonguay.

Right Hon. Mr. MEIGHEN: All this provides for in a great hurry is training for young men. Why are we being stampeded as if the heavens would fall if we did not get this Bill through to-night? You are going to register men a month from now, and then call them out for training for three weeks. Not one-quarter of them will be soldiers by that time. You could do it all without this Bill. The three weeks' training will advance the men a little; but to represent to us that unless this is thundered through Parliament at once we shall be behind with our war effort is something we cannot listen to. It is not correct—it is not true.

Hon. Mr. DANDURAND: I move the adoption of the clause.

Hon. Mr. HAIG: No, Mr. Chairman. The leader of the House has challenged me to take the responsibility of holding up this Bill.

Right Hon. Mr. MEIGHEN: Do not worry about that.

Hon. Mr. HAIG: I am not worrying about it in the least, because I know the young men of this country want to know what the Government are going to do under this Bill and the other one.

Hon. Mr. DANDURAND: You will know it, but not under this Bill.

Hon. Mr. HAIG: Under section 4 you are calling for mobilization—

Hon. Mr. DANDURAND: No.

Hon. Mr. HAIG: —and the young men want to know what is going to be done under this provision. I am charged with the responsibility of finding out, and I am prepared to stand here and assume that responsibility. I think the Government ought to say quite candidly what their policy is. An honourable member has expressed to-night the feeling I have had ever since I came into this House on the 15th of May. The people of this country are not being told enough about what is going on. We do not need to be afraid of the Germans or the Italians learning something. They know more than we do. Under the mobilization clause the Minister is to assist in mobilization, and I want to know what flows from that mobilization. I speak for the young men of this country. I know them as well as my honourable friend. The mothers and fathers of these boys also want to know the procedure, and if it is necessary to hold up the Bill for a day or two in order to find out, I am prepared to assume that responsibility.

An Hon. SENATOR: You are very brave.

Hon. Mr. HAIG: Yes, very brave, but I will take the responsibility.

I say to you, Mr. Speaker, that for days, for weeks, you have known that I was pressing for this information. I asked these questions when the Mobilization Bill was being considered, and I want to know, and the people are entitled to know, not only the plan of registration, but also the plan of mobilization, and how it is to be carried out. To-day we know nothing. As the honourable senator from Pictou (Hon. Mr. Tanner) has said, if he goes home and is asked what the plan is, he cannot answer. The honourable leader says, "You will be notified by the Gazette, and personally."

This is something which is agitating public opinion. When I was asked by young man after young man what was the procedure with respect to mobilization, I had to say: "For the life of me, I don't know. We passed a Bill for the mobilization of resources for the defence of Canada, but what it provides I don't know. It is a blank cheque to the Government." They said, "Are you not going to find out what the Bill provides?" I do not want to know whether these young men are going to be called on the 1st of September, October or November; I do not want to be told anything that would assist the enemy; but I do want the fathers and mothers and the boys to know the principles under which the choice is to be made.

Hon. Mr. DANDURAND: The honourable gentleman knows very well that he is talking as if he were addressing a meeting outside.

Hon. Mr. HAIG: All right.

Hon. Mr. DANDURAND: The honourable gentleman should know that the regulations will be published. That will be done, not under this Bill, but under the Mobilization Act.

Hon. Mr. HAIG: I may misconstrue my responsibilities, but I think one of them is to pass judgment on these regulations. I think that is the responsibility of every member of this House and of the House of Commons, and we owe it to the young men of this country to see that this matter shall not be left to the judgment of fifteen men, but shall be passed upon by the three hundred and forty-one men and women who make up this Parliament.

I am not going to presume to tell the honourable gentleman what he should or should not say. I am simply trying to indicate what I think ought to be done, so that in years to come people will not be able to say to me: "Why didn't you ask for that information? Why were you so dumb as to sit there and let the Government put that legislation through without raising your hand or voice?" I am raising my hand and my voice now, and I say to the Government, it is your duty to tell Parliament and the country the principles under which these men are going to be mobilized for the defence of Canada, because just as surely as my honourable friend is leader of the House, just as surely as his distinguished record will go down in history, the men who are called up under the Mobilization Act will ultimately have to go to Europe to fight the battle for freedom. The honourable gentleman knows it, and I know it. Therefore we ought to be very careful to let the people know what those principles are. Do not be afraid of the people. Do not spring this thing on them without consulting Parliament while it is still in session. I plead with the Minister to give us this information.

Hon. Mr. DANDURAND: I think I shall be able to give the information from the Department of Defence within a few days. But it will not come under this Bill. This Bill has nothing to do with it.

An Hon. SENATOR: Hear, hear.

Hon. Mr. DANDURAND: We have passed an Act, which will be sanctioned before midnight, to enable the Department of Defence to carry on the mobilization. Under that authorization the regulations are being framed, and when they are ready they will be imparted to this House.

Section 4 was agreed to.

On section 5—powers of Minister:

Right Hon. Mr. MEIGHEN: I just remind the Minister that the Defence of Canada Regulations passed under the authority of the War Measures Act have been submitted to a committee of Parliament. Those regulations, though of very great importance, are not comparable in importance with the regulations which the Government intend to pass under the Mobilization Act, and I warn the honourable gentleman not to give effect to these regulations until they have been submitted to Parliament for its approval.

Section 5 was agreed to.

On section 6—other duties:

Hon. Mr. DUFFUS: Mr. Chairman, I submit that these clauses ought to be read carefully, so that we may understand them.

The Hon. the CHAIRMAN:

6. The Minister may perform such other duties as may be assigned to him from time to time by the Governor in Council, and he shall have all powers necessary to carry out the provisions of this Act and of any Orders or Regulations made hereunder.

Section 6 was agreed to.

On section 7—other organizations:

The Hon. the CHAIRMAN:

7. The Minister may establish national, provincial, or local councils, committees or boards and use existing organizations and agencies to assist him in carrying out the purposes of this Act.

Right Hon. Mr. MEIGHEN: That does no harm, and no good.

Section 7 was agreed to.

On section 8—information:

The Hon. the CHAIRMAN:

8. Where a government department or any person or body of persons has, by virtue of any Act or Order in Council, power to obtain, for any purpose, information as to matters with respect to which the Minister is empowered to require information to be given or returns to be made,—

(a) such department, person or body shall, if so required by the Minister, exercise that power for the purpose of assisting the Minister in obtaining any such information, and

(b) any information obtained by such department, person or body, whether upon a requisition of the Minister or otherwise, may, notwithstanding anything in any other enactment or order, be furnished to the Minister.

Section 8 was agreed to.

On section 9—expenditures:

The Hon. the CHAIRMAN:

9. All expenditures incurred under this Act shall be paid out of the moneys provided by The War Appropriation Act, 1940, or otherwise by Parliament for the purpose of this Act.

Section 9 was agreed to.

On section 10—orders and regulations:

The Hon. the CHAIRMAN:

10. In addition to the powers otherwise conferred by this Act, the Governor in Council may, from time to time, make such orders or regulations as may be deemed necessary or advisable to carry into effect the purposes of this Act, and any such orders or regulations shall have the same force and effect as if enacted herein.

Section 10 was agreed to.

On section 11—tabling of orders and regulations:

Hon. Mr. DANDURAND: Sections 11, 12 and 13 need not be read.

Hon. Mr. MARCOTTE: I should like to know why section 11 does not provide for the same procedure as section 5 of the Mobilization Bill. Under that Act, if we are not in session, the Orders in Council have to be published in the Gazette, and copies have to be sent to members of the House of Commons and of the Senate. Why is that not done under this Bill?

Hon. Mr. DANDURAND: It is because the Department of Justice suggested that this was a better form.

Hon. Mr. MARCOTTE: It is not a matter of form; it is a matter of information.

Hon. Mr. DANDURAND: That was the reason given when the section was drafted.

Section 11 was agreed to.

Sections 12 and 13 were agreed to.

The preamble and the title were agreed to.

The Bill was reported.

THIRD READING

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

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

SALARIES BILL

FIRST READING

A message was received from the House of Commons with Bill 90, an Act to amend the Salaries Act.

The Bill was read the first time.

SECOND READING

Hon. Mr. DANDURAND: This Bill is consequential upon the one we have just passed. With leave, I would move the second reading.

Right Hon. Mr. MEIGHEN: I have not got the Bill yet.

Hon. Mr. DANDURAND: The Bill simply amends the Salaries Act, chapter 182 of the Revised Statutes of Canada, by adding at the end of section 4 of that Act the following:

The Minister of National War Services . . . $10,000.

Of course Mr. Gardiner has been receiving that amount as Minister of Agriculture, but in future he will receive it as Minister of National War Services.

Right Hon. Mr. MEIGHEN: I have not got the Bill, and I do not understand the explanation. Perhaps the honourable leader will tell us what will happen to this planet if the Bill is not passed to-night.

Hon. Mr. DANDURAND: This Bill is consequential upon the Bill we have just passed, constituting the Department of National War Services.

Hon. Mr. McMEANS: The Bill has not been distributed, has it? I have not seen it, if it has.

Hon. Mr. DANDURAND: I do not know if it has. It is a very short Bill, which simply amends the Salaries Act, chapter 182 of the revised Statutes, by adding at the end of section 4 the words:

The Minister of National War Services . . . $10,000.

Hon. Mr. McMEANS: Does that mean the Minister gets an extra $10,000?

Right Hon. Mr. MEIGHEN: He does not get an extra $10,000?

Hon. Mr. DANDURAND: No.

Right Hon. Mr. MEIGHEN: I do not know why the Bill is necessary. Why does there have to be a measure entitling Mr. Gardiner to draw $10,000 as Minister of National War Services, when he is already drawing it as Minister of Agriculture?

Hon. Mr. DANDURAND: When he is sworn in as Minister of National War Services he will cease to be Minister of Agriculture.

Right Hon. Mr. MEIGHEN: And then it is intended to appoint a new Minister of Agriculture, is it? Who will have the responsibility for the wheat problem of the West?

Hon. Mr. DANDURAND: My right honourable friend knows what the responsibilities of the Ministers are.

Right Hon. Mr. MEIGHEN: Is it the judgment of the honourable leader that this is a good time for the Minister to be getting rid of the responsibility of deciding the wheat policy of the West?

Hon. Mr. LAMBERT: My right honourable friend probably realizes that the wheat problem is the responsibility of the Minister of Trade and Commerce, not of the Minister of Agriculture.

Right Hon. Mr. MEIGHEN: Oh, no, it is the responsibility of the Minister of Agriculture, from Saskatchewan, the wheat province. No other Minister can take that burden off his shoulders.

Hon. Mr. McMEANS: Mr. Speaker, this Bill has never been distributed, and we have never seen it. We know nothing about it. Yet the honourable leader gets up and moves second reading. I for one will object until I see the Bill.

Hon. Mr. DANDURAND: I will show it to my honourable friend.

Hon. Mr. McMEANS: I do not want to see it now. I want to take it home and read it. The honourable gentleman has no right to move that a Bill which has not been printed or distributed in the House should be read a second time.

Hon. Mr. DANDURAND: My honourable friend—

Hon. Mr. McMEANS: I rise to a point of order and I ask His Honour the Speaker to make a ruling.

Hon. Mr. DANDURAND: My honourable friend—

Hon. Mr. McMEANS: I rose to a point of order and I ask His Honour the Speaker to rule on it.

Hon. Mr. DANDURAND: At the opening I moved that these two Bills, by leave, be given the three readings to-night.

Hon. Mr. McMEANS: I object.

Hon. Mr. DANDURAND: It is too late.

Hon. Mr. McMEANS: His Honour cannot overrule me, because I am only asking that the rules of the Senate be followed. Two days' notice is required for second reading of a Bill unless there is unanimous consent that the notice be dispensed with.

The Hon. the SPEAKER: The point raised by the honourable senator from Winnipeg (Hon. Mr. McMeans) is well taken, but with leave of the Senate the Bill could receive third reading at this sitting.

Hon. Mr. McMEANS: Mr. Speaker, I have stated my point of order and I want your ruling on it. The Bill was read for the first time to-night, and two days' notice is required before it can be read the second time. The honourable leader has no right to move second reading without the required notice.

Hon. Mr. DANDURAND: I said that by leave I would move the second reading, and that was agreed to.

Hon. Mr. McMEANS: Leave is not given when one senator objects.

Hon. Mr. DANDURAND: But leave was granted to make the motion.

Hon. Mr. McMEANS: No; I objected to it. And I want a ruling by the Speaker.

Hon. Mr. SINCLAIR: The Speaker has ruled.

The Hon. the SPEAKER: This Bill has already been given second reading.

Hon. Mr. McMEANS: No. Here is a Bill that we know nothing about; that has never been distributed to honourable members. Yet the leader of the House moves second reading. I object to the second reading being given to-night.

Hon. Mr. DANDURAND: Read the Bill.

Hon. Mr. McMEANS: No, do not read the Bill. I want the Speaker's ruling.

Hon. Mr. SINCLAIR: The Speaker has ruled.

Hon. Mr. McMEANS: I want a ruling by the Speaker on the point I raised.

Right Hon. Mr. MEIGHEN: Perhaps I can compose this difficulty. Even if I am wrong in saying that leave was not given to move the second reading, any honourable member could object to the third reading to-night. I have no desire, not the slightest, to postpone the second reading.

Hon. Mr. DANDURAND: Second reading.

Hon. Mr. McMEANS: I object.

Right Hon. Mr. MEIGHEN: I am afraid our record will be wrong if we put through the second reading in this way.

Hon. Mr. McMEANS: The honourable leader no doubt has great power over this House, but he cannot dictate to everybody and ask for this, that, and the other thing in violation of the rules of the House. I want a decision by the Speaker.

Hon. Mr. DANDURAND: When these two Bills came before the House I suggested that leave be given for second and third readings.

Hon. Mr. McMEANS: But the Bill has never been printed or distributed.

Hon. Mr. DANDURAND: Leave was granted.

Right Hon. Mr. MEIGHEN: My honourable friend is wrong. He may have suggested that leave be given, but, until the vote for second reading is taken, any senator can object to the motion. Why go ahead in the face of the objection which has been recorded? I have not encouraged the objection, but it seems to me that the Bill would not be advanced very much even if it were held that leave had been given to move second reading and the motion were passed, because objection to the third reading to-night would certainly be valid.

Hon. Mr. McMEANS: Mr. Speaker, I want your decision.

The Hon. the SPEAKER: The decision of the Chair is that the second reading of a Bill cannot be moved without the usual notice, except by leave of the Senate. If necessary, a vote can be taken for the purpose of obtaining leave.

Hon. Mr. McMEANS: I object. The rule cannot be suspended if anyone objects.

The Hon. the SPEAKER: I declare the second reading carried.

Hon. Mr. DANDURAND: I now move third reading of the Bill.

Hon. Mr. McMEANS: Mr. Speaker, I said that I objected to the second reading of the Bill. Second reading cannot be given without unanimous consent.

Right Hon. Mr. MEIGHEN: I have tried to be fair with the honourable leader. I do not think he should have forced second reading in the circumstances. I myself will object to the third reading.

Hon. Mr. DANDURAND: I will move that the rule requiring one day's notice between second and third readings be suspended, and that the Bill be now read a third time.

Right Hon. Mr. MEIGHEN: That motion cannot be passed except unanimously, because no notice was given. What is the terrible hurry about getting the Bill through to-night?

Hon. Mr. DANDURAND: I can see the joke which is being perpetrated on the other side, and the pique against the Minister who apparently has succeeded in meriting the rancour of the opposition in this Chamber.

Right Hon. Mr. MEIGHEN: That is very unfair. I have not the least objection to passage of this Bill. In fact, I rather pleaded with my honourable friend behind me (Hon. Mr. McMeans) not to press his objection. But he has a right to press it if he so desires. The heavens will not fall if the Bill stands over until Tuesday.

Hon. Mr. DANDURAND: In a few minutes the Deputy of the Governor General will be here to give Royal Assent to a couple of other bills. Will my right honourable friend take the responsibility of asking the Governor General to send his Deputy here next week to sanction this consequential measure?

Right Hon. Mr. MEIGHEN: Suppose the Bill is not sanctioned next week. Nothing will happen. The Bill will be passed—

Hon. Mr. DANDURAND: I know that.

Right Hon. Mr. MEIGHEN: —and assented to, before long, and the Minister will get his salary all right.

Hon. Mr. DANDURAND: The objection seems to me absolutely childish. There is a motive, which everybody can see.

Right Hon. Mr. MEIGHEN: Oh, no.

Hon. Mr. ASELTINE: None whatever.

Hon. Mr. DANDURAND: A motive, which everybody can see.

Right Hon. Mr. MEIGHEN: The honourable gentleman is wrong there, and I wish he would take my assurance on that.

Hon. Mr. DANDURAND: Why should a group of serious men stop the passing of a consequential Bill like this?

Right Hon. Mr. MEIGHEN: The honourable gentleman is wrong in saying there is some special motive. The honourable senator from Winnipeg (Hon. Mr. McMeans) has taken his point very much to heart; more deeply than I should. We ought to respect his rights as a member, whether we sympathize with his objection or not.

Hon. Mr. McMEANS: Mr. Speaker, I want to rise again. This Bill has never been printed and distributed among honourable members. I have never seen it, and as a member of this House I seriously object to the third reading to-night. The Governor General is not concerned in this matter at all. It would be his Deputy who would come over here when necessary and go through with some little formalities. I object to the motion, and the objection of any one member is fatal.

Hon. Mr. DANDURAND: If the honourable gentleman takes that stand—

Hon. Mr. McMEANS: Yes, I take it.

Hon. Mr. DANDURAND: —I shall tell him in a few moments whether the Senate will adjourn until to-morrow in order to pass this Bill.

Hon. Mr. McMEANS: All right. Do anything you like.

Hon. Mr. DANDURAND: Does my honourable friend maintain his stand that we should not proceed with third reading of the Bill now?

Hon. Mr. McMEANS: I want to see the Bill printed and the rules of the House observed.

Hon. Mr. DANDURAND: I move that the third reading of the Bill be taken up at the next sitting of the House.

The motion was agreed to.

Hon. Mr. DANDURAND: I move that the Senate adjourn during pleasure.

Hon. Mr. McMEANS: May I ask the honourable gentleman if he will have printed and distributed the Bill which he is so very anxious to have passed in violation of every rule of this House?

Hon. Mr. DANDURAND: It will be ready to-morrow morning. We shall sit at 11 oclock.

Hon. Mr. McMEANS: Then we shall know something about it.

The Senate adjourned during pleasure.

The sitting was resumed.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication that His Excellency the Governor General had been pleased to cause letters patent to be delivered under his sign manual and signet constituting the Right Honourable Sir Lyman Poore Duff, Chief Justice of Canada, his Deputy to do in His Excellency's name all acts on his part necessary to be done during His Excellency's pleasure.

The Right Honourable Sir Lyman Poore Duff, acting as Deputy of His Excellency the Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Speaker, the right honourable the Deputy of the Governor General was pleased to give the Royal Assent to the following Bills:

An Act to amend the Agricultural Products Co-operative Marketing Act, 1939.

An Act respecting the Beauharnois Light, Heat and Power Company.

An Act to assist in the alleviation of Unemployment and Agricultural Distress.

An Act to amend the Department of National Defence Act.

An Act respecting a Department of National War Services.

The House of Commons withdrew.

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

The sitting of the Senate was resumed.

ADJOURNMENT OF THE SENATE

Hon. Mr. DANDURAND: I move that when the Senate adjourns this evening it do stand adjourned until to-morrow morning at 11 oclock.

The motion was agreed to.

The Senate adjourned until to-morrow at 11 a.m.

THE SENATE

Saturday, July 13, 1940.

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

SALARIES BILL

THIRD READING

Hon. RAOUL DANDURAND moved the third reading of Bill 90, an Act to amend the Salaries Act.

Hon. L. McMEANS: Honourable senators, I have been severely criticized because I took objection—

Hon. Mr. DANDURAND: Criticized by whom?

Hon. Mr. McMEANS: By all the members of the House. They accuse me of being responsible for the calling of this special sitting this morning.

Hon. Mr. DANDURAND: That is true.

Hon. Mr. McMEANS: Yes, that is true. There is no doubt about that. But if the calling of a special meeting of this House will revive the principle that the rules of this House must be more strictly observed, I shall be satisfied, and shall feel justified in my belief that the criticism is not well founded.

What does this House amount to? Is it to be just a rubber stamp? Is it here merely for the purpose of signifying its approval of bills that come from the other House? Are we to put bills through the first, second and third readings without any question and without any delay? Why do we have rules in this House? We have them so that we may proceed with our business in a regular and uniform manner. And I doubt very much whether, even with the leave of the Senate, those rules can be abrogated. They were promulgated for the government of this whole body, and some attention should be paid to them. I am the last man in this House to criticize the honourable leader of the Government. He is a very successful man, a man of great prominence. Yet we have to acknowledge that he frequently gets up in his place and speaks on a bill six or seven times, although he is entitled to speak only once.

Hon. Mr. DANDURAND: Who?

Hon. Mr. SHARPE: You.

Hon. Mr. DANDURAND: To whom is my honourable friend speaking?

Hon. Mr. McMEANS: To the honourable gentleman.

Hon. Mr. DANDURAND: What about my right honourable friend?

Hon. Mr. McMEANS: Well, he is just as bad.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. McMEANS: I just want to make one more remark, and it will be a short one. The other day I was astonished, amazed, when the honourable leader of the Government in this House got up and told the members on his side they could vote as they pleased. Otherwise, apparently, they would have had to vote as he wanted them to. He got his instructions, no doubt, at a consultation with the Prime Minister—

Hon. Mr. DANDURAND: Since my honourable friend is a stickler for the rules, I would ask him to speak to the question before the House, which is the third reading of this Bill.

Hon. Mr. McMEANS: All right. I was trying to explain why I was severely criticized for objecting to the third reading last night, and I went on to say that I thought it was an amazing thing that the leader of the Government in this Chamber should have got up the other day to tell the members on his side they could vote as they pleased on the measure then under discussion. Otherwise, it would appear, they would have had to vote as he told them, or as the Government asked him to tell them. I think that is going too far. What is the use of the Senate under such conditions? There is no dictation on this side of the House. We listen to our leader (Right Hon. Mr. Meighen), but are free to vote as we please. That the honourable leader on the other side should get up and say to his followers, "You must vote as I tell you," is something beyond my understanding.

Hon. Mr. DANDURAND: My honourable friend knows his leader has more than once said, "I speak for myself, not for my colleagues, who may vote contrarily to me." He was simply stating what I said in another form. I had been asked by some of my colleagues if the measure we then had under consideration was one to which the Government attached special importance, and because of that query I wanted to state that everyone could exercise his own judgment and vote according to his inclination.

Hon. Mr. McMEANS: Well, I want to say—

Hon. Mr. KING: Order!

Hon. Mr. LACASSE: Order!

Hon. Mr. McMEANS: Am I out of order? If so, I will sit down.

Hon. Mr. KING: Stick to the rule.

Hon. Mr. McMEANS: I want to say this, with the greatest respect—

The Hon. the SPEAKER: Honourable senators—

Hon. Mr. McMEANS: —that the Speaker of this House—

The Hon. the SPEAKER: Pardon me. The honourable senator will take his seat, please. As I have already stated this session, I am just as much interested in the orderly procedure of the Senate as you are, honourable members, and if you desire me to insist on a strict observance of the rules I shall act accordingly.

Some Hon. SENATORS: Hear, hear.

The Hon. the SPEAKER: As I understand this to be your desire, I declare the honourable gentleman is out of order.

Hon. Mr. McMEANS: All right.

Hon. A. D. McRAE: Honourable senators, now it is understood that we must comply strictly with the rules, and, as I shall not be in attendance for the remainder of the session, I trust the House will permit me to make a few observations which, while pertin-

ent to general legislation, may not be quite so pertinent to this particular Bill.

I agree with some other senators in deprecating the introduction of party politics into our discussions. And undoubtedly party politics have been too much in evidence during this session.

An Hon. SENATOR: Hear, hear.

Hon. Mr. McRAE: I hope my remarks will be received in the kindly and non-partisan spirit in which I make them. I came here this session realizing that, the Government having been returned with a large majority, responsibility for conducting the war rests on them, but I was hopeful that in my capacity as a member of this House I might be of assistance to them in their war efforts.

It was obvious to me, as I am sure it was to all honourable members who have had much experience in politics, that charges of party favouritism were certain to arise, regardless of how careful the Government might be to forestall adverse criticism. That is quite natural. New departments have to be created and staffs increased to take care of the extra work resulting from this war. The Minister in charge of a department looks around to get the assistance of those in whom he has the fullest confidence. When he reaches that stage of life at which most of our Ministers have arrived, to whom does he turn for this assistance? As a matter of course he relies on those with whom he has been associated throughout his public life. I recall that in response to a letter from the Minister of National Defence advising me he was endeavouring to restrain party patronage in any form whatever, I pointed out to him that while I whole-heartedly commended his attitude, I did not think it was possible under our party system to avoid charges of party favouritism. In that regard I think the Government should exercise the greatest care, for under our party system the natural drift is entirely towards patronage. And this applies to both parties. It is frequently said this is a Liberal war. That is something the Government should guard against. If we are to secure the most effective co-operation in our war effort, it is absolutely essential to get the united support of our people.

Now, what have we found during this session? I have attended every sitting of the Senate and almost every meeting of our committees, and I want to say to the honourable leader of the House (Hon. Mr. Dandurand) and to my colleagues generally that I am going home very much disappointed. I feel that I have helped but very little, if at all, in the prosecution of the war. Why is that? We heard early in the session that there would be secret meetings of Parliament at which we would be given some information so that we might know a little about what was going on. I leave it to any honourable member of this House to say whether he knows any more than I do—and I get my information by the underground route, which is not very reliable. It does seem to me that honourable members of the Senate should possess the details which the public expect them to possess. They should have some information in addition to what goes out on the radio, something substantial as to the real progress of the war, and upon which can be based a hope for victory. I manufacture my own hope for victory. It is inbred in me to do so. I believe we are going to win the war, but when I get home I should like to be able to give the man in the street something more authentic. We have had nothing of that kind.

We have all heard the criticism referred to by the honourable senior member from Winnipeg (Hon. Mr. McMeans), that this House is simply a rubber stamp. There is some justification for the criticism. What opportunity have we had to look into any bill of importance that has come to this House, and to consider it and help to improve it? Take the incidents of last evening. In my judgment the blow-up occurred, as these blow-ups always do, because of a feeling of being curbed and restrained from participating in the affairs of the nation. I am certain that most honourable members on this side of the House will agree with me in this respect, and that not a few honourable members opposite feel equally strongly about what has been imposed upon them this session.

The Bill we discussed last night could easily have been here a day or two sooner, even though it necessitated a short delay in the discussion of the Budget. I am satisfied that if the Bill had come here sooner and had been referred to a committee, where Hon. Mr. Gardiner could have sat down and discussed the situation with us, we should then have had some idea of the plan in mind, and had an opportunity to offer our suggestions. But we had no such opportunity, and I and other honourable members will have to go home lacking the knowledge and the enthusiasm which would enable us to be helpful. There has undoubtedly been too much haste in this session—

Hon. Mr. DANDURAND: I readily admit that.

Hon. Mr. McRAE: —much of which, I think, was unnecessary. I have the greatest confidence in the combined wisdom and experience of honourable members of this House.

We know how often bills coming to us from the other House have had to be amended. It is recognized in the country that the Senate can perform a valuable function, indeed, in considering and discussing the various matters that come before it. As I say, I regret that this session we have been given practically no opportunity to function in this manner. I think the responsibility for this situation rests upon the shoulders of the Government. No one here wishes to be responsible for delay. No honourable member is prepared to assume the onus of even appearing to impede the war effort. In most cases honourable members were prepared to consider matters impartially, and if the material had been placed before us sooner and an opportunity had been given for explanation in committee, suggestions could have been made which would have been of real assistance. There has been too much of a tendency to regard suggestion as criticism. True, many suggestions are of a critical nature, but the easiest way to meet them is to explain matters and to show that these suggestions are impracticable.

I am pleading for a different attitude to be taken next session. The present situation is far from satisfactory. It is not helpful to the Government, and it does not lead to a successful prosecution of the war. I may say I do not think I have earned my board this session; and in this respect I am not very different from most other honourable members of this House. We all realize that the Government are responsible for the conduct of our war effort, and we want to help them; but they must give us a chance to do so.

I am not particularly worried about next session, for if this war continues for another year the Government will need the help of every man of influence. You cannot dam up criticism for very long, and co-operation in every detail will be necessary. I think I may say for myself and for most other honourable members on this side of the House that we are prepared to co-operate. But co-operation and support cannot be expected if debate and intelligent inquiry are stifled. I submit that our committees provide an avenue through which co-operation can be secured. In those committees we can discuss our difficulties and get our differences ironed out so that we may come into the House more or less united. This avenue has been largely, if not entirely, neglected this session, but I shall come back next session fully expecting that, if the war is still going on, co-operation of this kind will be necessary.

I leave you now—I am paired with the honourable senator from Leeds (Hon. Mr. Hardy)—knowing that there will be a quorum of nearby members from Ontario and Quebec to give the necessary approval to the legislation of the Government. It will answer the purpose just as though there were the fullest attendance which the House has enjoyed this year. I have no qualms about going back to look after my own business. I can serve no really useful purpose by remaining here. I shall look forward to next session in the hope that honourable members will be permitted to give that effective co-operation which, I fear, will be badly needed.

Hon. RAOUL DANDURAND: Honourable senators, I should like to say one word. Naturally, I am responsible to the Senate for any acts of omission or commission on the part of the Government. When it comes to the interests of the Senate and my duty to the Senate, I want to assure honourable members that I am constantly reminding my colleagues of the Government that this Chamber is entitled to have sufficient time to study properly the bills that are presented to it.

The Bill now before us was just about ready to be sent to us two or three days ago, but difficulties arose in the House of Commons. The day before yesterday I had the promise of the Prime Minister that the Bill would be discussed in the House of Commons at three o'clock and would be sent to us that evening. This would have given us a full evening and yesterday in which to examine the Bill and, if necessary, we could have sent it to a standing committee. It so happened, however, that the Leader of the Opposition asked to have the Bill postponed until yesterday; so that owing to circumstances beyond our control we were deprived of the advantage of having it for a full day.

It is my intention to move, at the close of this sitting, that when the Senate adjourns it stand adjourned until Wednesday evening. My reason for this is that the Budget resolutions are before the Commons at the present time. The Prime Minister has promised that the Unemployment Insurance Bill will be attended to with diligence, but he informs me that it cannot reach this House before the middle of next week, if then. This, apart from the Supply Bill, which we deal with very rapidly towards the end of the session, is the most important piece of legislation still to come before us. I would warn my honourable colleagues, however, that a good week will be required for our examination of it. Even though the principle was adopted in 1935, there may be new features in the Bill—I do not know as to that—and there may be essential differences. I concur in what the

honourable senator from Vancouver (Hon. Mr. McRae) has said about the desirability of affording the Senate an opportunity to give serious consideration to any such measure. My honourable colleagues will have observed that I am doing my best to see that the Upper Chamber is given a fair deal.

Hon. Mr. McRAE: Honourable senators, may I have your permission to say that I have the highest regard for the honourable leader of the House. I think he is about the most over-worked man in the Government.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. McRAE: It is indeed difficult for the leader of the House to keep in touch with everything that is going on, but I am sure that if he could work out some arrangement or procedure whereby this House would be given an opportunity to function, it would be, especially in these times, very helpful.

I am sorry that I shall not be here next week when the Unemployment Insurance Bill comes before us. I have had some experience of unemployment insurance by reason of my operations in Alaska, where the United States Government put it into effect. I suppose we are all in favour of unemployment insurance generally, but there are certain difficulties. The United States Government started with a schedule requiring contributions of, I think, one per cent from the employees and one per cent from the Government. Later, I think, there was a slight increase. They found they could not carry out the whole programme, which I think called for a total annual contribution of three or four per cent, because it would have been too disturbing to business. I do not know what the contributions under our contemplated unemployment insurance scheme will amount to, but, at a rough estimate, I should say around $50,000,000. In my opinion the point we should consider is whether it would be safe to take that much additional money out of the business of the country at this time.

Hon. Mr. DANDURAND: Is my honourable friend speaking of the contribution by the employers or by the Government?

Hon. Mr. McRAE: I am speaking of the combined contributions by the employee, the employer and the Government. The Budget has imposed a very heavy tax. It has been well received, the public are content, but I would suggest to the honourable leader that the Government should seriously consider whether it would be wise to take a further $50,000,000—I may be wide of the mark in this estimate—out of business just now. There is no question about the advisability of unemployment insurance. The whole point is whether this is an opportune time to withdraw from business the amount required for the fund.

Hon. C. E. TANNER: Honourable senators, I have a few words to say. So far as I personally am concerned, I make no criticism at all of our meeting here to-day. If I had any criticism to offer, it would be that the Senate does not meet often enough. In my opinion we should have a sitting every day of the week, to give honourable members a constant opportunity to help along the stupendous work we have in hand.

As to this Salaries Bill, I do not know whether I have it before me now or not, but last night nobody except the honourable leader of the Government (Hon. Mr. Dandurand) and the right honourable leader on this side (Right Hon. Mr. Meighen) had it. I think copies have been distributed in the meantime. I did not know what was in the Bill, and I suppose a good many members did not know, yet we were asked to vote for it, or against it. I submit that to do a thing like that does not make for the dignity of this House. If we are going to do away with the dignity and the usefulness of the Senate, I suggest that we simply name a quorum to sit here and pass without debate every bill that comes from the other House. Then the rest of us could go home.

Was this Bill so important that it had to be passed last night? What was it? It was simply a measure to provide that the new Minister of National War Services should be paid a salary of $10,000 a year. Suppose the Bill were not passed until next Monday or Tuesday. Would the poor man be without a dollar in his pocket in the meantime? Is he so hard up? Was it absolutely essential that the Bill be passed last night and assented to in order to provide him with the means of living for two or three days? I do not think so. And I feel the honourable senior senator from Winnipeg (Hon. Mr. McMeans) was quite right in asking that the rules of the House be adhered to and third reading deferred until proper notice had been given. There was no necessity for passing the third reading this morning. After saying that, I want to repeat that I am not objecting to this sitting. I listened with great pleasure to the remarks of my honourable friend from Vancouver (Hon. Mr. McRae), and I think this occasion has been a useful and profitable one, after all.

I am bound to say that I do not believe this House should abdicate its responsibilities and duties, and pass, without consideration and discussion, every bill that comes here from

the House of Commons. Of course, we are always ready to give special attention to an emergency measure. Every member on this side of the House is as willing and eager to help in our war work as is the honourable leader opposite (Hon. Mr. Dandurand). All we ask is an opportunity to help. And, as my honourable friend from Vancouver says, we should like to have some authentic information about what is going on, in order that we may be able to inform the people when we go home.

Hon. JOHN T. HAIG: Honourable senators, there is a suggestion I want to make, which is not pertinent to the question before us. I know I am out of order, but perhaps honourable members will not object. When we come to deal with the Unemployment Insurance Bill, labour and industrial organizations will undoubtedly request to be heard. Might I suggest to the Government that the Bill be referred to our Banking and Commerce Committee for the hearing of public representations, and that honourable members of the other House be invited to attend the committee's sittings and even to ask questions? I think that procedure would save time and facilitate the work in both Houses. It occurs to me that honourable members in another place will be kept busy on the Budget resolutions and Supply, and that it might be more convenient to have the committee work done by the Senate. I make that suggestion.

Hon. Mr. DANDURAND: Of course, I do not know what the Commons will do. If they send the Bill to a committee for the hearing of representations, we might be able to save time by obtaining for the members of our Banking and Commerce Committee the privilege of attending sittings of the committee of the other House, with the right to put questions. Representations made before that committee would be printed in its record, which would be distributed to us, and I think it would be somewhat unseemly if they were repeated over here.

While on this subject I have a suggestion to make, and I hope it will be given some publicity. It is that if any associations or groups desire to make representations, after becoming acquainted with the text of the Bill, they should communicate with His Honour the Speaker, or either of the Houses, saying they wish to be heard and giving a summary or outline of the representations they would like to make. On previous occasions we have had inquiries—my honourable friend was a party to one of them—from groups who had no mandate whatever. Organizations of that kind should not ask for a hearing, but responsible institutions ought to send a brief statement—not twenty pages—of the points they want to make. If that were done, we should have some idea of their views when we go to the committee.

Hon. Mr. SHARPE: Has the Bill been introduced in the House of Commons?

Hon. Mr. DANDURAND: I think the resolution has been placed before that House and is on the Order Paper.

Hon. Mr. SHARPE: The Bill could not be introduced and dealt with first here?

Hon. Mr. DANDURAND: The other House has been informed of the object of the Bill. The Minister who has charge of the scheme would, of course, regard the Bill as his own child and want to sponsor it over there.

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

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the third time, and passed:

Bill A3, an Act for the relief of Agnes Dorothy Smith Bruneau.

Bill B3, an Act for the relief of John Eric Pitt.

Bill C3, an Act for the relief of Dennis Calvert Kerby.

Bill D3, an Act for the relief of Camille Perks.

Bill E3, an Act for the relief of Maria Cecilia Patricia Gatien Rowell.

Bill F3, an Act for the relief of Lemuel Athelton Lewis.

Bill G3, an Act for the relief of Joseph Philias Hector Sauvageau.

ADJOURNMENT—BUSINESS OF THE SENATE

Hon. Mr. DANDURAND: Honourable senators, I move that when the Senate adjourns to-day it stand adjourned until Wednesday evening next at 8 o'clock. No bills are likely to be sent over from the other House before then, and I am not sure that there will be any business for us when we meet. But, if there is, we shall be ready to deal with it.

The motion was agreed to.

The Senate adjourned until Wednesday, July 17, at 8 p.m.

THE SENATE

Wednesday, July 17, 1940.

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

Prayers and routine proceedings.

PRIVATE BILL

CONCURRENCE IN COMMONS AMENDMENTS

The Hon. the SPEAKER: Honourable senators, a message has been received from the House of Commons returning Bill E, an Act respecting The Detroit and Windsor Subway Company, with several amendments, to which they desire the concurrence of the Senate.

Is it your pleasure, honourable senators, to concur in the amendments?

Right Hon. Mr. MEIGHEN: Wait. Honourable members, I do not like to concur until I have at least a slight knowledge of what the amendments are.

Hon. Mr. HORSEY: The honourable member from North York (Hon. Sir Allen Aylesworth) is going to speak on the amendments.

Hon. Sir ALLEN AYLESWORTH: Honourable members, if I have your permission to do so, I am about to move that these amendments be considered forthwith. If there is any objection, I would move that consideration of the amendments be placed on the Order Paper for the next sitting of the House. The whole matter is one that can be explained in a minute or two, and it is merely a question of whether to go on now or to wait until another occasion.

Some Hon. SENATORS: Now.

Right Hon. Mr. MEIGHEN: I am prepared to hear the explanation now.

Hon. Sir ALLEN AYLESWORTH: The Bill as passed by this House on the 13th of June was an Act to amend the Act of Incorporation of this company. That Act of Incorporation was passed in 1926 or 1927 and provided that the whole of the company's shares, consisting of one million in number, should be issued as of no par value. What is desired by the company, and what was enacted by the Bill we passed a month ago, is simply that the whole capital stock of the company may, by the unanimous consent of the shareholders, be changed into one million shares of the value of $3 each. And provision is made by the Bill that the original existing shares of no par value may be exchanged for the new shares of the value of $3 each.

The House of Commons has amended the Bill to provide that this exchange of shares, to be effective, must be made before the first of February next. There is no objection whatever to that amendment.

The only other amendment made by the Commons provides that not some alone, but all, of the existing no-par-value shares must be exchanged. In other words, the second amendment is simply to strike out of the Bill as passed by this House the words "any or." As it left this House the Bill provided that any or all of the existing no-par-value shares might be so exchanged. The Commons amendment would seem to follow from the provision of the Bill that consent of the present shareholders to the exchange should be unanimous.

I do not know whether the amendments that I have described could be considered, in the language of our rule on the subject, as merely verbal or unimportant, but there they are. The company has no objection whatever to them. In fact, the company's representative, with one of the members of the House of Commons committee, prepared these amendments. They are entirely acceptable, and, with the consent of the House, I move that they be adopted.

The motion was agreed to.

FERRY SERVICE, WOOD ISLANDS, P.E.I.-CARIBOO, N.S.

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. When will the proposed ferry service between Wood Islands, Prince Edward Island, and Cariboo Harbour, Pictou county, Nova Scotia, be in operation?

2. Is it intended that when that ferry service is in operation the steamer service now operating between Charlottetown and Pictou will be discontinued?

Hon. Mr. DANDURAND: Honourable senators, I have the following answer to the honourable gentleman's inquiry:

1. It was proposed to commence the ferry service about the end of June, 1940, but the car ferry steamer Sankaty, which was being made ready for this service in Halifax, has recently been requisitioned by the Department of National Defence, and is no longer available. It is therefore not expected that there will be any ferry service over this route this year.

2. Yes.

PAN-AMERICAN UNION AND CONFERENCE

NOTICE OF INQUIRY

On the Orders of the Day:

Hon. J. J. HUGHES: Honourable senators, I should like to make a few very brief observations, and to preface them by asking a question or two.

Some Hon. SENATORS: Louder.

Hon. Mr. HUGHES: Will Canada be represented at the Pan-American Conference that is to open in Havana on Saturday of this week? And if not, will Canada become a member of the Pan-American Union in the near future? I think she should, and, with the consent of the House, I should like to give one or two reasons—

Hon. Mr. DANDURAND: I would suggest to the honourable gentleman that he may give notice of his question on the Order Paper, and I may answer it. Just now there is nothing before the House.

I may say that Canada will not attend the Conference, perhaps for various reasons, but one is that Canada has not been invited.

Hon. Mr. HUGHES: Well, may I make a few observations now?

Some Hon. SENATORS: Order.

Hon. Mr. HUGHES: The honourable leader of the House answered my first question, but he did not answer the second.

Right Hon. Mr. MEIGHEN: I will answer the second, if you like.

Hon. Mr. LITTLE: That is co-operation.

Hon. Mr. HUGHES: That is very quick work.

Hon. Mr. DANDURAND: It seems to me this is a question of sufficient importance to give rise to a regular debate—

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. DANDURAND: —and one that should not be asked on the Orders of the Day, when we do not know where we start from or where we may end.

The Hon. the SPEAKER: Honourable senators, in the opinion of the Chair, it goes without saying that to ask such a question in this way is entirely out of order.

Hon. Mr. HUGHES: Then, Mr. Speaker, I should like my questions to stand as a notice of inquiry for the next sitting.

JOINT DEPUTY MINISTERS

REPORT OF REMARKS—QUESTION OF PRIVILEGE

On the motion to adjourn:

Hon. G. LACASSE: Honourable senators, before the House adjourns, may I have your permission to raise a question of privilege?

Hon. Mr. HORNER: Louder.

Hon. Mr. LACASSE: I was surprised, not to hear my honourable friend from Saskatchewan North (Hon. Mr. Horner), but to read in the newspapers of last Saturday a wrong interpretation of the stand I had taken in this Chamber the previous night with respect to the appointment of two deputy ministers in the new Department of National War Services. My surprise was increased when I discovered that the Hansard report was incomplete. What I meant to say, and what I did actually say, was that the words of my right honourable friend the leader of the Opposition (Right Hon. Mr. Meighen) expressing his willingness to forego the appointment of an English-speaking deputy minister and have only one deputy appointed, in the person of Colonel LaFleche, were a proof of his fair play and of his earnest desire for economy. But I explicitly added the following remarks, which constituted my main point:

> When one looks up and down the list of all the deputy ministers or assistant deputy ministers, one is astonished to find the names of but three or four French Canadians, and to discover that in every case an English-speaking deputy minister has to be appointed simultaneously.

Honourable members will readily understand why I deliberately refrained from commenting upon such a condition at the time, but I do believe, with all deference to the Government, that I was fully justified in at least mentioning the fact.

The motion was agreed to.

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

THE SENATE

Thursday, July 18, 1940.

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

Prayers and routine proceedings.

DIVORCE BILLS

FIRST, SECOND AND THIRD READINGS

Hon. Mr. COPP, on behalf of Hon. Mr. Robinson, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first, second and third times:

Bill H3, an Act for the relief of John Bernard Hughes.

Bill I3, an Act for the relief of Annie Block Smilovitch.

Bill J3, an Act for the relief of Charles-Auguste Armand Lionel Beaupre.

Bill K3, an Act for the relief of Albert Lennox Brown.

Bill L3, an Act for the relief of Talitha Emily Findlay.

Bill M3, an Act for the relief of Joseph Armand Odilon Boucher.

Bill N3, an Act for the relief of Doris Bertha Schwartz.

SUSPENSION OF THE RULES

PROPOSED MOTION

On the notice of Hon. Mr. Dandurand:

That he will move:

That from and inclusive of to-day until the end of the session rules 23 (f), 24 (a), (b), (d), (e) and (h), 63, 119, 129, 130 and 131 be suspended.

Hon. RAOUL DANDURAND: Honourable senators, when I placed this motion on the Order Paper I felt that conditions which had prevailed in the Senate since 1921, and especially since 1932, when my right honourable friend (Right Hon. Mr. Meighen) entered this Chamber, no longer existed. No doubt honourable members have noticed that since I became Government leader in 1935 I have never taken any action that did not carry with it the goodwill and assent of my right honourable friend. Very often rules have been set aside, or ignored, in order that the work of this Chamber might be promoted. Last week there seemed to develop around my right honourable friend a sentiment of revolt, which he could neither stem nor control, and I have been wondering whether we should not do as was done yearly before 1921, that is, suspend the rules with respect to legislation that comes to us in the last days of the session. I thought that by so doing we might strengthen the hands of my right honourable friend as regards his own supporters, and enable him to continue to direct the procedure of this Chamber, in conjunction with myself. I have reflected over this procedure. As in the past, I wish to take no action during these final days of the session, or at any future time—if fate should allow us to meet again in this Chamber—in which I shall not have the goodwill and assent of my right honourable friend. This being so, I thought I would suspend this motion, to submit it again to the House when my right honourable friend is agreeable and thinks there is cause or reason for so doing.

I would ask that the motion stand.

Right Hon. ARTHUR MEIGHEN: Honourable members, I am not objecting to the motion standing, though I would much rather that it fell. I was surprised to see it on the Order Paper. I do not think it is at all necessary. If it is intended, as the leader of the House has suggested, to fortify me in my command of this division of Parliament behind me, I would say the character of command which this motion seeks to fortify is not such as I desire to hold. On this side of the House a measure of independence is very often in evidence. It was not shown just last Friday. What happened then amounted to nothing. For my part I have never discouraged such independence, and do not intend to discourage it. Sometimes it would even appear that the following departs while the leader heroically stands; but that I do not mind at all. We have got on very well. Frequently it is the part of wisdom and of common sense to ask for the approval of the entire House, both sides, and almost universally it is granted—very rarely is it refused. So far as I am concerned, if it were refused, the reason for refusal would be one which I know would appeal to my honourable friend opposite. I am anxious, as I know he is, to have the individual rights of each member preserved. These have been exercised across the floor as well as on this side. Consequently I think it would be a grave mistake to pass this motion at any time.

Hon. Mr. DANDURAND: For my part, I may say to my right honourable friend that I always favoured independence and thought that a senator's freedom of action should not be impaired. My right honourable friend was not here in 1922, but I would draw his attention to a statement I made in January of that year, when I was given the responsible and honourable post of leader of this House,—that I recognized no followers and I shunned the party whip. I doubt if to this day I have called a caucus of my friends. We have met once or twice in the last ten years, but not to direct the course that any senator should take in this Chamber.

I should also like to say to my right honourable friend that a motion such as now stands in my name was made as a matter of

practice towards the end of every session up to 1921. On May 18 of that year a similar motion was moved by Sir James Lougheed, and Senator Bostock said:

I do not want to stand in the way of the Government proceeding with necessary business, but I do think that the rules should be maintained, and not suspended, until it is absolutely necessary to suspend them.

To that Sir James Lougheed replied:

I would point out to my honourable friend that it is very desirable, for the purpose of expediting the business before Parliament, to pass the motion which I have placed on the Order Paper, inasmuch as there are a great number of private bills that have come or will come before the House, and the probabilities are that they will have to be dropped unless this motion is passed. I have been informed this morning that there is a probability of Parliament proroguing at an earlier date than we anticipated: from all I can learn, there is every probability of Parliament proroguing next week. Even if the motion passes, it cannot be subject to abuse, because if it becomes apparent that any injustice would be done or that the public business would suffer by the suspension of the rules, any honourable gentleman will have the opportunity of moving that this shall not apply to any bill in question. I think it is very desirable that this motion should be passed.

The motion was passed. Incidentally, Sir James Lougheed was wrong in his expectation of an early end to the session, as we ourselves often are, for prorogation did not take place that year until the 4th of June.

I would suspend this matter until next week, and then I may discuss with my right honourable friend the desirability of bringing it forward. I ask that the notice stand.

The Hon. the SPEAKER: Honourable senators, I understand it is the desire of both leaders that this notice stand for the time being.

Right Hon. Mr. MEIGHEN: Just one's desire, in which the other acquiesces.

PAN-AMERICAN UNION AND CONFERENCE

INQUIRY

On the notice by Hon. Mr. Hughes:

That he will inquire of the Government:

1. Will Canada be represented at the Pan-American Conferences that will open in Havana on Saturday next?

2. If not, will Canada become a member of the Pan-American Union in the near future?

Hon. Mr. DANDURAND: I have an answer for the honourable gentleman.

Hon. Mr. MURDOCK: He is not here just now.

Hon. Mr. DANDURAND.

Hon. Mr. DANDURAND: Perhaps I should give the answer, and it may dispose of the matter. To the first question: "Will Canada be represented at the Pan-American Conferences that will open in Havana on Saturday next?" I have already answered: No. To the second question, "If not, will Canada become a member of the Pan-American Union in the near future?" my answer is that this is not a matter to be considered at the present time.

PRIVATE BILL

REFUND OF FEES

Hon. Mr. HAYDEN moved:

That the parliamentary fees paid upon Bill R, an Act to incorporate Sisters Servants of Mary Immaculate, be refunded to Messrs. Ewart, Scott, Kelley, Scott and Howard, solicitors for the petitioners, less printing and translation costs.

He said: Honourable senators, this Bill has now passed both Houses. The work of the Sisters in the Prairie Provinces is religious and charitable. That is the ground upon which I am asking for the refund.

The motion was agreed to.

ANTI-BRITISH PROPAGANDA

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN: Honourable members, I find myself compelled again to bring up this question of the circulation in Canada of American newspapers which militate against the war effort of this Dominion, more especially with reference to the two I have repeatedly brought to the attention of the Government, namely, the Saturday Evening Post and the Chicago Tribune, but particularly the former.

The honourable leader of the House (Hon. Mr. Dandurand) has been good enough to show me an opinion of certain officials who, from the censorship standpoint, argue against a prohibition of those newspapers. I am not at liberty to give their reasons. If I were, I should not need to answer them; they answer themselves. I can only say that the reasons have not impressed me in the slightest. We have had a committee of this House endeavouring to recommend to the Senate a course of activities in which every senator could participate with a view to stimulating in our people a sense of the realities, and a firmness of resolution to see this war through and to keep in their proper place any elements in this Dominion which would attempt to impede our activities. While we are endeavouring to do that and our programme is under way—we are listening to it almost day by day—we permit our whole work to be

destroyed by profit scavengers from across the line. An article has just appeared in the sheet that I named first, under the heading, "Wings of Atonement," designed deliberately to pour ridicule on the capacity, the sense of duty and the manliness of the British people, and to undermine the war spirit of this country.

Now, I want to know: Are we at war or are we not? If we are at war, do we permit this condition to continue? Do we permit the poison to permeate? If it originated in our own country, it would be immediately suppressed and the poisoner punished or hanged. I cannot impress on the Government with sufficient earnestness the imperative need of immediate action. I cannot permit my own feelings any further expression, or my language would be away past the limitations imposed by Parliament.

Hon. RAOUL DANDURAND: Honourable senators, I may say that my ire has not been aroused nor my blood stirred by the newspaper articles referred to. They do not reach me nor my home. If they did, I should probably show as much indignation as my right honourable friend now displays. I will bring my right honourable friend's statement to the attention of the Minister in whose department the Board of Censors functions.

It will be recalled that last month, when my right honourable friend brought this matter to our notice, I stated that in view of a situation of high political order which had lately developed, and the amicable relations existing between the United States and Canada, it would be necessary to consider the effect which a ban on these papers would have in certain circles in both countries. In view also of their somewhat limited circulation in Canada, it was considered inadvisable to give them the additional publicity which would follow our taking radical action against them. Be that as it may, I am sure that when apprised of the situation the Government will not hesitate to take drastic action, regardless of what its political effect may be.

Hon. JAMES MURDOCK: Honourable senators, I am wholly in agreement with the remarks of the right honourable gentleman (Right Hon. Mr. Meighen). In this connection I would refer specifically to the Montreal Standard of Saturday last, the front page of which contains this striking headline: "Cupid—Looming Draft—Exhaust Marriage Licences." In the article itself it is said that "a certain marriage licence operator who normally on a Saturday morning sold no more thant ten licences, to-day sold twenty within two hours and had to turn away thirty prospective customers." The Ottawa Journal of last Monday contained a striking article indicating the number of marriages which had taken place the preceding day in Hull and other cities.

May I ask the honourable gentleman from Montarville (Hon. Mr. Beaubien), who is chairman of the Committee on War Co-operation, whether his committee will not take this particular phase as it affects Canada's war effort under consideration with an eye to the future, in order, if possible, to prevent a further exodus to the woods or hills when the draft is put into operation? Notwithstanding what those anti-British papers are saying, I think they can find in our Canadian papers of the last few days considerable ammunition with which to go farther than I have read of any of them going yet.

Hon. L. COTE: I quite agree with what the honourable member from Parkdale (Hon. Mr. Murdock) has just said. The other day our Ottawa papers contained an announcement that Ontario's revenue from the issue of marriage certificates had risen from $3,000 to $12,000, indicating a great increase in marriages.

Hon. G. LACASSE: Honourable senators, coming back to the issue raised by the right honourable gentleman opposite (Right Hon. Mr. Meighen), may I make a suggestion for what it is worth? I happen to be more or less connected with the publishing business. Ever since the censorship board was constituted I have been at a loss to understand what the board really intended to bar from the columns of Canadian newspapers. Any editor in Canada to-day asks himself just how far he may go with respect to this or that item of news. My right honourable friend took exception, and rightly so, to what is contained in the Chicago Tribune and the Saturday Evening Post. As a test case, I would suggest that a Canadian newspaper reproduce one or two articles from each of the two papers referred to, in order to ascertain how far a Canadian publication may go in helping to spread anti-British propaganda—propaganda which appears in those two papers with apparently the indirect blessing of our censorship board. This test case would bring to a head the question whether or not a ban should be imposed.

I take it for granted that if certain articles in foreign newspapers are allowed to be distributed throughout the length and breadth of Canada, those same articles should be allowed to appear in our Canadian Press. It seems to me there is nothing illogical in this view. If, on the other hand, such articles should be barred from our own Press, I submit that logically the publications themselves in which those articles first appear should be barred from circulation in Canada.

Some Hon. SENATORS: Hear, hear.

BUSINESS OF THE SENATE—UNEMPLOYMENT INSURANCE BILL

Hon. Mr. DANDURAND: Honourable senators, I would draw attention to the fact that we have no business before us on the Orders of the Day. I have made diligent inquiry to ascertain when we may expect any bills from the House of Commons, and I find there will be nothing to submit to us either to-morrow or Monday.

In these circumstances I am disposed to move adjournment of the Senate until Tuesday evening, but before I do so I desire to state that the most important piece of legislation which remains for consideration by both Houses is the Unemployment Insurance Bill. It is now before the House of Commons, and the Prime Minister has stated that after second reading it will be referred to a special committee. That special committee will organize to-morrow and may take up the Bill on Saturday, if not on Friday. I am informed by the chairman-to-be of that committee, the Minister in charge of the Bill, that an invitation will go out to members of the Senate to attend the committee's sittings and to participate in the examination of witnesses and in the debate on the various clauses.

Hon. Mr. ASELTINE: Will the proceedings be printed?

Hon. Mr. DANDURAND: Yes. I have asked that the proceedings of the committee be printed and copies be distributed to members of the House of Commons and the Senate. I have done this because I have felt that, without in the least prejudicing the jurisdiction of this Chamber, we might take advantage of the representations that may be made from outside, and might thus dispense with their repetition before this honourable body. That is the only idea I had in mind. When the Bill comes before the Senate it will be my duty, if it passes the second reading, to propose that it be sent to our Committee on Banking and Commerce to be examined and to be subject to all the rights appertaining to one of our standing committees. In informing the Senate of the hearings to be held by the special committee of the House of Commons, my sole purpose is to have honourable members of this House who remain here over the week-end attend the Commons committee and participate freely in the examination and cross-examination of parties who may appear before it.

There is one more thing as to which I desire to inform the Senate. I said last week that the Senate should have as much leeway in time as the House of Commons for the examination of this Bill. I felt that in claiming equality I was getting a certain advantage, for in the other House there are two hundred and forty-five members, whereas we are ninety-six. This does not mean, however, that if the House of Commons takes a week or two to examine the Bill the Senate may not take three or four weeks, if it so desires. In view of the work to be done on that Bill, I am convinced that we shall not prorogue before the 3rd of August, and if the time at our disposal between now and then does not suffice, we shall continue to sit. I will deprive myself of the few days that I might enjoy in the countryside. I believe it is my duty to do this, and, besides, it is far easier on us to deprive ourselves in this way than to go into the trenches.

Now I should like to impress upon honourable members of the Senate the necessity of their attending during the last days of the session. Last year we were, shall I say, somewhat humiliated, by reason of the fact that during the final days of the session, when we had important legislation before us, but a handful of members were present. We must accept to the full the duty which devolves upon us as senators and members of Parliament, particularly in war-time, when we should be doubly ready to make all necessary sacrifices.

With these remarks, I move that when the Senate adjourns to-day it do stand adjourned until Tuesday evening next.

Right Hon. ARTHUR MEIGHEN: Honourable members, with what the leader of the House says as to the urgent duty of honourable members on both sides to attend, particularly towards the end of the session, I am in complete agreement. I cannot think of anything that reflects more sadly upon us than an attenuated attendance at such a time, when really the most important bills are here.

As to the remainder of what I have to say, I want it understood that I am not reflecting on the leader of the Government. I have reason to believe that he has striven to his utmost to avoid the condition of affairs about which I am going to complain. But I am going to make a complaint, and I wish to register it most emphatically, against the studied contempt to which this House has been subjected during the tenure of office of the present Administration.

Hon. Mr. DANDURAND: Since 1867.

Right Hon. Mr. MEIGHEN: No. Perhaps the same condition existed before under another Government; but that does not make it right, nor does it relieve us of the duty of protesting.

This House can really be of but minor service to Canada unless the equality of our functions with those of the House of Commons

is recognized in respect of all legislation, save financial bills; and the recognition of such equality involves the introduction in this House of Government measures which, in their volume and in the onerousness of the treatment they require at the hands of Parliament and its committees, would equal those measures introduced in the other House.

What have we witnessed since 1935? We have had since then, I believe, seven sessions in all. To two of them, these remarks would not apply, because they produced virtually no legislation. During five important sessions there have been introduced into this House only four Government measures. In 1936 there was one Bill, merely an amendment to the Canadian and British Insurance Companies Act, 1932. In 1937 there was one, the Transport Act. This was really an amendment under a new name, but we shall call it an original bill. In 1939 there were two Government measures, the first being merely an amendment to the Canadian National-Canadian Pacific Act, 1933, and the other the Small Loans Act. The whole aggregate of Government measures introduced in this House was four, and two of these were only amendments.

Now let us go over the past. I have traced the history back to the time when I entered this House in 1932. In that year six Government bills were introduced here, and those bills were by far the most onerous, in point of committee treatment, of all the bills introduced in either House in that session. I give their names. First there was the British and Foreign Insurance Companies' Status and Powers Bill. Honourable members who were here at that time will recall the careful and thorough-going treatment accorded that measure on the part of all honourable members of the Senate who were here, especially by the members of the committee. Second, there was the Dominion Insurance Companies' Status and Powers Bill, and, third, the Canadian and British Insurance Companies Bill. These two were new bills. The fourth was the Department of Insurance Bill, which reconstituted the department. Fifth was the Foreign Insurance Companies Bill, and sixth, the Winding-up Bill. Six bills in one session! We were of some value to the country. At all events, we had an opportunity to be of value. We were busy forenoon and afternoon, and in my judgment we discharged our duties thoroughly and carefully, and, I am sure, to the satisfaction not only of the business community, but of all who took an interest in our proceedings.

Coming to the following session, 1932-33, what do we find? First we had the Canada Shipping Bill—an immense measure. As a matter of fact, as honourable gentlemen will remember, our Committee on Banking and Commerce considered that bill throughout two sessions. Its purpose was to lay down a shipping law for Canada for the first time. Until then we had been under the British law, but the time had arrived when we should have one of our own. When, after working a whole session, we found we could not finish with the measure, we asked that it stand over to the next session so that we might finish our work. In that same session we had the Canada Shipping Bill of 1933, which was merely an amendment. Then we had the Canadian and British Insurance Companies Bill, another bill of an amendatory character, but nevertheless very important. The next was the Canadian National-Canadian Pacific Bill, which was by far the most important legislation of that session. Following that came the Senate and House of Commons Bill. There were five Government bills that session, including two which were by far the most important considered by Parliament.

In the next year, 1934, we had the Admiralty Bill. Then came the Canada Shipping Bill. This was the second session in which we took up that measure. Then there were the Canadian and British Insurance Companies Bill and the Foreign Insurance Companies Bill, both of which were amendatory measures, but very important.

In 1935 we had, first of all, the Admiralty Bill. Then we had the amendments to the Criminal Code, which followed the Price Spreads Investigation in the Commons. Then there were the Juvenile Delinquents Bill and the Patent Bill. If my memory is correct, the Patent Bill engaged our attention for almost the entire session, and was a very important piece of work. This was a total of four bills in 1935, or a total of 19 in four years.

I may be excused, I think, for saying that this House then had an opportunity to do its duty, to carry its fair share of the burden of Parliament, to earn the cost of the upkeep of the Senate, and to give fully of its experience, which, in the sphere of business, as in almost any other sphere, is doubtless superior, man for man, to that of the younger House of Commons.

Since that time we have had two sessions with one bill each, and one with two small bills. This is simply a struggle—and I fear it is succeeding—to make the Senate nothing but a rubber stamp. Last Saturday we had the humiliation of an honourable member of this House simply throwing up his senator-

ship for the rest of the session and going home.

Now—I speak only for myself in this—I think that this habit of introducing bills which merely authorize the Government to do the legislating is bringing both Houses of Parliament into contempt, and that the country is steadily losing its respect for them. These are the very conditions which preceded Fascism in more countries than one.

An Hon. SENATOR: Hear, hear.

Right Hon. Mr. MEIGHEN: Without any doubt, Parliament became a byword. And while we are being made a rubber stamp, the other House—if it is in order to say so—is also being deprived of its functions and dignity, without which it cannot command the confidence and respect of the Canadian people. I do not take pleasure in emphasizing this, especially because I know it has been the subject of protest by the honourable leader of this House. But we have to do more than merely make formal protest in Council, for there are those among us who do not feel we can continue, even under compulsion, being highly paid truants to our trust.

Hon. Mr. DANDURAND: I desire simply to state that though at three or four sessions important bills were introduced here, some five or six of them had to do with one thing, insurance. But I do not want to minimize in the least the importance of the work we did.

I only wish to add that I think my right honourable friend is quite unjust in speaking disparagingly of the work of the other House. He can express his opinion of the work of this House. He complains that bills are passed here—of course, after they have been passed by the Commons—which have for their object simply the authorizing of the Government to take action. Well, he was a member of the Government in 1914, when the War Measures Act was passed, and he knows what could have been and can be done with that Act.

Right Hon. Mr. MEIGHEN: Between sessions.

Hon. Mr. DANDURAND: If he will examine into the legislation that has come from the Commons this session he may find, as I myself could find in the legislation brought down by his Government from 1914 to 1917, many instances where authority is given to the Governor in Council. Though I could perhaps cite several facts in justification, I will mention but one: we are at war.

Hon. A. B. COPP: Honourable members of the Senate, I quite appreciate, and agree with, some of the arguments and suggestions made by my right honourable friend opposite (Right Hon. Mr. Meighen) in regard to the business of this House, but I do not know whether his remarks were intended by way of criticizing or defending the valedictory address made here the other day by the honourable member from Vancouver (Hon. Mr. McRae), who stated openly that he was leaving to go about his own business. Instead of attending to his important duties as a member of the Senate, he went to look after his own private interests. I wonder how the affairs of the country would ever be brought to a successful conclusion if we all took that attitude, this session or any other session. I felt it was unfortunate that my honourable friend made that statement, for it seems to me that if one honourable member is given the opportunity to go to look after his own concerns, because the public business is not coming forward to this Chamber as rapidly as he thinks it should, then other honourable members whose homes and offices are far away cannot be expected in these trying times to remain here, under expense as they are, when the House is sitting only two or three days a week.

Hon. Mr. DANDURAND: Question.

The motion was agreed to.

The Senate adjourned until Tuesday, July 23, at 8 p.m.

THE SENATE

Tuesday, July 23, 1940.

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

Prayers and routine proceedings.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. COPP, on behalf of the Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill O3, an Act for the relief of Lilias Augusta Shepherd Harris.

Bill P3, an Act for the relief of Forest Wentworth Hughes.

Bill Q3, an Act for the relief of Margaret Florence Stewart Corley.

LOBSTER CATCH, 1940

INQUIRY

Hon. Mr. DUFF inquired of the Government:

1. Has the Government, through the Fisheries Department, arranged for, or does it intend to purchase the 1940 catch of canned lobster, up to 55,000?

2. If so, what is the reason for such an arrangement?

3. What price will be paid per case, and what is the estimated total expenditure involved in the transaction?

4. Will the said canned and cased lobsters be purchased direct from the original producers, the fishermen, or from the regular commercial dealers or fish buyers?

5. After said purchases have been made, what is the Department of Fisheries' intention regarding the sale or disposal of said lobsters?

6. Under what item in the Estimates is the amount for the purchase of said lobsters included, or how is it proposed to finance and pay the amount required?

Hon. Mr. DANDURAND: I have an answer for the honourable gentleman.

Hon. Mr. DUFF: Pardon me. There is a mistake in the first question. It should read 55,000 cases, or boxes.

Hon. Mr. DANDURAND: All I can give my honourable friend is the answer I have received. To question No. 1 the answer is yes.

Hon. Mr. DUFF: Pardon me. I should like to know whether the department intends to purchase 55,000 pounds or 55,000 cases. The department should know. I am afraid my honourable friend has been given a wrong answer.

Hon. Mr. DANDURAND: I will transmit the answers to my honourable friend. If they give the information he desires, I shall place them on Hansard.

1. Yes.

2. Loss of markets as a result of import restrictions imposed by the United Kingdom and France, as well as the loss of other European markets due to the state of war.

3. (a) $18 per case for grade A lobster.
$17 per case for grade B lobster.
Up to, but not more than, $16 per case for grades below these, depending on quality.

(b) Total maximum estimated outlay $1,045,000, against which would be credited proceeds of the sale of canned lobsters.

4. From persons or companies who can satisfy the Controller for Canned Lobster that certain conditions with respect to the payment of Canadian lobster fishermen have been fulfilled in respect of the lobster so offered for sale.

5. To sell such canned lobster through the Controller for Canned Lobster wherever a market can be found, and particularly to explore and develop new markets.

6. War Appropriation under the War Measures Act.

PUBLIC INFORMATION BUREAU

ORDER IN COUNCIL TABLED

Hon. Mr. DANDURAND: I desire to lay on the Table an Order in Council of Friday, the 19th of July, 1940, which deals with the appointment of Mr. Walter S. Thompson, who was made Director of Public Information.

His Excellency the Governor General in Council, on the recommendation of the Prime Minister, with the concurrence of the Minister of National War Services, and under the provisions of section 5 of the Department of National War Services Act, 1940, is pleased to order, and it is hereby ordered, that the Minister of National War Services be directed and empowered to carry out the duties described in subsection (d) of the said section of the said Act, and that for this purpose he be charged forthwith with the supervision and direction of the Director and Associate Directors of Public Information and the officers, clerks and other persons who have been employed by the said Director of Public Information for the performance of the duties pertaining to his office.

Right Hon. Mr. MEIGHEN: Do I understand from the Order just read that the Public Information Bureau is being placed under the Minister of National War Services?

Hon. Mr. DANDURAND: I have not read the document in full. Perhaps it could be placed upon Hansard.

Whereas by Order in Council of December the 8th, 1939 (P.C. 4073), Walter S. Thompson, Esquire, was appointed Director of Public Information, for the purpose of providing for the collection, co-ordination and dissemination to the public of information concerning all phases of Canada's war effort and the various activities of the Government related thereto;

And whereas by Order in Council of February the 23rd, 1940 (P.C. 772), G. H. Lash, Esquire, was appointed Director of Public Information, vice the said Walter S. Thompson, Esquire, resigned;

And whereas by Order in Council of February the 23rd, 1940 (P.C. 773), Claude Melançon, Esquire, was appointed Associate Director of Public Information;

And whereas under the authority of the Orders in Council to which reference has been made above, the Director of Public Information has engaged certain officers, clerks and other persons for the performance of the duties pertaining to his office;

And whereas by subsection (d) of section 5 of the Department of National War Services

Act, 1940, it is provided that the Minister of National War Services may, with the consent of the Governor in Council:

"(d) co-ordinate the existing public information services of the Government and originate or employ other means in order that the same may be used in the most efficient way for the obtaining of the utmost aid from the people of Canada in the national emergency which has arisen";

And whereas the Prime Minister reports that in order to give effect to the provisions of the said Act with respect to public information, it is expedient to provide that the Minister of National War Services be directed and empowered to carry out the duties described in the said subsection (d) of section 5 of the Department of National War Services Act, 1940, and that for this purpose the said Minister be charged forthwith with the supervision and direction of the said Director and Associate Directors of Public Information, and the officers, clerks and other persons who have been employed by the said Director of Public Information for the performance of the duties pertaining to his office.

Therefore, His Excellency the Governor General in Council, on the recommendation of the Prime Minister, with the concurrence of the Minister of National War Services, and under the provisions of section 5 of the Department of National War Services Act, 1940, is pleased to order, and it is hereby ordered, that the Minister of National War Services be directed and empowered to carry out the duties described in subsection (d) of the said section of the said Act, and that for this purpose he be charged forthwith with the supervision and direction of the Director and Associate Directors of Public Information and the officers, clerks and other persons who have been employed by the said Director of Public Information for the performance of the duties pertaining to his office.

UNEMPLOYMENT INSURANCE BILL

SENATORS INVITED TO ATTEND COMMONS COMMITTEE

Hon. Mr. DANDURAND: I have received from the Clerk of the Senate a letter which I presume has been transmitted to all honourable members. It reads as follows:

Sir,

For the information of the members of the Senate I respectfully inform you that at the organization meeting held this morning of the Special Committee of the House of Commons appointed to consider and report upon Bill 98, respecting Unemployment Insurance, a motion was adopted as follows:

"That an invitation be extended to members of the Senate to attend the meetings of this committee and to participate in the examination of witnesses and the debate on the various clauses."

You will be kept informed respecting the dates of subsequent meetings of this committee by notice posted on the Senate notice board and by a similar notice posted at the Senate Post Office.

The meetings will be held in the House of Commons committee room 277. The next meeting of the committee will be held at 3.30 this afternoon.

EXCISE BILL

FIRST READING

A message was received from the House of Commons with Bill 100, an Act to amend The Excise Act, 1934.

The Bill was read the first time.

SECOND READING

Hon. Mr. DANDURAND: Honourable senators, I would suggest that we take the second reading of this Bill to-night and deal with it clause by clause in Committee of the Whole to-morrow, when we could consider some amendments that our Law Clerk has indicated should be made. So far as I can see, the Bill has no general principle, but contains a certain number of amendments to the Excise Act which, I think, arise from the Budget. I move the second reading.

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

PRIVATE BILL

COMMONS AMENDMENTS

The Hon. the SPEAKER: Honourable senators, a message has been received from the House of Commons returning Bill B, an Act to incorporate Pool Insurance, with amendments, to which they desire the concurrence of the Senate.

When shall these amendments be taken into consideration?

Hon. Mr. HAIG: Now.

Hon. Mr. DANDURAND: If there is no particular hurry, I think it would be well to postpone consideration of these amendments until to-morrow, when we shall have them on record in our Minutes.

CUSTOMS TARIFF BILL

FIRST READING

A message was received from the House of Commons with Bill 101, an Act to amend the Customs Tariff.

The Bill was read the first time.

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

Hon. Mr. DANDURAND: Honourable senators, in order that we may be in a position to discuss this Bill to-morrow, I may say that its purpose is to amend the customs tariff by the substitution of certain items as specified in the schedule. With the leave of the Senate, I move that the second reading be taken up to-morrow.

The motion was agreed to.

INCOME WAR TAX BILL

FIRST READING

A message was received from the House of Commons with Bill 102, an Act to amend the Income War Tax Act.

The Bill was read the first time.

Hon. Mr. DANDURAND: As there is very little on the Order Paper for to-morrow, I would move that the Bill be taken up for second reading then.

The motion was agreed to.

FARMERS' CREDITORS ARRANGEMENT BILL

COMMONS DISAGREEMENT WITH SENATE AMENDMENT

The Hon. the SPEAKER: Honourable senators, a message has been received from the House of Commons as follows:

Resolved, that a message be sent to the Senate to acquaint their Honours that this House disagrees with their amendment to the Bill No. 25, an Act to amend the Farmers' Creditors Arrangement Act, 1934, for the following reasons:

(1) Because the findings of a board of review are based mainly on questions of fact determined after consideration of the farmer's circumstances and the present and prospective capability of the farmer to perform the obligations prescribed by the board, and the productive value of the farm.

(2) Because the boards of review in the provinces of Alberta, Saskatchewan and Manitoba as now constituted, comprising a Judge of the Supreme Court of the province, as Chief Commissioner, a Commissioner representing the debtor, and a Commissioner representing the creditor, are considered to be in a better position, after listening to all evidence, to render a final decision than an Appeal Court with nothing but the record of a case before them.

(3) Because the Courts now have jurisdiction to hear appeals in cases where errors of law are alleged to have been made by a board of review.

(4) Because it is inadvisable at this late stage of the operation of this Act to provide for appeals from proposals which may have been or may be confirmed by boards of review.

(5) Because the provision for appeals would increase the costs of the administration of the Act and delay the final disposition of a farmer's application.

Ordered, that the Clerk of the House do carry the said message to the Senate.

Hon. Mr. DANDURAND: Honourable senators, I move that this message be considered to-morrow.

The motion was agreed to.

REPORTED INCREASE IN MARRIAGES

On the Orders of the Day:

Hon. JAMES MURDOCK: Honourable senators, before the Orders of the Day are called, may I be permitted to refer to something which occurred here on Thursday, July 18 last. My honourable friend the senator from Ottawa East (Hon. Mr. Coté) mentioned a newspaper item of a couple of days before. I take it that the item in question was the following:

Vital Statistics Revenue Tripled

Toronto, July 17. Acting Premier Nixon said to-day the demand for birth and marriage certificates had tripled in the last few months, and it has been necessary to engage 10 additional employees for the Vital Statistics Branch. Revenue of the branch had gone from $4,000 a month to $12,000, because of war-time requirements of records and enlistments, family allowances and registrations.

I was so interested in what the honourable senator said that I at once wrote to Provincial Secretary Nixon as follows:

The Honourable H. C. Nixon,
Provincial Secretary,
Toronto, Ontario.

Dear Mr. Nixon:

On Thursday last, in the Senate, the question of the great number of marriages in Montreal, Hull, etc., was being briefly referred to, and the Honourable Louis Coté made the following statement:

"The other day our Ottawa papers contained an announcement that Ontario's revenue from the issue of marriage certificates had risen from $3,000 to $12,000, indicating a great increase in marriages."

Would you please let me have, if possible, for use on Tuesday evening, the correct information in respect to this statement, and oblige—?

I received to-day a reply from the Honourable Provincial Secretary at Toronto, reading:

My dear Senator:

This will acknowledge receipt of your letter of 20th instant referring to a statement made by the Honourable Louis Coté last Thursday in the Senate.

This statement was quite in error. The article in the papers referred to the number of searches being made for birth and marriage certificates, largely in connection with the arrangements for separation allowances for families of men enlisting for active service.

Yours sincerely,
H. C. Nixon.

It is curious, may I observe, how new words creep into our language. Annandale's Concise English Dictionary gives us the reason for the definition of a certain word: in North Carolina the member of Congress for a certain place having on one occasion admitted

that he was talking, not for any useful end, but simply to please his constituents in Buncombe.

Hon. Mr. COTE: I wonder if they know anything about graciousness in the state of North Carolina.

Hon. Mr. DANDURAND: I desire to say that I have read in the papers that on and before the 15th of July there were a great many weddings throughout the whole of Canada.

Hon. Mr. MURDOCK: That is right.

ANTI-BRITISH PROPAGANDA

On the Orders of the Day:

Hon. A. K. HUGESSEN: Honourable senators, I wish to make a few observations on the subject of anti-British propaganda, which occupied the attention of the Senate last Thursday afternoon. I wish particularly to refer to the speech delivered on that occasion by the right honourable gentleman who leads the other side (Right Hon. Mr. Meighen), in which he denounced in unmeasured terms of scorn and contempt an article called "Wings of Atonement," which appeared in a recent issue of the Saturday Evening Post of Philadelphia. The right honourable gentleman said that this article, to use his own words, was "designed deliberately to pour ridicule on the capacity, the sense of duty and the manliness of the British people, and to undermine the war spirit of this country"; and he used this as the basis of a demand that the Saturday Evening Post be banned.

Right Hon. Mr. MEIGHEN: Honourable senators, I rise to a point of order. An honourable senator may rise on the Orders of the Day for the purpose of calling attention to any question which, in his opinion, is of sufficient public interest to justify him in making a statement, but he cannot answer a speech made on some other occasion, nor attack the arguments made in that speech. If the honourable gentleman wants to raise a debate on this issue, I am only too ready to meet him, but for honourable members to rise alternately on the Orders of the Day to answer one another is not proper. The proper procedure for the honourable gentleman to follow is to put a notice on the Order Paper—and if he will do so, I assure him I am ready for the fray.

Hon. Mr. HUGESSEN: Then why is there any objection to proceeding this evening?

Right Hon. Mr. MEIGHEN: Because I have some regard for the rules of the House.

Hon. Mr. DANDURAND: The situation is this. The right honourable gentleman made a statement based upon facts alleged in a certain newspaper article, which, as he now realizes, is the subject-matter of the impending discussion. If any honourable member finds that he can controvert the facts upon which a statement is based, is he not entitled to do so?

Right Hon. Mr. MEIGHEN: Certainly he may do so, but the proper way of doing it is to give notice that he will call the attention of the House to the matter. If that were done, I should have my material ready.

Hon. Mr. DANDURAND: When the right honourable gentleman made his statement he did not give us a chance to have material ready. As I said then, I was not aware—

Right Hon. Mr. MEIGHEN: I was not attacking the position of any honourable member of this House. I was calling attention to a matter of public importance, and I made my statement on it. If an honourable member desires to refute that statement he should do so at a time when I am in a position to defend myself.

Hon. Mr. HUGESSEN: I am calling attention to a matter of public importance—a statement made by the right honourable gentleman, in which he made a deliberate and savage attack upon a publication published in a friendly country. That, it seems to me, is a matter of public importance, and one upon which I am entitled to speak on the Orders of the Day. I ask your ruling, Mr. Speaker.

Right Hon. Mr. MEIGHEN: The debate will continue.

The Hon. the SPEAKER: Honourable senators, the principle involved here is one which has received consideration more than once. During the ten years that I have been a member of this House there has been considerable leniency in permitting honourable members to place matters before the Senate. I am quite aware of the rules governing debate, and I am prepared to enforce them, if necessary; but in view of the practice which has prevailed in the past, it seems to me we should not seek to enforce the rules too strictly.

Right Hon. Mr. MEIGHEN: If the honourable senator from Inkerman (Hon. Mr. Hugessen) were to bring the matter up to-morrow, I should be prepared and have the article here.

Hon. Mr. HUGHES: Honourable senators—

Hon. Mr. DANDURAND: Is my honourable friend discussing something else?

Hon. Mr. HUGHES: The whole thing is out of order. Last week I tried to make a statement when the Orders of the Day were called, and the Speaker ruled I was out of order because on that occasion there was no business under the Orders of the Day. Well, on this occasion there is no business under the Orders of the Day, and I humbly submit that in view of the ruling made last week we cannot have a directly opposite ruling made now.

Hon. Mr. BLONDIN: Honourable senators, I often was placed in the same position as His Honour the Speaker is in to-night and has been in before. It seems there is a usage in this House that the Senate can disregard its own rules so long as no senator objects.

Hon. Mr. CALDER: Hear, hear. That is the whole point.

Hon. Mr. BLONDIN: I followed that usage as often as possible and would interfere only if a senator objected and asked that the rules be observed. I have complained once or twice that the Speaker is often placed in a difficult position because on some occasions the Senate is pleased to allow certain matters to be discussed out of order, and later a senator is refused permission to discuss something and complains that the rules should not be applied to him if not to all honourable members. To my mind it comes to this: anything can be done with the permission of the Senate, but if any senator insists, the rules must be strictly observed.

Hon. Mr. CALDER: Honourable senators, it seems to me that if we agree to the procedure that is proposed now, there will be no end at all to it. A general debate on any subject could be initiated without notice, and every honourable member could join in it.

Hon. Mr. HUGESSEN: That is what happened last Thursday.

Hon. Mr. CALDER: There would be no end to it. I have been in this House for some twenty years, and I think the way the rule has been applied is that a debate may go on without notice, provided no senator objects, but once there is any objection the rule must prevail.

Hon. Mr. HUGESSEN: Honourable senators, so as to place myself in order, I give notice that at the next sitting of the House I shall draw attention to the speech delivered last Thursday afternoon by the right honourable leader on the other side (Right Hon. Mr. Meighen) on the subject of anti-British propaganda.

The Hon. the SPEAKER: Will the honourable senator be kind enough to put his notice in writing?

95832—22½

CHEESE AND CHEESE FACTORY IMPROVEMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 89, an Act to amend the Cheese and Cheese Factory Improvement Act.

The Bill was read the first time.

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

Hon. Mr. MARSHALL: Honourable senators, I have just had a word with the Law Clerk, and we have one or two matters to straighten out with regard to some of the phrases in this Bill. I would move that second reading be put down for to-morrow.

The motion was agreed to.

NATIONAL WAR SERVICES—REGISTRATION AND MOBILIZATION

INQUIRY AND DISCUSSION

On the Orders of the Day:

Hon. Mr. HAIG: Honourable senators, a few days ago I asked the honourable leader of the House (Hon. Mr. Dandurand) some questions regarding the ages at which men will be called up and the procedure that will be followed under the Mobilization Act, and the honourable gentleman assured me that before Parliament prorogued he would be able to place the rules and regulations before us. This afternoon I heard the same questions asked in another place, and the Prime Minister stated that he would be able to give the information to that House in a day or two. I am wondering whether I may expect the same information to be given here.

Hon. Mr. DANDURAND: I should take it for granted that my honourable friend would be satisfied with the Prime Minister's statement.

Hon. Mr. HAIG: No; I want it from you. I have great confidence in you.

Hon. Mr. DANDURAND: I cannot go further than I did before, when I said I hoped to be able to give the required information or bring down the rules and regulations before Parliament prorogued. Since we had that discussion I have busied myself about the matter in an endeavour to get the regulations as soon as possible, and I am glad to hear of the declaration made by the Prime Minister in the other House.

Right Hon. ARTHUR MEIGHEN: Honourable members, I read in the Press to-day a statement to the effect that complete classification of returns under the forthcoming registration will take six months and require

a regular staff of 1,200, and that for the purpose a temporary building is to be erected at a cost of $110,000. I do not know that these details are correct, and I am not asking for any definite statement on that point; but I do want to say a word about the registration, in the hope that it will in some way be simplified and its portentous dimensions contracted.

Hon. Mr. DANDURAND: Will my right honourable friend allow me? His preliminary remarks apparently bear on something else than the suggestion he intends to make as to registration, for he speaks of what may follow the registration.

Right Hon. Mr. MEIGHEN: Yes, certainly. It is all one subject.

Hon. Mr. DANDURAND: I do not know anything about the first part of his statement, nor upon whose dictum it was made.

Right Hon. Mr. MEIGHEN: I do not know, either. I am simply stating what I read in the Ottawa morning papers.

Hon. Mr. DANDURAND: But from whom does it emanate?

Right Hon. Mr. MEIGHEN: It may not be correct, but I should think it was, because it does not appear to me to be an exaggeration. I am pleading that a serious attempt be made to contract the scope of this registration. The questionnaire which is being submitted contains, I understand, eighteen headings, and under each heading the subdivisions are considerable. I went through them to-day and I should say that each questionnaire would require a minimum of fifty answers. In the subdivisions there is room for all sorts of answers, depending upon the persons making them. I should think it quite possible and even likely that in many cases the answers will exceed fifty in number, and, from my experience of correspondents, I should expect that some of the answers would not be brief.

I have no official statistics as to the number of persons who will be required to register under the present regulation—that is, all those of sixteen years and upwards—but I should give it as my best estimate that about two-thirds of our population are within that age group. Assuming such to be the case and that eight million persons will be registering and making an average of fifty answers, there will be 400 million answers. All these will have to be classified. The human mind can hardly comprehend the immensity of that task in mere tedium and time. If 1,200 employees are to complete it in six months, I should not think they would be idle, by any means. And the minimum cost, it seems to me, would be $12,000,000.

I have not opposed the registration at any time. On two occasions I did rise here to intimate that I had not very great faith in the value of the thing. I know there were quite a number of demands in the country for it, particularly from newspapers, but I cannot see how a scheme involving the classification of 400 million answers could be of any value. If after all the answers were classified you could act officially on them, the value would be apparent; but clearly it would not be possible to take action on the basis of these answers alone. Even if you assumed every answer to be bona fide and true at the time it was made—and of course it would be absolutely impossible and absurd to assume that—you would not be able to say that any particular answer was true six months afterwards, because circumstances might have changed in the meantime. So when the time came to take action you could not act on the answers alone. Besides, you could not assume at all that the answers were true when made. Even if you took them as intended to be true by the persons registering, that would not mean they were true. For example, a man is asked what else he can do besides what he is now engaged at. Well, I can imagine letters of several pages being written in reply to that question. Would it be suggested that because a man imagines he can do some other kind of work he should be moved from his present job? You could not safely act on any answer, even at the time it is given; much less could you act on it six months afterwards.

If the call is to be for military service, of course the judgment of an independent judge or tribunal has to be brought to bear on the individual case. The Government, I know, has not the slightest intention of anything else. But if that has to be done anyway, what is the value of this registration? After you have all the information compiled, you know the number of persons between certain ages, whether they are married, and a hundred other particulars which are not of much value. You can get the information now from the statistics of the last census, for the proportion is pretty much the same to-day—at any rate it is near enough for your purpose. If you think you can use this questionnaire for calling up your men, you are mistaken.

Further, I do not see how you could use it for the assignment of men to other work. If it can be done, I should like to know how. I have tried to put myself in the position of the Minister, and for the life of me I

cannot see how you can use the questionnaire to assign a man to a single task unless, as well, independent judgment is applied to his case. Because a labourer thinks he ought to be writing editorials, you cannot say you will transfer him to a position as editor. You cannot call anybody to any task on the basis of his reply to these questions; you have to apply independent judgment of someone on the ground who hears the evidence.

So, no matter what the purpose may be, I really cannot see that we are going to get much out of this registration. We are in it now, and I beg the Government to consider simplifying the questionnaire. I have not the British form before me, but I believe there was one. I know we had one during the last war. It was infinitely simpler than this questionnaire, but, even at that, I stand here and say I do not think it was worth the trouble we went to.

Hon. Mr. DANDURAND: Has the right honourable gentleman seen the questionnaire?

Right Hon. Mr. MEIGHEN: I have seen only a copy in the Press. It is cumbersome to an incredible degree. True, the questionnaire can be answered, but it makes the classification so portentous and ponderous that it is frightful to contemplate what it will be. The very immensity of the whole thing would make it valueless. As I have said, each case will have to be dealt with by independent judgment of someone on the ground. Knowing that this will have to be done, I should like to see the six months eliminated. If you need it, get some information of the exact number of men between certain ages and whether married or not. That is all the information I can think of which is really of any value. Get that information quickly. As I see it now, we are going to waste precious money and still more precious time and get no commensurate results.

Hon. RAOUL DANDURAND: Honourable senators, I think there is in the House of Commons a tradition that when a member desires to draw attention to certain matters he must give notice of his intention to the Minister concerned. It seems to me that in this Chamber, where there is but one Minister, and he without portfolio, notice of such intention should be given at least twenty-four hours in advance.

Right Hon. Mr. MEIGHEN: That is very fair. The honourable leader is now informed of the matter and can take all the time he wants to give me an answer.

Hon. Mr. DANDURAND: I say that because often the newspapers seize upon a question as if it were a positive statement—I am not referring to this particular question, I am speaking generally—but the answer containing the facts may not be published until a day or two afterwards.

All I know about this matter is that we have enacted legislation which lays upon the Government the responsibility of conducting a national survey. If my memory does not fail me, a committee, presided over by Dr. Coats, the Dominion Statistician, has been diligently engaged on the questionnaire. I heard that it contained a number of questions, and at once I suggested to my colleague who is in charge of the matter that, as probably it would take each registrant an hour or two to furnish answers, the questionnaire should be distributed in order that it might be studied at leisure and completed and then delivered personally to the registrar. I was led to believe that my suggestion would be adopted, but I notice in the Press to-day that someone connected with the registration work has stated that the questionnaire must be answered in the presence of the officials who will carry out the registration. That statement, I may add, did not come from the Minister himself.

I will get a copy of the questionnaire and ascertain the actual position of affairs. Undoubtedly the committee will make every effort to get as much information as possible from the questionnaire. I am inclined to think that information as to age and qualifications of men to be called up for training, which information is essential for the purposes of the National Defence Department, will be readily available from the inquiry. However, I will transmit my right honourable friend's remarks to my colleagues, and I hope to be able to furnish a satisfactory answer to the suggestion which he has just made.

Hon. G. LACASSE: Honourable senators, I have always been under the impression that the members of this House have two very clear duties to perform. One is to veto whatever legislation may be considered detrimental to the national interest. The other is to offer constructive suggestions. I think that is a fair statement of our responsibilities.

An Hon. SENATOR: Hear, hear.

Hon. Mr. LACASSE: In discharge of the second duty, I wish to offer a suggestion for whatever it may be worth. I think the last census was taken in 1930.

Hon. Mr. EULER: In 1931.

Hon. Mr. LACASSE: I would suggest that the Government anticipate by one year the taking of the next census and modify it to meet present needs. This would permit one staff to combine the two operations of national registration and census, and make the combination fit present requirements.

Hon. Mr. DANDURAND: May I repeat to my honourable friend that a decennial census contains so much information that the statistical office requires three or four years to tabulate it. His suggestion would save considerable expenditure, but I doubt whether it would be feasible.

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

THE SENATE

Wednesday, July 24, 1940.

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

Prayers and routine proceedings.

ANTI-BRITISH PROPAGANDA

DISCUSSION

Hon. A. K. HUGESSEN rose in accordance with the following notice:

That he will draw attention to the speech delivered last Thursday afternoon by the right honourable the leader on the other side (Right Hon. Mr. Meighen) on the subject of Anti-British Propaganda.

He said: Honourable senators, the notice which stands in my name this afternoon is directed at a speech that was made by the right honourable leader on the other side (Right Hon. Mr. Meighen) on Thursday of last week. I should prefer not to proceed until the right honourable gentleman is here.

Hon. Mr. BALLANTYNE: He will be here in a second.

Hon. Mr. HUGESSEN: Does my honourable friend agree that it would be perfectly proper for me to proceed in these circumstances?

Hon. Mr. BALLANTYNE: Quite all right.

Hon. Mr. HUGESSEN: Honourable senators, I gave notice yesterday evening that I would draw attention to the speech delivered last Thursday afternoon by the right honourable leader on the other side on the subject of Anti-British Propaganda. As honourable senators who were present at that sitting will remember, my right honourable friend denounced in unmeasured tones of scorn and contempt an article which appeared in a recent edition of the Saturday Evening Post of Philadelphia. I quote his words about it as they are reported on page 331 of our Hansard for July 18:

An article has just appeared in the sheet that I named first, under the heading, "Wings of Atonement," designed deliberately to pour ridicule on the capacity, the sense of duty and the manliness of the British people, and to undermine the war spirit of this country.

The right honourable gentleman made his attack the basis for a demand that the Saturday Evening Post be banned from this country.

Now, honourable senators, I am not a reader of or a subscriber to the Saturday Evening Post. I see it only occasionally, if I happen to pick it up in the course of a railway journey, for instance. But in view of the very strong statement made by the right honourable gentleman about this so-called article, I felt it my duty to buy the copy of the Post in which it appeared, so as to be able to form an independent judgment upon the matter. Well, here it is. Here is the issue of the Saturday Evening Post of July 13, 1940, and beginning on page 16 of that issue is the offending story, headed "Wings of Atonement." I naturally assume that my right honourable friend has read that story very carefully. I have read it very carefully, three or four times, and I can only say that I am amazed at the importance which he appears to attach to it, and that I can find little, if any, justification for the bitter attack of which he has made it the object.

To begin with, he is quite wrong in describing "Wings of Atonement" as an article. It is not an article at all, in the ordinarily accepted sense of that term. It is a story. It is fiction. And anyone who reads it would know at once that it is an imaginary story. The author has assumed all the privileges which a writer of fiction does assume, even though he is dealing with present-day conditions in Great Britain. He paints about the blackest picture he can of conditions in Great Britain, entirely imaginary conditions, conditions which, if his story were supposed to be true, would be very wounding, as I frankly admit. He refers, for instance, to England as being "close to defeat, insufficiently prepared to defend itself....bombed and blasted and shaken, like a fat old champion of the ring who has forgotten how to train and finds himself smashed, bleeding and reeling from the first punch delivered by a hungry young opponent."

Well, the author has every right, seeing that this is a fiction story, to make any assumption that he likes, to paint the picture as black as he can, for the purposes of his

story, to add to its pathos. He makes one assumption, for instance. He assumes that the German Air Force has obtained a far greater mastery over the air of England than it has ever yet obtained, or than, thank God, it ever will obtain.

In stories of fiction about the war, that sort of exaggeration is not at all uncommon. Some honourable senators probably have seen the recent moving picture called "An Englishman's Home." That is an English picture prepared, as I am given to understand, at the instigation or with the help of the British authorities. Honourable senators who have seen it will recall that it paints, for the purpose of the story and for that purpose alone, a most exaggerated picture of the power of the German Air Force over Great Britain.

Now, what is this story, "Wings of Atonement"? It is the story of a middle-aged Englishman of the land-owning class—that class from which, if honourable members will allow a personal reference, I am myself sprung. His name is Sir Hubert Wyndmondham. He is a baronet living on his ancestral estate in the eastern counties, and is member of Parliament for his division. In the last war he served with great distinction in the Royal Air Force, gained the D.S.O., and became an air ace. He still keeps in a corner of his stables the old aeroplane in which he won his victories twenty-two years ago. He is a widower who had one son. That son, following in his father's footsteps, joined the Royal Air Force and has recently been killed, fighting with great gallantry against tremendous odds in Norway.

In his political career Sir Hubert Wyndmondham was, no doubt, a follower of Mr. Neville Chamberlain. He believed in appeasement. He refused for many years to believe in the Nazi menace, and he supported a Government in Great Britain which, as is now universally admitted, made insufficient preparations to meet the Nazi menace in the air.

Realizing that his policy has been wrong, and realizing that in the lack of preparation in the Air Force he may be said perhaps to be in some degree responsible for his own son's death, Sir Hubert Wyndmondham decides to make atonement in the only way which seems to him to be fitting. He gets out his old aeroplane from its dusty corner, puts it into running condition, inserts a drum of cartridges in the machine-gun, and one early summer morning he takes to the air, determined to destroy at least one German bombing plane or perish in the attempt.

As soon as he has reached high altitude he sees below him a flight of Nazi bombers, intent upon devastating the countryside that he knows and loves so well. He attacks one of them, but his bullets fail to pierce its armoured sides. He tries to crash into a second bomber, but it eludes him with its superior speed. The Nazi bombers pay no attention to him whatsoever—they ignore him—and finally he comes down to earth realizing that both he and his aeroplane are outmoded and old-fashioned. A broken-hearted man, he steps out of his plane just in time to see his ancestral home go up in a mass of smoking ruins.

That, honourable senators, is the story in a few words. As to its merit as a story, opinions may differ, and I offer none; but I do direct the attention of the House to the fact that this story in some respects bears a most striking analogy to something which actually did happen only a very short time ago. I wonder if honourable senators know the story of Sir Arnold Wilson. Sir Arnold Wilson, after a distinguished career in the East, returned to England, and was elected member of Parliament for the Hitchin Division of Hertfordshire, about ten years ago. He was in some respects what one might call an extreme reactionary. He openly believed in Fascism. He was a friend of Hitler, with whom he went to stay on at least one occasion. He was an ardent supporter of Nazi-ism, and even advocated an alliance between Great Britain and Nazi Germany. When the present war broke out, Sir Arnold Wilson realized how fundamentally wrong he had been. Though over age—he was fifty-five years old—he insisted upon joining up in the Royal Air Force and training for a post of great danger, that of gunner in a bombing plane. He served as a gunner in a bombing plane for many months, and every now and again, in intervals between raids, he came back and took his place in the House of Commons at Westminster. A few weeks ago he was reported as missing, and I think there can be no doubt, unfortunately, that he has now been killed.

Let me read to the House what his fellow member of the British House of Commons, Mr. Beverley Baxter, says about Sir Arnold Wilson in his London letter, appearing in Maclean's magazine of July 1:

> For more than twenty years I have enjoyed the friendship of Sir Arnold Wilson, former High Commissioner in Mesopotamia, a colleague in the House of Commons and an aerial gunner in the last war. For a long time he believed in Hitler and worked openly for friendship with Germany. When this war came he was fifty-five years of age, and one day he took me aside in the House of Commons. "I was wrong," he said, "and because of my pro-Hitlerism I may have played some part, however small, in helping the Nazis. There is only one thing I can do. I shall rejoin the Air Force as a gunner, and I shall do what I can to make restitution."

I repeat, the real, actual case of Sir Arnold Wilson bears some striking analogies to the hypothetical case of Sir Hubert Wyndmondham in this story. As the House will have heard, Sir Arnold Wilson, in speaking to Mr. Beverley Baxter, made use of the word "restitution." In this story the word used is "atonement." But they mean the same thing. Both Sir Arnold Wilson, in real life, and Sir Hubert Wyndmondham, in this story, felt that they would have to make restitution, by serving again in the air, for the wrong they had done to their country in supporting a policy which had left Britain insufficiently prepared in the air to meet the Nazi menace.

Now, what was that policy? Let me give it in the terms of the story itself. Here, in a few words, are the political ideas which Sir Hubert Wyndmondham is supposed to have held. I quote from page 40:

> Peace was a wonderful thing that had settled upon England, to remain forever. And as for things outside and beyond the isle of England, Adolf Hitler was a fellow who, damn it all, had done things one had to admire and, besides, he was a shield against the Russians; really the only thing one had to watch. There were probably minor injustices in the Treaty of Versailles, and if the Germans were smart enough to do away with them, that was their business, and more power to them.
>
> From time to time, alarming rumours reached him. Naturally, one heard all sorts of things. He heard the Germans were building big gun emplacements opposite Gibraltar. And tucked away in pigeonholes had been reports of a gigantic German air force, and vast German armies were constantly manoeuvring, marching and counter-marching, and wherever they marched small nations bordering them trembled.
>
> But Sir Hubert had found that if one simply put such things out of one's head in favour of the more pressing business of trade and income, one soon forgot them, and when one forgot them, they did not exist. And anyway, an aeroplane would never prevail against a battleship, so why waste money or worry over them?

That picture is, of course, a little overpainted, but, generally speaking, it cannot be denied that the point of view represented by the extract I have just read was the point of view which was held for some years before the war, at least until the Munich Pact, by a substantial proportion of the governing classes of England. And it was a point of view which found strong support in the Baldwin and Chamberlain Cabinets. It was that very point of view, complacent and easy-going, with its refusal to face facts, attempts at appeasement and so forth, which was fought tooth and nail for five long years by the present Prime Minister of England, Mr. Winston Churchill. For a long time, for too long a time, his views were ignored and his advice was scorned by the Baldwins and the Chamberlains and the rest. But to-day, in this hour of peril, the people of Britain realize that Winston Churchill was right and that their former leaders were wrong in their inadequate appreciation of and preparation to meet the dreadful power of Nazi Germany.

In another way and through another medium this story, "Wings of Atonement," attacks the policy pursued by the pre-war governments of England precisely as Winston Churchill attacked it. I agree that it is not pleasant reading for us of the British Empire; I agree, too, that in its admitted capacity as fiction this story occasionally outruns the facts; but I do say that it contains a large element of truth, however unpleasant that truth may be. This story repeats what each one of us has been saying these last few months, that Britain was insufficiently prepared in the air. Why, my right honourable friend himself said the same thing in a speech made at the beginning of this session in the debate on the Address in reply to the Speech from the Throne, when he affirmed that the British campaign in Norway failed through lack of aeroplanes. There is not a single thing in this story, by way of criticism of the policy of the pre-war governments of Britain, which has not been said hundreds of times already in Great Britain itself.

Now let us examine again what my right honourable friend said about this story last Thursday afternoon. He referred to it as poison. Well, I suppose that is a matter of opinion. I myself experienced no ill effects from the reading of it, though it seems to have caused acute distress to my right honourable friend. I suppose that is only another illustration of the wisdom of the old adage, that one man's meat is another man's poison. But really, honourable senators, when my right honourable friend dramatically rises in this House and calls this short story poison, and when he adds, as he does, that if the writer had written this story in Canada, he would have been punished or hanged, then I suggest, to put it in the mildest way I can, that he is letting his sense of the dramatic run away with him.

Next he said that it pours ridicule on the capacity, the sense of duty and the manliness of the British people. I take direct issue with him there. The story does nothing of the sort. I challenge him to quote one sentence in the whole of the story which reflects upon the manliness, the sense of duty or the capacity of the British people. On the contrary, it contains nothing but the kindliest of references to the great mass of the British people. In fact, to me, one of its most interesting and sympathetic parts is where the author refers to the village folk by whom Sir Hubert Wyndmondham was surrounded—

his constituents: the butcher, the chemist, the local bank manager, and so forth. What the story does criticize is the leadership given to the British people by men of the type of Sir Hubert Wyndmondham. And as to manliness, there is no single word in the whole story which can be said to reflect upon the manliness of the British people. On the contrary, the chief character of the story, as honourable senators know, was a man of great valour, an air ace, and so was his son.

Now I come to the most surprising part of the right honourable gentleman's denunciation. He says that this article, as he wrongly describes it, is designed deliberately to undermine the war spirit of this country. Let us ponder over that statement for a moment. Here is a story, published in the Saturday Evening Post, a popular journal with a circulation of many millions in the United States and probably several thousands in Canada. Does anybody seriously believe that when the author of this story sat down to write it he rubbed his hands and said, "Now I am going to undermine Canada's war effort"? Of course not. Very likely the author got the germ of his idea from the true story of Sir Arnold Wilson, which I have retailed to the House. I venture to suggest that the thought of Canada and Canada's war effort never entered his mind. And, in point of fact, this country is never once mentioned in the story, from beginning to end.

I venture further to suggest that if the author had any basic idea in the back of his mind when writing this story, it was the idea of warning his own people in the United States of the danger of military unpreparedness. But let us suppose that by some miracle my right honourable friend's accusation is right and that this story was written for the purpose of undermining Canada's war effort. Has it achieved that object? I should say, most emphatically, no. So far as I am concerned, this story could be read without harm by every man, woman and child in this country. I should think that instead of undermining the war spirit of the country it would have precisely the opposite effect. It points the moral of the deadly danger of unpreparedness and the supreme need of being properly equipped for defence in the air. Anybody reading this story, if he did not already have that idea in his mind, would immediately come to the determination that henceforth the Air Force of this Empire must be supreme.

To sum up, when my right honourable friend says that this story was deliberately designed to undermine the war spirit of this country, he is saying something which I think is totally incapable of proof, and the balance of probabilities is overwhelmingly against his statement being correct. As I have already said, there are parts of the story which make painful reading, sad reading, for us of the British Empire. But my right honourable friend is making a great mistake if he thinks that the people of Canada are unable to hear unpleasant truths and to profit from the errors of the past. No, honourable senators. It is the people of the dictator-ridden countries to whom the truth cannot be told.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HUGESSEN: To us of British stock, knowledge of the past is but an incentive, a challenge to do better in the future. And that challenge, thank God, we are taking up in this day and hour.

So, honourable senators, I come back to the point from which I started, and say that I am utterly amazed that my right honourable friend should have made such a commotion about this story, "Wings of Atonement," and, in view of the great position which he occupies in this House and in this country, I am grieved that he should have made this story the basis of what I consider to be a totally unmerited attack upon the journal in which the story appears. As I have said, I am not a reader of the Saturday Evening Post. Therefore I am not in a position to judge whether previous attacks which he has made upon that journal in this House are justified or not. But I will say this. I do venture to suggest to him that as a public man, conscious of his great responsibilities, before indulging in bitter attacks upon great organs of public opinion published in the friendly country to the south of us, he should make certain—yes, he should make doubly and trebly certain—that his attacks are fully justified. And I repeat with all the force that I can call to my command that in this instance such justification has been absolutely and conspicuously lacking.

Right Hon. ARTHUR MEIGHEN: Honourable senators as becomes all humble men chastened through long years of public life, I am grateful to the young and ambitious for reading me lessons in ethics and behaviour and showing me, even though it be late in life, the path where only righteous men may tread. I was puzzled yesterday when the honourable senator from Inkerman (Hon. Hr. Hugessen) rose to deliver a philippic against me. He got far enough to make clear that was his object. I thought I had in a very modest way, certainly in no spectacular way, done what was a small service. I had attacked no one in Parliament or in Canada, but only the Saturday Evening Post, and I had urged the Government, because particularly of this article or

story, whatever it may be called, to ban that periodical from our country. I had stated that I knew the reasons which the Government harboured for hesitating to take such action, and that I did not consider those reasons to have any weight. I did not say what the reasons were, because they had been given me in confidence.

That the Government in failing to ban this periodical are acting in good faith, I never have had and have not now the least doubt. That they are in error, I am quite persuaded, and of this I am more confident since listening to the honourable member from Inkerman, than I was before. And so the puzzle grows.

He is appalled that I should see anything wrong in this article. He objects even to my calling it an article; he says it is fiction. Well, articles take both forms. This, it is true, is fiction, fiction in the most mendacious sense; but it is still an article. My attention was called to it by an editorial in the Kingston Whig-Standard, a journal which, incidentally, is more Whig than Standard.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: I will read the Whig-Standard's view of this fiction, now so bravely championed by the honourable senator from Inkerman. If I, under necessity, had to give some unfavourable advertisement to the Saturday Evening Post, the honourable senator from Inkerman has far over-towered my effort in the favourable advertising he has given that journal. If his purpose was to add to its circulation in our country, he has at least done his best. The Whig-Standard editorial reads as follows:

We should like to know why the censorship officials permit magazines containing articles of an anti-British colour to be sold in Canada. We should particularly like to know why the current issue of the Saturday Evening Post is selling freely all over this country. This magazine contains a story called Wings of Atonement, and if the censors have not noticed that this story is markedly anti-British we are telling them so now.

This tale is by Paul Gallico, a former sporting writer and now an author of fiction.

I am told he is now reposing on a roof-top down in San Francisco.

His present theme is the attempt of an Englishman, Sir Hubert Wyndmondham, to atone for the stupidity and neglect of his caste, which left England unarmed against Nazi invaders. To this end he sets out in his antiquated Bristol single-seat fighter to bring down a Nazi bomber; he fails and crashes himself near the ruins of his ancestral home, Wyndmondham Manor. The story itself, as may be seen, is inoffensive: the innuendo, the slighting references to British intelligence and initiative, the superior and contemptuous tone of the writing are offensive and insidious propaganda of a dangerous and defeatist trend.

Mr. Gallico obviously knows very little about Englishmen; his aeronautical nobleman is a caricature. As in so much American fiction, this Englishman of the upper class is drawn, not from life, but from the haughty "milord" of the French 19th century novelette, the Lord Robinson of unbelievable wealth and sangfroid. This figment of Mr. Gallico's imagination reflects as he flies through the air:

Then this quotation is from the article:

"On earth he was leaving his failure, the tragic blunder of the England he had helped to make, the bitter failure of blindness and complacency, an England close to defeat, insufficiently prepared to defend itself and its great Empire, overwhelmed from the air, bombed and blasted and shaken, like a fat old champion of the ring who has forgotten how to train and finds himself smashed, bleeding and reeling from the first punch delivered by a hungry young opponent."

This is infuriating impertinence. But Mr. Gallico adds a touch of unconscious comedy.

This is omitted by the senator from Inkerman.

"Now Mussolini held the English fleet a prisoner at Suez"!!

And the wife whom Mr. Gallico bestows upon his Sir Hubert is another type unknown to any but fiction writers. When their son is born she says to her husband:

"A son, Hubert. A Wyndmondham. For you —and for England."

Has Mr. Gallico ever been to England, we wonder. Does he know any Englishmen? Certainly his story shows no evidence of first-hand knowledge.

But although this story has its funny side, it is not the kind of thing we want to read in Canada. We know far more about our mistakes than Mr. Gallico, and more about our strength, and we shall surprise that section of the American public which considers us defeated before we have even begun to fight.

Again we want to know: Why is this sort of thing allowed into Canada? There are enough censorship restrictions on news; why should this insulting defeatist fiction be shown favour? What is wrong with our censors?

The Whig-Standard says, be it noted, that "the slighting references to British intelligence and initiative, the superior and contemptuous tone of the writing are offensive and insidious propaganda of a dangerous and defeatist trend." Every word of that is true.

Now I come to the article itself. I have read it more carefully than I had before, when my reading of it had been hasty, but sufficient for me to see its intent. The intent could not miss the mind of a child. The whole article sets up a fictitious Wyndmondham as typifying Great Britain. Honourable members must keep in mind that what is put into the mouth of Wyndmondham is, by the intent of the article as shown in every line, put into the mouth of Britain, and what

is attributed to him is attributed to Britain, and the scorn poured on him is scorn poured on Britain by an American journalist.

Now, keeping that in mind, let me do a little reading. The author indicates his intent very early. Wyndmondham is pictured flying a crock plane over English soil.

That earth, Sir Hubert knew, he would never walk again. Was he flying to escape his bitter failure or to atone before he died?

In the next column Gallico tells about all that Britain had when the war came on. Put in the words of Sir Hubert, the "all" was as follows:

These—the gun, the drums and the tiny plane—were Sir Hubert's salvage from the old World War, the war to end all wars, the war forever and for the last time to secure the British Empire.

To these, finally, he had made his last retreat. For of the beliefs, the philosophies, the dogmas, the views and tenets and, above all, the illusions of Sir Hubert Wyndmondham, Bart,, M.P., D.S.O., there remained not so much as a shred or vestige beyond his inborn and romanticized belief in the character of an English baronet and gentleman.

This, Gallico says, is all that is left of England. The next paragraph is the scurrilous diatribe already quoted by and read from the Kingston Whig-Standard. I need not quote it again. Then Gallico says:

In the morning sky he climbed his old ship to expiate the sins of greed and dullness and stupidity in the pattern of the old chivalry and tradition that were his by inheritance.

And will honourable members listen to this?

For Austria and Czechoslovakia and Poland were long-past history.

The innuendo anyone after three in the morning will see. Their conquest was Britain's fault. But take the next sentence:

Norway was a page of shame.

"Norway was a page of shame"! Such is the utterance of the Saturday Evening Post, championed now by the honourable senator from Inkerman. Where was the "page of shame" for Britain in Norway? Britain was under no obligation to protect Norway, under no treaty, under no duty, express or implied; she was not one whit more under any obligation than was the country from which Mr. Gallico comes. Where then is the "shame" of Britain? Britain at least tried. "Norway was a page of shame." A page of shame, was it? Because the security of Norway was important to the security of Britain, it might have been the part of wisdom, were the capacity immediately present, to save Norway; but I cannot refrain from saying this, that the security or integrity of Norway was not in fractional part as important to the security of Britain as to-day is the security of Britain to the integrity and permanence of the United States. From that truth comes a lesson that American critics should take home.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: "Norway was a page of shame." Again the whole spirit, the current, the teaching in every paragraph and every line, is a strain of contempt and ridicule—defeatism to the last degree—defeatism driven home by contempt. But this typical Englishman, Wyndmondham, had a vision:

He had vision, now that it was too late and the scales had been torn from his eyes. He looked past them—

That is, some five tall chimneys which Gallico spoke of before, reaching up like the fingers of a hand.

He looked past them down through the slate roof into the rooms and halls, the chests and chairs and tables of heavy oak, the dark old hangings, the polished suits of armour and the burnished silver plate. He saw down into and through them, these possessions that had possessed him, each thing a gift from the glorious past. They had obsessed him with their ageless solidity as victors over time and antiquity, to dull his wits to the endless pitfalls of the future.

Then Gallico comes to the aeroplane itself, the old Bristol. He describes it in the language of humorous ridicule, and he adds this fine touch at the end:

on the cockpit headrest where he had been nicked, and the insignia of the squadron, a cocktail glass in a circle, boldly painted on the fuselage.

This is lovely! And it is all right, says the senator from Inkerman, because it is "fiction." The insignia of the British Air Force in France in the last war, from which this plane is a relic, is described by this writer as "a cocktail glass in a circle." He omitted to tell us what was the insignia of the Air Force of his own land in the last war in France. While he was in a humorous vein it was an excellent time for him to disclose to us what that insignia was.

His son—the fictitious son—was killed in Norway, and Sir Hubert—

—wondered, as he climbed to carry out his act of immolation, whether Richard—

This is the son.

—was watching him and approving, and whether he would understand that his father was trying, in the only way he knew, to make good for the damage that had been done. He wanted to raise his helmeted and goggled head, look up at the lead-coloured ceiling and say, "I'm coming, Dickie!"

Now we come to what was in the heart of this writer, and what he wanted to drive into the minds of his readers in Canada, as in the United States.

All through the long years he had followed the shibboleth of the Wyndmondhams—income and politics. One went into politics—

Remember, he is speaking of the Englishman.

—to protect income. He felt that he had been honest, that what was good for him was good for England and, therefore, likewise good for the voters. The English, he believed, had hit upon a wonderful system. Millions upon millions of men, white, black, yellow, brown, worked from morning to night in the far corners of the vast empire, toiling, tilling, buying, selling. This made for something called trade. And out of trade came income.

Out of the toilings of millions, brown, black and yellow, this country, Britain, he says, makes her money and her income, and stupidly she thought it was all that was worth while in life. That was the indictment levelled at England—and by an American—to the applause of the honourable senator from Inkerman (Hon. Mr. Hugessen).

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: The son is said to have written a last letter to his father, and from it this delightful quotation comes:

It's going to be a rotten sort of show, dad. The ships for our squadron haven't come through yet, and no one knows when they will. In the meantime, I am flying an old Hawker, a venerable museum piece, vintage 1932, that won't do more than 230 with a gale behind it, and climbs like your fat old aunt.

Such is his description of the British Air Force.

Trade and income! He rings the changes on trade and income from beginning to end. Those were the only interests of Britain, says Mr. Gallico from the roof-tops of San Francisco.

Trade and income! The richest markets in the world to tempt the gangster nations. England, through him—

That is, through this typical Englishman.

—had lacked the foresight to protect them. Now she sent her boys out in underpowered ships to fight at odds of ten to one!

On the next page, for it is scattered like a plague through this whole tiresome sheet, he tells about how Sir Hubert would sit around the tavern at home playing the lord before innocent voters who gathered to admire him and revel in his sunshine.

And Sir Hubert would snort and say, "Old Musso? Ha, the fleet will look after him. He doesn't dare make a move, because he knows we can blow him right out of the sea. That much for old Musso."

Right Hon. Mr. MEIGHEN.

Then comes the "Musso" of the Press, Mr. Gallico:

And the others would nod and smile and agree. Now Mussolini held the English fleet a prisoner at Suez.

A prisoner at Suez? In just the same sense that another fleet is a prisoner at Hawaii. It is precisely the same.

Then, as he rode in the haggard, dilapidated, antiquated boat, which represented the Air Force of England, he began to philosophize, and his mind went back to a passage in the speech of John Curran—and this is rolled as a sweet morsel under the tongue of Gallico, as a proper lesson for England:

It is the common fate of the indolent to see their rights become a prey to the active.

The difference between Britain and Germany, mark you, is the difference between the indolent and the active—a description which appears to be approved by the honourable senator from Inkerman. The indolent see their rights become the prey of the active.

The condition upon which God hath given liberty to man is eternal vigilance; which condition if he break, servitude is at once the consequence of his crime and the punishment of his guilt.

Yes, I can understand the Englishman who pays the taxes complaining of his Government, if he complains at the time and not later, for being indolent in the matter of war preparation as related to Germany; but I resent with all the force that my frame is capable of, the charge of indolence in war preparation being hurled against Britain from either Canada or the United States.

Now I come to the climax of this article. It was not read by the honourable senator from Inkerman. These words, as ever, are attributed to Britain; this arraignment is levelled at her door.

His crime! His crime! Criminal! Traitor! Breaker of faith! Murderer of liberty!

This is the indictment scattered throughout fifty thousand homes in this country by the Saturday Evening Post. Britain an antiquated wreck, stupid, complacent, greedy; hanging on to her income and her trade; rich by the sweat of the black and the white and the yellow; Britain a Traitor and a Breaker of Faith! This is the Britain painted by Gallico. And we are at war, and dependent on Britain for our survival! At this very moment we are behind her fortress, and if it falls, it falls on us. Yet we are told this would not be censored if printed in Canada. Certainly it would be censored in Canada. The leader of the Government could never for a moment permit the circulation in this Dominion, at this hour, of this kind of animosity, mendacity, and calumny.

Talk about the United States being a friendly nation if you will; there are none over there, above the submerged tenth, who will for a moment complain if this Dominion, in the hour of her trouble and her blackest struggle, looks after herself and the morale of her own people. What do they care whether we shut out the Post or not? None of them do that are worth talking about. The more we look after the fundamental, basic necessities of this nation in its sore trial, the more they will respect us.

Yes, those were the words of Mr. Gallico, who added this last beautiful touch:

This was the England of his making—

The making of the Sir Huberts.

—and England was he, a Don Quixote of the sky, tilting at the irrevocable windmills of future history with weapons as ancient and useless as his class.

He ends by telling us that the Englishman "sold" his son!

What did I say about this article on Thursday? I said that as literature circulated in Canada it was poisonous. Can any honourable gentleman listen to one of the quotations I have read and say it is not poisonous? Does any man rise from a perusal of this story with a confident and manly resolution to fight this war through? There will be many who will; but not the weaklings and the middlings, whose spirits must be stirred and strengthened and not poisoned when war is on. I said that this article poured ridicule upon the capacity, the sense of duty and the manliness of the British people. That it pours ridicule in bucketfuls upon the capacity of the British nobody able to whisper will dispute; that it pours ridicule upon their sense of duty, their manliness, is so plain that he who runs may read. "Norway was a page of shame." Is no sense of duty there impugned? "Criminal! Traitor! Breaker of faith! Murderer of liberty!" Is that no slur on the manliness of the British nation and the British people? And all these things are said at this hour when, more than ever in our lives, we look for something better. We look for something in the nature of the words spoken by the real people of that great country to the south, by vast millions of them, by all who really think—words which proclaim that on the faith, the courage, the resolution, the tenacity, the resourcefulness of Britain, the whole structure of civilization rests at this hour. And this is the Britain which these gossipers ridicule, whose honour they impugn, and on whose character and mission they cast their slimy slurs.

I read the language of the New York Times this morning:

Words falter to describe British fortitude.... This unparalleled spectacle of the nation rising, as by a single impulse, to defend "this blessed plot, this earth, this realm, this England."

Words falter. There are no phrases for the obscene ambition that attacks,—

This is the very conduct which Gallico delineates as a symptom of manliness and activity.

—for the magnificent mobilization of a people that defends, unshaken and unafraid. We can only pray that soon the time will come when the vultures no longer defile the British skies and the cry goes out from John O'Groats to Land's End: "Twelve o'clock and all's well!"

That is the language of thinking, manly Americans. That is the language of their great President. Did he call shame on Britain because of what happened in Norway? "Ah," he said, "if the gods of force prevail over there, this America of ours will be a prisoner on this planet, handcuffed, hungry, and fed through the bars by the pitiless masters of other continents."

One cannot take his seat at this moment without paying tribute to another great American, Dorothy Thompson—

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: —who, three or four nights ago, directed a message to the people of Canada, and apostrophized the Old Land in its magnificent struggle for human liberty—a message of such dignity, power and beauty that it will ring down through these thunderous years and long after the little Gallicos are forever forgotten.

Some Hon. SENATORS: Hear, hear.

Hon. RAOUL DANDURAND: Honourable senators, I can only say that I have been most interested in the two statements that we have heard: one most direct and clear in dialectics, the other one strong in eloquence. My present duty is to answer the question put to me by the right honourable gentleman opposite (Right Hon. Mr. Meighen) as to the reason why the Saturday Evening Post has not been banned from Canada. In accordance with the custom of sending questions to the department concerned, for answers, this matter was referred to the Press Censors, from whom I now have the following statement:

In response to your request for a statement about the policy of the Press Censors concerning the Saturday Evening Post, and in particular a short story, "Wings of Atonement," by Paul Gallico, which appeared in the issue of July 13, 1940, we beg to submit the following:

(1) This article was carefully read by a member of our staff in an advance copy of the Saturday Evening Post. The Censor reading it considered it objectionable in nature.

He did not, however, feel that the offence was sufficiently grave to warrant such a drastic and far-reaching step as the banning of the entire issue of Saturday Evening Post, and still less the banning of this magazine permanently.

(2) Our press-reading and press-clipping services are, we believe, extremely comprehensive, but apart from Senator Meighen's complaint about this article we have seen only one other reference of an unfavourable nature to it in the press. This was an editorial in the Kingston Whig-Standard of July 12, 1940, entitled "Where are the Censors?" This editorial summarizes the plot and asserts that "the story itself, as may be seen, is inoffensive; the innuendo, the slighting references to British intelligence and initiative, the superior and contemptuous tone of the writing are offensive and insidious propaganda of a dangerous and defeatist trend." The editorial went on to ask, "Why is this sort of thing allowed into Canada?" The Press Censors wrote to the Whig-Standard, commenting upon this editorial, agreeing that occasional material appeared in the Saturday Evening Post of an offensive nature, but outlining the issues which had to be considered before so serious a step were taken. In reply, Mr. W. Rupert Davies, President and Editor of the Whig-Standard and one of Canada's outstanding newspaper leaders, said in part as follows:

"I think after reading your letter that you are taking a very common-sense view of the situation. It is quite true that the pros and cons must be carefully weighed before any publication can be banned. The Gallico story was very irritating to one of our editorial writers and he expressed himself pretty freely. I quite agree that even in the same issue the article on the 'Fall of the House of Ullstein' could be weighed on the other side of the scales."

(3) Since Senator Meighen spoke in the Senate attacking this article, the Montreal Gazette reprinted in its Letters to the Editor column a letter attacking Mr. Meighen's stand and using the following language:

"Because of a piece of fiction, openly described as such, in the Saturday Evening Post, Mr. Meighen would amaze and antagonize a great section of the American public which is sympathetic to Canada and the British Empire. The honourable senator's remedy is to ban the Saturday Evening Post from Canada. Nothing could be more calculated to offend the people of the United States than this effort to impose upon one of their most important journals a Canadian censorship."

Right Hon. Mr. MEIGHEN: That is not from the Gazette, is it?

Hon. Mr. DANDURAND: From a letter written to the Gazette.

Right Hon. Mr. MEIGHEN: I should be very much interested to know who wrote that letter. A nom de plume was used, and I have been wondering who the writer was, especially since yesterday.

Hon. Mr. HUGESSEN: Perhaps I may relieve my right honourable friend's mind by telling him that I know nothing about it.

Hon. Mr. DANDURAND: The statement continues:

Under date of July 19, the Press Censors received from a Mrs. Olive M. Scott, of 1253 King street east, Toronto, a letter, a copy of which has been sent to you, which includes the following statements:

"The story which aroused Senator Meighen's ire was by Paul Gallico, a famous short-story writer, and the plot presupposed England's defeat at the hands of Germany's Air Force. I know from familiarity with Gallico's work that he is not in the least unfriendly to Britain and the plot was much more dramatic with the background of defeat he gave it, and I am sure that was its only excuse for existence. The Post has again and again published articles very friendly to Britain and Canada, as witness the first story in this week's issue."

Thus, so far from there being any great volume of protest against the short story "Wings of Atonement," our file reveals only one other voice raised in support of Senator Meighen's attack, and this is at least partly offset, if not almost, by communications expressing the opposite viewpoint.

(4) Considerations which are bound to weigh heavily before deciding on such a drastic step as banning one of the oldest and most prominent of American magazines are:

(a) The Saturday Evening Post continues to publish a considerable quantity of favourable pro-British, pro-Ally material and has exposed Nazi methods and policies in several quite devastating articles. In the very issue that carried "Wings of Atonement" there was an article entitled "We Blundered Hitler into Power," by a former German publisher, Hermann Ullstein. This is a strong piece of anti-Nazi propaganda material and illustrates the fate which private institutions might well suffer if Germany won. The current issue of the Saturday Evening Post, July 27, 1940, contains an article, "The Nazi Nobody Knows," by Wallace R. Dueull, a sketch of Dr. Robert Ley. This article, though written from Berlin, describes the utterly ruthless and callous manner in which the Nazis destroyed the trade unions of Germany and confiscated at a stroke all their co-operative enterprises, union funds and other properties. It, too, may be described as powertul anti-Nazi material. A long list could be made of articles of similar weight which have appeared in the Saturday Evening Post over the past nine or ten months.

(b) The publishers of the Saturday Evening Post publish also a very popular ladies' magazine, the Ladies' Home Journal. This magazine, which is read by many Canadian women, has been conspicuously pro-Ally. It has carried in every issue a Dorothy Thompson article in her usually vigorous anti-Nazi style and has featured highly sympathetic letters from a woman writer in Britain revealing the strength of character and determination of the British people. A ban on the Saturday Evening Post might well sour the editorial policy of the Ladies' Home Journal and other American periodicals not so closely connected.

(c) This being the tourist season, many copies of the Saturday Evening Post are brought in every day by tourists, and in the event of a ban these would have to be taken away from incoming tourists at the border. Americans taking a holiday in this country and greatly

aiding the war effort by improving our foreign exchange situation would have to be told that they could not secure copies of their favourite magazine while in Canada. This alone could give rise to endless waves of irritation on the part of American tourists, many of whom are regular readers.

(d) The banning of the Post on the basis, not of its general content, but of occasional articles would, to be consistent, need to be followed by similar banning of almost all the leading incoming publications from the United States.

(e) Even if as a policy it were decided to exclude every American publication taking an unfriendly or callously neutral attitude toward our struggle, we could not prevent Canadians listening to American commentators on the radio. This suggests that not censorship, but positive measures building up Canadian morale is the best answer to occasional defeatist articles in American magazines.

(5) On June 29, 1940, the Montreal Gazette, under the heading "Censorship—A Dangerous Weapon," argues strongly against Senator Meighen's proposal to ban the Saturday Evening Post and other United States publications. It began by accepting "Senator Meighen's motive" as "obvious and laudable" and "a natural impulse" being "to refuse admittance to the offenders, and think no more about it". The editorial continued: "However, there is more at stake here than any Canadian's opinion of an American publication; the question must be considered realistically, and answered in the light of Canada's best interests and nothing else." The editorial continues:

"First, it is unlikely that these papers have done any serious harm within the Dominion. True, they have caused much anger—but the greater the resentment, the smaller the damage wrought by their allegedly anti-Allied material. Canadians themselves are not very susceptible to anti-British or defeatist propaganda; there may be an audience for that sort of thing in the U.S., but a ban by Ottawa would be more likely to increase than to diminish it.

"On the other hand, it is well that Canadians know who are their friends and who their enemies, and have opportunity to gauge the strength of each in the United States. At the present time Canada is relying heavily on the conviction that the power to the south of us is a strong friend, one which is helping us now and may help us still more in the future. Every Canadian hopes this conviction may remain well-founded, but wishful thinking is of no use to anyone. There has been enough wishful thinking in this war already. If extreme isolationism, even pro-Germanism, appears to have the backing of large and responsible United States papers, we should know it.

"Most important of all, however, is the reaction that a ban by Ottawa might cause in the United States. The goodwill of that country is among the most precious assets we have at the moment; anything that might jeopardize it should be well considered, and acted upon only if it is certain the benefits will outweigh the disadvantages. No American blames Canada for banning propaganda sheets, many of them subsidized by foreign agencies, which are known to use any device of falsehood or sedition to advance their aims. It is quite another thing to ban journals of national reputation, which have always enjoyed the prestige of independent views and which wield influence over large groups of American readers. Exclusion of such papers would be viewed as a just grievance by many Americans who do not agree with the isolationist or anti-Allied position, and would presumably have weight with many more who might be undecided.

"As a final consideration, we should remember that it is easy to see disagreement as sedition. Whatever the merits or demerits of the present case, a free press is one of the liberties we are fighting for; any restriction thereon should be imposed for sound reason and with due consciousness that the need is serious and the action exceptional."

Yours sincerely,

Fulgence Charpentier,
W. Eggleston,
Press Censors for Canada.

Right Hon. Mr. MEIGHEN: Does the honourable leader not think it would be a good idea to have an afternoon for the purpose of debating the homily he has just read from the censorship committee?

Hon. Mr. DANDURAND: I am always ready to meet the views of my right honourable friend.

Right Hon. Mr. MEIGHEN: If that is what the Government are really thinking, it is pretty serious.

Hon. Mr. DANDURAND: If my right honourable friend wants to follow this up later—and I am always at his disposal to throw more light upon any question—I should like to put on Hansard a return which was tabled in the House of Commons in response to the following questions asked by Mr. Church on June 28 last:

1. What action has been taken by the Government since the session opened to prevent the use of the mails and circulation of certain American and other publications containing subversive articles in war time?

2. Will the use of the mails be denied to the "Chicago Tribune" and "Saturday Evening Post" and other weekly publications for continued articles detrimental to the cause of Britain and Canada and the prosecution of the war, and to prevent their circulation in Canada?

The answer is contained in this return, which I desire to place upon Hansard, so that when we continue this discussion we may have it before us:

June 28, 1940.

Memorandum

1. Since shortly after the outbreak of war last September, all incoming publications from American and other sources have been subjected to careful examination by the Postal Censorship and the Examiner of Publications, under the direction of the Press Censors for Canada. All publications containing subversive material have been drawn to the attention of the Press Censors, and steps have been taken to exclude all of those publications which appeared to contravene the Defence of Canada Regulations. Publications in all leading European languages have been examined in this search for subversive material. Altogether, since the beginning of the war about 180 periodicals and a

quantity of other material, books, pamphlets, circulars, etc., have been denied entry into this country. No less than 117 periodicals published in the United States had been banned in the period September 1, 1939, to June 20, 1940. Eight or ten others are now in process of being excluded. A complete list of the periodicals whose entry into Canada from the United States had been denied up to June 20 is attached herewith.

2. The "Chicago Tribune" and the "Saturday Evening Post" and all other leading weekly and daily publications entering Canada from the United States are being examined regularly by the Examiner of Publications for the Press Censors. Each publication is dealt with on its merits and on the basis of its record. To date the Press Censors for Canada have not recommended the exclusion of the "Chicago Tribune" or the "Saturday Evening Post" because they were not satisfied that the nature and quantity of such subversive material as these publications may have contained warranted excluding them from this country, in the light of other considerations which were involved in such drastic action. The recent policy of both the "Chicago Tribune" and the "Saturday Evening Post" has been more favourable to the British cause, but every issue of these publications is being carefully examined and the policy adopted is based on the current contents.

Fulgence Charpentier,
W. Eggleston,
Press Censors for Canada.

Censorship Co-ordination Committee
Press Censorship

Ottawa, June 28, 1940.

Periodical—Frequency of publication—Language—Where published

Detroiter Abend-Post—Daily, German, Detroit, Mich.

Morgen Freiheit—Daily, Jewish, New York, N.Y.

Liberation—Weekly, English, New York, N.Y.

All-Pets Magazine—Monthly, English, Chicago, Ill.

The Communist—Monthly, English, New York, N.Y.

Pacifist Program in Time of War—English, Wallingford, Pa.

Heimatbote—Weekly, German, Chicago, Ill., and Winona, Minn.

Look—Semi-monthly, English, Des Moines, Iowa.

Soviet Russia Today—Monthly, English, New York, N.Y.

Social Justice—Weekly, English, Royal Oak, Mich.

Technocracy—Monthly, English, New York, N.Y.

Christian Reminders on War—English, Seattle, Wash.

Magyar Jovo—Semi-weekly, Hungarian, New York, N.Y.

L'Adunate Dei Refrattari—Weekly, Italian, Newark, N.J.

Tagliche Volkszeitung—Daily, German, Omaha, Neb.

Der Staats-Anzeiger—Semi-weekly, German, Bismarck, N.D.

Deutsch-Amerikanische Burger Zeitung — Weekly, German, Chicago, Ill.

Unity for Peace and Democracy—English, New York, N.Y.

Russkoye Obozrenie—Weekly, Russian, Chicago, Ill.

Not America's War—English, Boston, Mass.

Behind the War Headlines—English, New York, N.Y.

The Meaning of the Soviet-German Non-Aggression Pact—English, New York, N.Y.

Debs Haywood Ruthenberg—New York, N.Y

Whose War Is It?—English, New York, N.Y.

Christian Pacifist Faith—English, New York, N.Y.

War in Europe To-day—English, New York, N.Y.

Pacifist Handbook—English, New York, N.Y.

Deutscher Weckruf Und Beobachter—Weekly, German, New York, N.Y.

Socialist Appeal—Twice weekly, English, New York, N.Y.

Volksfreund Rundschau—Weekly, German, Buffalo, N.Y.

Sonntagsblatt Des Buffalo Volksfreund—Weekly, German, Buffalo, N.Y.

Nachrichten Aus Schleswig-Holstein—Fortnightly, German, Forrest Park, Ill.

Ohio Waisenfreund—Weekly, German, Columbus, Ohio.

St. Paul Sunday Volkszeitung—Weekly, German, Omaha, Neb.

Nok Vilaga—Monthly, Hungarian, New York, N.Y.

Glos Ludowy—Weekly, Polish, Detroit, Mich.

Technocracy Indicts—English, New York, N.Y.

Il Proletario—Fortnightly, Italian, New York, N.Y.

Der Christliche Botschafter—Weekly, German, Harrisburg, Pa.

Periodical—Frequency of publication—Language—Where published

Sonntagpost—Weekly, German, Chicago, Ill.

Sud-California Deutsche Zeitung—Weekly, German, San Diego, Cal.

L'Udovy Dennik—Daily, Slovak, Chicago, Ill.

Lincoln Freie Presse—Weekly, German, Winona, Mich.

Al Arous—Thrice-weekly, Arabic, Boston, Mass.

Save America's Youth—English, New York, N.Y.

National American—Monthly, English, New York, N.Y.

Young Communist Review—Monthly, English, New York, N.Y.

Revolt—Fortnightly, English, Chicago, Ill.

Radnicka Borba—Weekly, Croatian (Yugoslavian), Cleveland, Ohio.

Siebenburgisch Americanisches Volksblatt—Weekly, German, Cleveland, Ohio.

America-Herold—Weekly, German, Winona, Minn.

Deutsche Sonntagspost—Weekly, German, Winona, Minn.

Nova Doba—Semi-Weekly, Czech, Chicago, Ill.

Nailebn—Monthly, Yiddish and English, New York, N.Y.

Technocracy and War—English, New York, N.Y.

Russky Golos—Daily, Russian, New York, N.Y.

The Republic Reclaimed—Book, English, Chicago, Ill.

International Bulletin—English, New York, N.Y.

Nachrichten Fur Den Nordwesten—Weekly, German, Portland, Ore.

Der Frontkamerad—Monthly, German, Chicago, Ill.

Cultura Proletaria—Weekly, Spanish, New York, N.Y.

Pravda—Weekly, Slovak, Chicago, Ill.

Buffalo Volksfreund—Weekly, German, Buffalo, N.Y.
The Communist International (New York Edition)—Monthly, English and several other languages, New York.
Socijalisticki Radnicki Kalender 1940—Croat, Cleveland, Ohio.
Volksblatt und Freiheits Freund—Daily, German, Pittsburgh, Pa.
Inter-Continent News—Periodical, English, New York, N.Y.
Die Abendschule—Bi-monthly, German, St. Louis, Mo.
Eleftheria—Daily, Greek, New York, N.Y.
L'Italia e la Guerra—Italian, New York, N.Y.
La Guerre e la Classe Operaia dei Paesi Capitalisti—Italian, New York, N.Y.
Il Significato Del Patto Non Agressione Tra L'Unione Sovietica et la Germania—Italian, New York, N.Y.
Der Christliche Botschafter—Weekly, German, Harrisburg, Pa.
Lutherischer Herold—Weekly, German, Philadelphia, Pa.
Wistnyk Potichy —Monthly, Ukrainian, Brooklyn, N.Y.
People's Daily World—Daily, English, San Francisco, Cal.
Rochester Abendpost—Daily, German, Rochester, N.Y.
Wachter Und Anzeiger—Daily, German, Cleveland, Ohio.
Sonntagsblatt Staats-Zeitung Und Herold—Weekly, German, New York, N.Y.
Vostok—Semi-monthly, Carpatho-Russian and English, Perth Amboy, N.J.
Romanul-American—Bi-monthly, Roumanian, Detroit, Mich.
Al-Bayan—Thrice-weekly, Arabic, New York, N.Y.
Lo Stato Operaio—Monthly, Italian, New York, N.Y.
Philadelphia Gazette-Democrat—Daily, German, Philadelphia, Pa.
Tyomies—Daily, Finnish, Superior, Wis.
Der Landmann—Weekly, German, Omaha, Neb.
Radnioki Glasnik—Weekly, Croatian (Yugoslavian), Pittsburgh, Pa.
Chamberlain—Count Us Out—English, Hollywood, Cal.
Let's Skip the Next War—English, Hollywood, Cal.
The American Guardian—Weekly, English, Oklahoma City, Okla.
Il Progresso Italo-Americano—Daily, Italian, New York, N.Y.
Abendpost—Daily, German, Chicago, Ill.
Polish Acts of Atrocity Against the German Minority in Poland—Book, English, New York, N.Y.
The Broom—Weekly, English, San Diego, Cal.
Cincinnatier Freie Presse—Daily, German, Cincinnati, Ohio.
Narodna Volya—Weekly, Bulgarian and English, Detroit, Mich.
Stalinist International Anarchism—English, New York, N.Y.
Friday—Weekly, English, New York, N.Y.
Eteenpain—5 times per week, Finnish, Yonkers, N.Y.
Il Grido Della Stirpe—Weekly, Italian, New York, N.Y.
Fair Play—Monthly, English, New York, N.Y.
Fashist—Monthly, Russian, Thompson, Conn.
Milwaukee Deutsche Zeitung—Daily, German, Milwaukee, Wis.
Rossiya—Daily, Russian, New York, N.Y.
Rundbrief Der Deutschen—Monthly, German, New York, N.Y.
Socialism—The World of To-morrow—Book, English, New York, N.Y.
The Nazi Beast Roars—Book, English, New York, N.Y.
The Commonwealth—Monthly, English, Bradenton, Fla.
Il Crociato—Weekly, Italian, Brooklyn, N.Y.
Sunday Worker—Weekly, English, New York, N.Y.
Labor Action—English, New York, N.Y.
Down With War—English, New York, N.Y.
Staats-Herold Almanach 1940—German, New York, N.Y.
Naisten Viiri—Weekly, Finnish, Yonkers, N.Y.
California Staats-Zeitung—Weekly, German, Los Angeles, Cal.
Eintracht—Weekly, German, Chicago, Ill.
New Yorker Staats-Zeitung Und Herold—Daily, German, New York, N.Y.

Right Hon. Mr. MEIGHEN: I do not wish to debate the matter now, for the leader of the House has been quite fair, but the communication which he read from the censorship board gives further advertisement and favourable notice to this paper. I do not want to be positive, but, speaking from memory, I am pretty certain that it was banned during the last war. It had to be.

Hon. Mr. DANDURAND: Of course, I do not know.

Right Hon. Mr. MEIGHEN: As a result the heavens did not fall. Against these eulogies of the paper let me say that at this time of danger the whole tenor of its articles is debilitating and debasing, as a source of intelligence it is worthless, on the score of information it is deceitful, and as literature it is frothy and befouled.

Hon. Mr. DANDURAND: I should not care to pass judgment generally on the publications of the United States. It is too wide a field for me to enter.

Right Hon. Mr. MEIGHEN: I am just speaking of this paper.

Hon. Mr. DANDURAND: I very seldom read their publications. I confine myself chiefly to the New York Times, to which I have given more attention than to any other American paper.

Right Hon. Mr. MEIGHEN: It is worth it.

Hon. Mr. DANDURAND: I do not know how much longer we shall be in session, but we may have an hour or two of leisure, when I shall be quite happy to discuss this matter further.

Hon. W. A. BUCHANAN: Honourable senators, I do not wish to prolong the discussion, but in respect of the censoring of

propaganda I think we are overlooking the fact that some of the articles appearing in our own papers might be characterized as anti-British and unfriendly to this country. But I do not oppose the appearance of those papers. For instance, the other day a speech by Hitler was published in full in our own and in the English newspapers. Of course, that speech was strongly anti-British, and I think it would be much more likely to stir up sentiment unfriendly to Great Britain than the article which appeared in the Saturday Evening Post. Then we frequently see the views of Italian commentators printed in our own and in United States and British newspapers, and those views certainly are not friendly to Britain.

Right Hon. Mr. MEIGHEN: That is different.

Hon. Mr. BUCHANAN: If we were to say that nothing of that kind shall appear in our newspapers, we should have to bar even such friendly newspapers as the New York Times and the New York Tribune.

Right Hon. Mr. MEIGHEN: No.

Hon. Mr. BUCHANAN: If we are to censor everything of that kind in our own newspapers—

Right Hon. Mr. MEIGHEN: No one wants to do that.

Hon. Mr. BUCHANAN: —then we should not allow newspapers from the United States to come into this country. I get some American magazines, including the Atlantic Monthly, which, I suppose, is one of the best of its kind on this continent. Sometimes I find in it an article unfriendly to Great Britain, which I resent, but, separated by a few pages, I may find an article friendly to Great Britain. I do not think we should bar foreign publications which, while they may print articles we resent, will be found quite frequently to contain in the same or a subsequent issue articles friendly to ourselves. I think that if we were to put our foot down and decide to exclude some United States publications, particularly those of the character we have been discussing this afternoon, we should really be doing ourserves more harm than good.

DOMINICAN TRADE AGREEMENT

RESOLUTION OF APPROVAL

Hon. RAOUL DANDURAND moved:

That it is expedient that the Houses of Parliament do approve of the trade agreement between Canada and the Dominican Republic, signed on March 8, 1940, and

That this House do approve of the same.

Hon. Mr. BUCHANAN.

He said: The purpose of this resolution is to accord approval of the trade agreement concluded with the Government of the Dominican Republic. Copies of the agreement have already been tabled for the information of honourable senators.

This trade agreement was signed at Ciudad Trujillo on March 8, 1930, Mr. A. S. Paterson, the British Minister, signing on behalf of the Government of Canada. Mr. C. S. Bissett, the Canadian Trade Commissioner at Havana, was associated with Mr. Paterson in the negotiations which led up to the conclusion of this trade agreement, having acted in the capacity of adviser.

The trade agreement is of the general most-favoured-nation type, and the different articles correspond closely to the articles in the trade agreement which was concluded between Canada and Guatemala on September 28, 1937, and approved by Parliament on May 25, 1938.

The agreement has been concluded for a period of three years, but remains in force thereafter until after either party has given six months' notice of its desire to terminate it.

It was agreed that pending ratification of the trade agreement its provisions should be applied provisionally on the basis of reciprocity. Accordingly, an Order in Council, P.C. 1029, was passed on March 14, 1940, providing that under authority of sections 4 and 11 of the Customs Tariff, products of the Dominican Republic should be entitled to most-favoured-nation treatment on importation into Canada, as from March 15, 1940. Prior to the conclusion of the agreement the products of the Dominican Republic had been subject to the rates of duty provided for under the general tariff of Canada on importation into the Dominion.

This is the only change which the agreement provides in respect of the rates of duty applicable to the products of the Dominican Republic imported into Canada.

As regards the tariff treatment to be accorded Canadian products imported into the Dominican Republic, the trade agreement provides that these products shall enjoy most-favoured-nation tariff treatment and also that fish, pickled in brine, dry salt hake, pollock and cusk, and herrings and other smoked fish, and seed potatoes, the growth, produce or manufacture of Canada, shall be exempt, as from the date of signature of the agreement, from the internal revenue taxes which have been imposed on these products in accordance with the provisions of a law of the Dominican Republic passed on March 13, 1935. It is also provided that henceforth seed potatoes shall be classified for tariff purposes as vegetable garden seeds, and in this manner may be

imported into the Dominican Republic free of customs duty, as well as being exempt from the internal revenue tax. Finally, the agreement provides for the continued exemption from internal revenue tax of Canadian wheat in grain, which has been free of both customs duty and internal revenue tax on importation into the Dominican Republic.

We are not exporting very largely to the Dominican Republic. Our annual exports do not exceed in value $250,000. Our imports consist mainly of sugar.

The resolution was agreed to.

DIVORCE BILLS

SECOND AND THIRD READINGS

On motion of Hon. Mr. Copp, on behalf of the Chairman of the Committee on Divorce, the following Bills were severally read the second and third times, and passed.

Bill O3, an Act for the relief of Lilias Augusta Shepherd Harris.

Bill P3, an Act for the relief of Forest Wentworth Hughes.

Bill Q3, an Act for the relief of Margaret Florence Stewart Corley.

EXCISE BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Mr. Dandurand, the Senate went into committee on Bill 100, an Act to amend the Excise Act, 1934.

Hon. Mr. Copp in the Chair.

On section 1—definitions:

Hon. Mr. DANDURAND: The object of this amendment is to define the words "raw leaf dealer," in view of the new duty imposed upon raw leaf tobacco in accordance with the budget resolutions of June 24.

Section 1 was agreed to.

On section 2—duties of excise on manufactured and raw leaf tobacco:

Hon. Mr. DANDURAND: This section is to give effect to the duty imposed on Canadian raw leaf tobacco in accordance with the budget resolutions of June 24.

Right Hon. Mr. MEIGHEN: You cannot have a duty on raw leaf tobacco. You mean the excise.

Hon. Mr. DANDURAND: It is the excise on raw leaf tobacco.

Section 2 was agreed to.

On section 3, new section 275—revenue stamp on raw leaf tobacco:

Hon. Mr. DANDURAND: Clause 275 reads as follows:

> Every package of Canadian raw leaf tobacco sold for consumption must have securely attached thereto by the raw leaf dealer a revenue stamp of such denomination as to correctly represent the contents of the package.

Hon. Mr. MURDOCK: I move that the word "must" in line 27, page 1, be deleted, and the word "shall" be substituted.

Right Hon. Mr. MEIGHEN: Carried.

The proposed amendment was agreed to.

On section 3, new section 276—licence for raw leaf dealers:

Hon. Mr. DANDURAND: This clause reads:

> Every raw leaf dealer who packages and stamps Canadian raw leaf tobacco for consumption shall make application to the collector of the division in which his premises are situated for a licence therefor.

Hon. Mr. MURDOCK: I move that in lines 31 and 32, the words "make application" be dropped and the word "apply" be substituted.

The proposed amendment was agreed to.

Hon. Mr. MURDOCK: Also, in line 33, page 1, leave out the word "therefor" and substitute the words "to do so."

The proposed amendment was agreed to.

On section 3, new section 277—cost of licence:

Hon. Mr. DANDURAND: This amendment provides for payment of the sum of two dollars for the licence.

Hon. Mr. MURDOCK: I would move to leave out the words "in whose favour the," in line 1, page 2, and to substitute the words "to whom a."

The proposed amendment was agreed to.

Section 3, as amended, was agreed to.

On section 4—selling raw leaf tobacco without stamp, etc.:

Hon. Mr. DANDURAND: There are two slight amendments to this section.

Hon. Mr. MURDOCK: I move to strike out the words "shall be" in line 13 of page 2.

The proposed amendment was agreed to.

Hon. Mr. DANDURAND: There is a further amendment in the second subsection.

Hon. Mr. MURDOCK: I would move that in lines 18 and 19, the words "seized as forfeited to the Crown and be" be struck out, and the words "forfeited to the Crown and be seized and" be substituted.

The proposed amendment was agreed to.

Section 4, as amended, was agreed to.

Sections 5 to 8, inclusive, were agreed to.

The title and the preamble were agreed to.

The Bill was reported.

THIRD READING

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

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

PRIVATE BILL

CONCURRENCE IN COMMONS AMENDMENTS

The Senate proceeded to consider the amendments made by the House of Commons to Bill B, an Act to incorporate Pool Insurance.

Hon. Mr. HAIG: Honourable members, I move, seconded by the honourable member from Cardigan (Hon. John A. Macdonald) that the amendments made by the House of Commons to this Bill be concurred in. I can explain them to the House if anyone so desires.

Some Hon. SENATORS: Carried.

Hon. Mr. HAIG: The Bill deals with pool insurance. The Commons have added the word "company" in the title and in the Bill, and have provided that the stock must continue to be owned by the co-operatives. Further, they have provided that the dividend must not exceed five per cent.

Right Hon. Mr. MEIGHEN: I think that suggestion was made in our own committee, coming from a very wise source.

Hon. Mr. HAIG: I acknowledge that, honourable senators.

The motion was agreed to.

CUSTOMS TARIFF BILL

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of Bill 101, an Act to amend the Customs Tariff.

He said: Honourable senators, it is only necessary to read this Bill in order to discover that it deals with tobacco, cigars and cigarettes. Clause 1 eliminates certain items of the Customs Tariff, Chapter 44 of the Revised Statutes of Canada, as amended, and inserts the new rates of duty which are specified in the schedule of this Act.

Clause 2 of the Bill has a similar object. It eliminates a certain number of articles bearing certain rates of duty, as enumerated in the Bill.

Schedule B of the Act, as amended by chapter 17 of the statutes of 1928, and by other statutes, is amended by striking out of tariff items 1042, 1044 and 1063 the enumerations of goods and the rates of drawback of customs duties set opposite to each of the said items.

The last clause fixes the date of coming into force of the measure.

Honourable senators who are interested in tobacco will see in the schedule what further duties or taxes they will have to pay for their cigars and cigarettes.

I move the second reading of the Bill.

Right Hon. Mr. MEIGHEN: Has there ever before been a tax on papers for the making of cigarettes at home?

Hon. Mr. COPP: Yes.

Hon. Mr. DANDURAND: It is increased now.

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

THIRD READING

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

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

INCOME WAR TAX BILL

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of Bill 102, an Act to amend the Income War Tax Act.

He said: Honourable senators, the explanation of this Bill is to be found facing the text. Section 1 fixes the new rates of tax applicable to persons other than corporations and joint stock companies. If anyone wants a comparison, I shall have to call the representative of the National Revenue Department to state the former duties. I suppose, however, we have all examined this Bill closely to see the extent to which those around us are being taxed by the Minister of Finance.

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

THIRD READING

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

Right Hon. ARTHUR MEIGHEN: Honourable senators, as this is a very important Bill, I think the third reading should be deferred. While we have no important jurisdiction in connection with tax bills, I do not think we should unduly rush them through. I am worried about the board of referees. It looks to me as though the board of referees were going to have about as much to do as the Government itself. It comes under the Income War Tax Act.

Hon. Mr. DANDURAND: No; the Excess Profits Act. I thought that when it came my right honourable friend would need some explanations about that board.

Right Hon. Mr. MEIGHEN: The Income War Tax Act is just the price we are paying for the Montreal terminals, I understand.

Hon. Mr. DANDURAND: My right honourable friend forgets a matter of minor importance, the war.

Right Hon. Mr. MEIGHEN: The other taxes pay for that. This is for the Montreal terminals.

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

FARMERS' CREDITORS ARRANGEMENT BILL

SENATE INSISTS ON ITS AMENDMENT

The Senate proceeded to consider a message from the House of Commons with respect to an amendment made by the Senate to Bill 25, an Act to amend the Farmers' Creditors Arrangement Act, 1934.

Hon. Mr. DANDURAND: Honourable senators, I am not sure if the Commons' reasons for rejecting our amendment to the Farmers' Creditors Arrangement Bill were read last night by His Honour the Speaker or by myself.

Hon. C. P. BEAUBIEN: Yes, they were.

Hon. Mr. DANDURAND: Unless honourable members desire that I read these reasons again, I will move forthwith that the Senate do not insist upon its amendment to this Bill.

Right Hon. ARTHUR MEIGHEN: Honourable senators, I am not at all impressed by the Commons' reasons for disagreeing with our amendment. Those reasons were thoroughly argued out in the debate here and fully answered. They certainly were fully answered by the honourable senator from Vancouver South (Hon. Mr. Farris). Indeed, much of the argument made in the other House would not have been put forward if the honourable gentleman's speech had been read. The Minister contended that if right of appeal were instituted there would be no end to this litigation; that one creditor might appeal one day and another the next day, because the Bill did not set any time limit to appeals. Well, the Bill does, for it empowers the Government to make full regulations respecting appeals, including the time within which they may be entered. Of course the period for lodging appeals would be stated in the regulations, and no decision could be appealed after the expiry of that time.

One of the Commons' reasons is amazing. It says that it is too late now in the operation of this Act to provide for appeals. How does anybody know how late it is in the operation of the Act? If the reasons advanced in the Senate Committee—the reasons upon which the Bill was sustained—were sound, we shall never get rid of this Act; it will remain in force always. Those reasons are that the farmer still finds it difficult enough to sell his grain, and the outlook for selling in the future is black. It certainly is. Markets are closed or being closed all over the world. How dare anyone say that this is late in the operation of the Act, and that for the short time longer the Act will remain in force it is inadvisable to provide for right of appeal? The thing is absurd.

The very reincarnation of this Act in Manitoba discourages everyone who has the credit of Manitoba at heart. It is heartbreaking. We shall never get back to the basis of credit between man and man while this law is in effect. I repeat with all urgency that this legislation was intended to be but temporary. And I have often admitted my conviction that even as temporary legislation it was a mistake. As permanent legislation it is awful—an assault upon a principle underlying civilization, the principle of the duty to pay one's debts.

I do not think there is any hope whatever of defeating the Bill. If I thought there were, I should vote against it. But I do feel that this House should adhere to that measure of reform which we inserted to give a right of appeal. The Commons say that a judge and two commissioners sitting as a board of review are in a better position to determine facts than a court of appeal would be. Maybe so, but it was established, and never contradicted, that separate boards of review often interpret similar sets of facts in an entirely different way. In one case, say in Alberta, if a farm

is valued at $6,000 and there is a first mortgage of $5,000 and a second mortgage of $3,000, the board might reduce the first mortgage to $4,000 and the second to $1,500, wiping out the rest; whereas in Manitoba, on the same facts, the board might not disturb the first mortgage, seeing that the property is worth more than that, but would order a reduction in the second mortgage. In my opinion the Manitoba decision would be clearly right. But it is only by a court of appeal whose judgments are binding upon all boards of review that decisions can be harmonized and laid down as a basis for the legal interpretation of facts. And in practice the judgments of a court of appeal in any one province would be followed by all the boards. These were reasons for our amendment.

The end that I had hoped for—defeat of the Bill—will probably not be attained. But let us not weakly give up our stand in favour of the right of appeal, which would concede to all persons affected by this law, not only in Manitoba, but also in Saskatchewan and Alberta, the old right to go to the courts for the determination of facts in which they are deeply concerned. Let us see to it that everyone to whom this Act applies, whether debtor or creditor, need no longer have his case decided finally by an arbitrary tribunal against whom there is no appeal. Let us, in short, restore, as regards this legislation, that basic principle of jurisprudence which was recognized at least two centuries ago: the right of access to our courts.

Hon. JAMES MURDOCK: Honourable senators, it is difficult indeed at times to take a stand at variance with that of one's respected leader. As I view the question that is before us now, it seems to me like this. Here we are, as part of the British Empire, fighting for democracy, and the other day we undertook to put into the Farmers' Creditors Arrangement Act, which has been in force a number of years, a democratic principle. Now we are told—let us see what it is we are told. The first reason given by the House of Commons for disagreeing with our amendment is:

> Because the findings of a board of review are based mainly on questions of fact . . .

Where are the questions of fact? There is no record of them. There is simply a judgment of a—if I may use the term without offence—a penny ante dictator, who for the time being is receiving compensation for determining what alleviation shall be afforded to some farmer who is in hard luck.

Hon. Mr. DANDURAND: The question is: What is his capacity to pay?

Hon. Mr. MURDOCK: The capacity to pay, in the judgment of the official receiver, may be one thing, whereas the actual capacity, indicated by the record of what is involved on both sides of the case, may be something else.

What have we here? What brought this Farmers' Creditors Arrangement Act into being? The prosperous farming days of the 1920's, when many of the farmers of the West were singing that well-known tune, "Happy Days Are Here Again," and taking a chance on any old thing in the way of liabilities for the future, placing mortgages upon this, that and the other thing, really and conscientiously believing they would be able to pay if the high price of wheat were maintained.

But the depression came and—again I use the term without offence—penny ante dictators determined questions, and we denied to the parties concerned that right which we had been taught from our youth up belonged to the humblest citizen, the right of access to the foot of the Throne. Under this legislation there was no right of access to anything but the judgment of some individual who was paid a salary for getting work. We have heard our friends from Prince Edward Island tell of official receivers going about canvassing for business, looking for compensation. At the expense of whom? The Government.

Now then, if we conscientiously believe that we are fighting for democracy, as I know we are, and that we are going to win and in future years continue to live under a democratic form of government, let us give a practical demonstration of our faith by insisting on the amendment to this Bill providing for a right of appeal—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MURDOCK: —on the part of anyone who may want to have the finding of a board of review considered by an appeal court, which, with the record before it, will be in a position to decide whether or not that finding can be sustained on the facts and the law. I do not think for one moment that the reasons given by the House of Commons for rejecting the amendment should be entertained, and I hope the Senate will stand by its amendment.

Some Hon. SENATORS: Hear, hear.

Hon. SALTER A. HAYDEN: Honourable senators, when this Bill first came before this House I supported the amendment, and I still hold the same view. I do not think the reasons given by the House of Commons for disagreeing with our amendment are at all

impressive. It strikes me as an alarming situation that, as we are told, the chief commissioners of the boards of review in the Western Provinces are opposed to appeals, and the reasons on which they found their opinion are substantially those which have been brought to our attention. It is almost akin to a trial judge, after delivering judgment in a case, rushing to the legislature and urging that there be no appeal from his decision. It seems to me that from the point of view of the proper administration of the Farmers' Creditors Arrangement Act it is essential that the chief commissioners should show absolute impartiality, and their present attitude is to my mind one of the strongest reasons why we should insist on our amendment, for it shows the state of mind in which they may, and, in view of what we have been told, do enter into consideration of the cases which come before them.

Most of the reasons given by the House of Commons for disagreeing with the amendment we have already heard either in committee or in this House. One of them, in my opinion, is not entirely accurate. We are told that this amendment is not necessary—

> Because the courts now have jurisdiction to hear appeals in cases where errors of law are alleged to have been made by a board of review.

As a matter of fact there is no provision for such appeals. As we all know, when there has been arbitrary exercise of an excess of authority, a subject has the right to apply to the courts for a writ of certiorari to lift the proceedings up to the Supreme Court; but the right is limited to that one issue.

Right Hon. Mr. MEIGHEN: Hear, hear.

Hon. Mr. HAYDEN: In the cases which come before the boards of review that is not the question. The question is whether in the exercise of the authority conferred upon them under the statute the board have proceeded upon proper principles of law. The appeal provided for by the amendment would establish principles of law which afterward would guide the official receiver, and in that way render unnecessary so many references to the boards of review, and instead of increasing the costs of administration, as suggested in the fifth reason, it would correspondingly reduce them.

On the question of facts, I suggest that in the first instance the board of review is in no better position to judge than a court of appeal would be. It is a well recognized principle that where the trial judge bases his judgment of the facts on the credibility of the witness as determined by his demeanour, and so forth, the court of appeal will not interfere with his finding as to credibility. But on the facts the judges constituting the court of appeal are at least as intelligent as members of the board of review, and they are in just as good a position to form a conclusion on those facts. I believe the mere right to appeal would have a very salutary effect upon boards of review.

The first two reasons deal with the point that the findings of the board of review are based mainly on questions of fact, and therefore the board is in a better position to render a final decision than an appeal court. We have heard this point before. It is not new and does not agree with our understanding of the situation as it applies to ordinary proceedings in court. There we have an appeal on facts as well as on law. Why should we not have it here, where such an important consideration as the taking away of contractual rights is in issue?

We are also told that it is inadvisable at this late stage of the operation of the Act to provide for appeals. The honourable senator from Vancouver South (Hon. Mr. Farris) told us when this Bill was last under consideration that in a statute of this kind you cannot make a right of appeal retroactive without specifically saying so. Therefore the adoption of the amendment would not involve opening up all past decisions. Further, the amendment provides that the rules governing appeals in the various provinces where the Farmers' Creditors Arrangement Act is in force would be applied. Those rules undoubtedly prescribe a time limit within which notice of appeal must be given. In Ontario the limit is fifteen days. What is required in the Western Provinces I cannot say, but presumably it would be a reasonable period, say fifteen or thirty days. It is apparent therefore that the right of appeal under this amendment would apply only to findings on applications which may be made from this time forward. I repeat, in my opinion this right of appeal would be a salutary check upon the possible exercise of arbitrary power by boards of review.

Hon. Mr. DANDURAND: Honourable senators, I confess that my reactions to the various Farmers' Creditors Arrangement Bills which have come before us have not always been the same. For example, in committee I realized that interference with the contractual rights of lender and borrower would not entail such dire results as I had thought. I learned from Mr. Justice Richards that in thinking of the first mortgagee, then of the second, and again of the unsecured creditors, the board of review charged with the duty of examining the capacity of the debtor to pay had to bear in mind that in the absence of intervention

the assets would be so diminished that the creditors would have to accept a compromise agreement.

If the legislation had been applied in the other provinces as apparently it has been applied in Manitoba, I should have fewer qualms of conscience than I have had at times in relation to this type of legislation. I know my right honourable friend (Right Hon. Mr. Meighen) has lost a few hours' sleep during the operation of the Farmers' Creditors Arrangement Act, which he sponsored in this House; but so have I, for I felt that by virtue of the legislation Paul was being favoured to the detriment of Peter, who had an instrument guaranteeing his loan.

We have a saying in French, "Là où il n'y a rien, le roi perd ses droits—Where nothing exists, the King loses his rights." There must be a similar maxim in English. In the unfortunate situation described by my honourable friend from Parkdale (Hon. Mr. Murdock), when the bottom was knocked out of the prosperity of the Northwest, mortgagees and other creditors found their debtors were unable to meet their liabilities. Many of those creditors, if not all, were ready to see what they could save from the wreck.

Together with my right honourable friend, I should like to see some prospect of bringing to an end the operation of this legislation in the Western Provinces. Now we have put Manitoba on the same footing as Saskatchewan and Alberta.

Hon. Mr. MURDOCK: Not yet.

Hon. Mr. DANDURAND: We have passed the Bill in its amended form. I would point out that those who have favoured extending the legislation to the farmers of Manitoba and thus granting them relief, may be justified by some law of equity.

It is for honourable senators to say if they will insist upon the amendment. I now give them the opportunity of saying they will not, by moving that the Senate do not insist upon this amendment.

The motion of Hon. Mr. Dandurand was negatived on the following division:

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Honourable Senators

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Beauregard	Howard
Blais	Hugessen
Copp	King
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David	MacLennan
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Graham	Sharpe
Harmer	Sinclair
	Stevenson—25.

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Honourable Senators

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Calder	McDonald (Shediac)
Cantley	Meighen
Chapais (Sir Thomas)	Michener
Coté	Murdock
Euler	Paterson
Gordon	Quinn
Green	Robicheau
Haig	Smith (Victoria-Carleton)
Hayden	Smith (Wentworth)
Horner	Sutherland
Hughes	Webster
Lambert	White—33.
Little	

Hon. Mr. HARDY: I was paired with the honourable senator from Vancouver (Hon. Mr. McRae). Otherwise I should have voted against the motion.

Hon. Mr. JONES: I was paired with the honourable senator from Moncton (Hon. Mr. Robinson). Had I voted, I should have voted against the motion.

Hon. Mr. LEGER: I was paired with the honourable senator from Lunenburg (Hon. Mr. Duff). I should have voted against the motion.

It was ordered that a message be sent to the House of Commons to acquaint that House that the Senate doth insist on its amendment.

CHEESE AND CHEESE FACTORY IMPROVEMENT BILL

SECOND READING

Hon. DUNCAN McL. MARSHALL moved the second reading of Bill 89, an Act to amend the Cheese and Cheese Factories Improvement Act.

He said: Honourable senators, in moving the second reading of this Bill, I may say there is only one change made by it. The original Act provided that the fifty per cent referred to might be paid to a factory if it was efficiently insulated and had efficient mechanical refrigeration. There are two kinds of factories, however, one being the small factory in the country, which is merely insulated. It requires no mechanical refrigeration, and has none. Under the law as it stood, the grant could not properly be paid to such factories, though I fancy it was paid. This correction authorizes payment to them as well as to those having mechanical refrigeration.

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

THIRD READING

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

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

SOLDIER SETTLEMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 31, an Act to amend the Soldier Settlement Act.

The Bill was read the first time.

DEBTS DUE TO THE CROWN BILL

FIRST READING

A message was received from the House of Commons with Bill 99, an Act to amend an Act respecting debts due to the Crown.

The Bill was read the first time.

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

Hon. Mr. DANDURAND: To-morrow.

Right Hon. Mr. MEIGHEN: Our Parliamentary Counsel contends we have no right at all to pass this Bill.

Hon. Mr. DANDURAND: I have his statement.

Right Hon. Mr. MEIGHEN: I cannot answer his argument. To me it seems conclusive.

Hon. Mr. DANDURAND: If it is agreeable, we shall discuss that on the motion for second reading. I move that second reading of the Bill be set down for to-morrow.

The motion was agreed to.

SPECIAL WAR REVENUE BILL

FIRST READING

A message was received from the House of Commons with Bill 103, an Act to amend the Special War Revenue Act.

The Bill was read the first time.

NATIONAL WAR SERVICES—REGISTRATION

FORMS AND TARIFF OF FEES, ETC.

On the motion to adjourn:

Hon. Mr. DANDURAND: Honourable senators, before we adjourn I should like to lay on the Table an interesting document, based on the following Order in Council:

His Excellency the Governor General in Council, on the recommendation of the Minister of National War Services, is pleased to approve and doth hereby approve the annexed forms prescribed by the Chief Registrar for Canada for the purposes of the National Registration Regulations established by Order in Council on the 12th July, 1940, P.C. 3156.

His Excellency the Governor General in Council is hereby further pleased to approve the annexed tariff of fees, costs, allowances and expenses to be paid and allowed the Registration Officers, the same having been recommended by the Chief Registrar for Canada in accordance with the provisions of Regulation 33 of the said Regulations.

Right Hon. Mr. MEIGHEN: I hope the honourable leader of the House (Hon. Mr. Dandurand) has not forgotten to call the attention of the Minister to what I said yesterday. I really stand appalled at this registration.

Hon. Mr. DANDURAND: I expected to have an answer to my honourable friend's statement of yesterday. At six o'clock there will be a meeting of the interested parties in my office; so I shall postpone the answer until to-morrow.

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

THE SENATE

Thursday, July 25, 1940.

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

Prayers and routine proceedings.

SOLDIER SETTLEMENT BILL

MOTION FOR SECOND READING—DEBATE ADJOURNED

Hon. RAOUL DANDURAND moved the second reading of Bill 31, an Act to amend the Soldier Settlement Act.

He said: Honourable senators, I think the explanatory note to this Bill indicates its purpose:

Section 57 of the Soldier Settlement Act as it stands specially reserves mines and minerals underlying soldier settlement lands, and no provision is made for their disposal.

The purpose of the amendment is to enable the Director of Soldier Settlement to grant to the original soldier settler the mines and minerals acquired with the land, and also to enable the Director, with the approval of the Minister, to sell, lease or otherwise dispose of mines and minerals relating to lands not under purchase contract by an original soldier settler.

A distinction is made as to the soldier settler being entitled to the underground resources. If the land passes into other hands, it will be for the Director of Soldier Settlement to dispose of these mines and minerals under clause 57, as amended:

(1) From all sales and grants of land made by the board, other than land acquired by the board by purchase for resale and sold and granted to settlers, all mines and minerals shall be and shall be deemed to have been reserved whether or not the instrument of sale or grant so specifies, and may with the approval of the Minister be sold, leased, exchanged or otherwise disposed of by the board under such terms as may be determined by the Minister, and the moneys realized thereby shall be remitted to the Receiver General to the credit of the Soldier Land Settlement Assurance Fund.

I trust this explanation is satisfactory to honourable members.

Right Hon. ARTHUR MEIGHEN: Honourable senators, I think there is a little more in the Bill than has been revealed, the omission being of course unintentional. Under the Soldier Settlement plan, which was purely a farming enterprise, soldiers might become owners of lands which at the time were Crown lands in the right of the Dominion, or they might become owners of private lands bought by the board for resale. Under the original Act, all land of which the soldier was to become the owner through the board was, as I have said, to be land for purely farming purposes, and there was an express reservation in favour of the Crown of all mineral rights. It will be understood that the purpose of the whole scheme was to enable the soldier desiring to farm to do so under specially favourable conditions of purchase and supervision. As the explanation was given in the other Chamber, it appears that the Minister had an idea that the original intention might have been that in the case of private lands, as distinguished from public lands, the soldier should get the mineral rights. I do not know how the Minister came to that conclusion. The definition of "lands" in the original Act was perhaps a little vague, but this did not matter, because in that Act there was an express reservation of mineral rights applicable to all conveyances from the board, whether of Dominion or of acquired private lands.

Now, under this Bill the soldier, if he is lucky enough to have land that was private land acquired by the board for sale to him, becomes entitled to oils and any other minerals that may happen to be under his land, and this right is made retroactive to 1919. As respects the other soldier, who has acquired through the board what were Dominion lands, the reservation to the Crown of the mineral rights still applies. I think I have made clear to honourable members—

Hon. Mr. EULER: Did the Crown have the mineral rights in this private land?

Right Hon. Mr. MEIGHEN: Oh, yes. As I explained at the opening, the original Act reserved in all cases mineral rights. The Minister expressed a doubt as to that, but I want to go on record as saying there was no room for doubt. The Act expressly reserved the mineral rights to the Crown.

In the first place, why should the soldier whose land happens to have been private land, which the board acquired and sold to him, have the mineral rights granted to him now, while the other fellow, whose land was not private land, has no such luck? It is unfair as between them.

But my main objection is this. The original scheme was a farming enterprise. It was not something of the nature of pure public beneficence in which there might be an element of gambling. The only intent of the Act, the whole plan from the commencement, was to help in building into the basic structure of the nation's agriculture as many returned men as chose to enter that field under the assistance which the Act provided. Under the reservation of mineral rights every one of the purposes of the legislation would have been served, but all the speculative feature would have been held in the Crown in the hope that it might thereby get some compensation for the cost of carrying out the plan. It might be a very trifling subtraction from the great cost, or it might be not so trifling. But why at this stage these rights should be given away I do not know. I say the reservation is sound to begin with, and should still apply. I do not think the soldier in Alberta under whose land there is an appearance of oil—oil which is now the property of the Crown—should at this stage be granted the right to it. We started out, not to make him an oil operator, but to help him along the hard, wearisome course of farming; and, as it turns out, we have helped him at enormous cost. The lands were originally acquired for him with great care and at a high price, and, unfortunately, the Crown has lost tremendously by reason of the reduction in the value of those lands. This being so, there is no reason why we should select one class of soldier and say to him: "The gods have favoured you. By good fortune, the land you got was originally private land; so we are going to give you the mineral rights under it." Then we turn to the other fellow and say, "Yours was public land; it was never intended that you should get the mineral rights, and you don't get them." I do not think the Minister appreciates the situation. He must have had a memorandum on the subject from some officer, and I think the officer is wrong, and the step proposed is entirely wrong.

Hon. Mr. DANDURAND: As I looked at the Bill I saw the distinction made between the original soldier settler who had acquired mineral rights with his land and the one who had not acquired such rights under his purchase contract. I had not read the statement of the Minister, which should be made available to this Chamber as well as to the House of Commons. Here it is:

There is a curious anomaly in the Soldier Settlement Act of 1919 respecting the disposition of minerals that may be found in or under the land; I think that is the descriptive phrase which is usually employed. This applies chiefly to the three Prairie Provinces. These areas were under federal control entirely until the Western Provinces were set up. In the early days, when land was alienated from the Crown, the first alienations paid no regard to the minerals. Later on, the precious metals were reserved by the Crown; that is, the title to precious metals in or under the ground did not pass to the purchaser. Later still, that reservation was extended to all minerals. When the Soldier Settlement Act came into operation, lands for soldier settlers were acquired not only from Crown granted lands, but from lands held by private owners. In some instances the land purchased from private owners carried with it title to the minerals. In other instances the minerals were not transferred, being reserved by the private owner. The amendment proposed here seeks to make clear that where title to minerals was received through the acquisition of land for soldier settlers, it can be passed on to him now.

The question may reasonably be asked why it is necessary some twenty odd years after the passing of the original Act to bring in a measure now to clear up this point. It is due mainly to the fact that in certain parts of Alberta oil has been discovered, and it is expected that, in the future, oil may be discovered in other areas where soldier settlers have acquired lands.

At the time of the passing of the original Act, land or lands were defined as follows:

"(i) 'Land' or 'lands' includes granted or ungranted, Dominion, provincial or private lands, and real or immovable property, messuages, lands, tenements and hereditaments of any tenure, and real rights, easements and servitudes, streams, water courses, waters, roads and ways, and all rights or interests in, or over, or arising out of, and all charges upon, land or lands as herein defined."

From a reading of this, I think it will be clear—I am so advised—that if a soldier settler came into possession of land from a private owner who under his title owned the minerals and was willing to pass that title on to the soldier settler, he was entitled to receive it. That is made clearer still, I think, if an examination is made of the discussion in Parliament at the time the Act was passed. It was not intended, and it never happened, where the soldier settler acquired land direct from the Crown, that the minerals passed with it, because the general reservation that was put into effect years before, governed such alienation.

That is as my right honourable friend has stated.

Curiously enough, section 57 of the Soldier Settlement Act, which section is now being repealed, reads

From all sales and grants of land made by the board, all mines and minerals shall be and shall be deemed to have been reserved, whether or not the instrument of sale or grant so specifies, and as respects any contract or agreement made by it with respect to land it shall not be deemed to have thereby impliedly covenanted or agreed to grant, sell or convey any mines or minerals whatever.

The definition of lands I read a moment ago indicates the intention that the Soldier Settlement Board should pass on to the soldier settler what it received from the purchaser from whom it bought the land. The section I have just read throws doubt upon the power of the board to do this, and it is to clear up that doubt that we ask the repeal of the section.

There is one other point to which I should like to draw the attention of the committee for a moment. The resolution states, in part: . . . "and also to authorize the Director to dispose of mines and minerals underlying land not under purchase contract by an original soldier settler." A good many instances have arisen where the soldier settler has passed out of the picture. That is, the land has come back to the Director of Soldier Settlement. We are making it clear that in such case where the land reverted to the Director of Soldier Settlement, and is again resold to a civilian, the mineral rights do not pass. In other words, the mineral rights pass only to the bona fide soldier settler who acquired them through the board by purchase from some private party at the time he made his selection. I hope I have made clear to the committee the purpose of the amendment.

Of the discussion that followed I need read only the Minister's statement bearing on mineral rights:

Mr. Crerar: Those who are familiar with the early railway history associated with the building of the Canadian Pacific Railway will recall that there were considerable grants of land to that railway to assist it in the building of its transcontinental line.

Mr. Hanson (York-Sunbury): And the mineral wealth passed with those grants?

Mr. Crerar: Yes; the mineral wealth passed with the grants prior to 1883. In the time between 1885 and 1887 only the precious minerals were reserved; in other words, coal and oil were not reserved. During that period, of course, lands passed to companies and to individuals who resold, and in those resales there were occasions when the owner reserved the mineral rights, while in other cases the mineral rights passed.

That brings us back to the amendment we propose here; where they did pass, and went along with the land, and such land was later acquired by the Soldier Settlement Board for a soldier, we are attempting to make it clear beyond doubt that we can pass on to him all that we received when the land was purchased. . . . Several instances have arisen where soldier settlers desired to dispose of mineral rights. They had thought they had the right to dispose of those rights. Certainly as I read the definition of the term "lands" in the Soldier Settlement Act—and I believe I am supported in this by the law officers of the Crown—it was evidently intended that the mineral rights in such case should pass to them.

I assume that this explanation by the Minister justifies the Bill.

Right Hon. Mr. MEIGHEN: I read the Minister's statement fully, and I think I have fairly interpreted it to the House. What I suggest is this, that the second reading stand, say, until early next week. This is not a measure of great importance. In the meantime the statement which I have made, and which is not long, can be read by the chief officers of the department. It is possible I am wrong, but I do not think I am, for I am pretty familiar with the Act.

The House will observe from the Minister's statement that he had some notion it was the original intent to pass mines and minerals to the soldier settler if the board acquired the land from a private owner; but while under the definition of "land" he holds that mines and minerals are included, he reads a clause expressly reserving them. I do not want to be offensive at all, but it is only ludicrous to suggest there is room for any doubt. The word "land" is interpreted to include all messuages, tenements, hereditaments, rights, easements, and all that is in and upon the land. If you had no specific reservation, the word "in" might, by a conceivable stretch of imagination, be held to include what is under as well as what is in the land itself, which has a distinct meaning in law. But in the presence of an express reservation all doubt is removed. In this instance there could not be the faintest shadow of doubt. The Government was embarking on this farming scheme, knowing some of the lands would be Dominion lands. In all conveyances of Dominion lands we reserve mines and minerals, and would doubtless do so here. We were not setting up men to be miners. Therefore we inserted in the Bill a reservation of mines and minerals, making it applicable to all lands to be conveyed, whether acquired from the Crown or from private owners. Now the Minister has been persuaded—probably some valuable oil rights are involved, but I know nothing about the matter—he has been persuaded there is some doubt as to the general application of the reservation, and the purpose of this Bill is to clear up that doubt. The only question is whether we will change the original policy and go back to the extent of dealing with what is property of the board to-day, mines and minerals under lands acquired from private persons who owned those mines and minerals, conveying them to those fortunate soldier settlers, and then being compelled to say to the less fortunate, whose lands were Crown lands when they purchased them from the board: "You are just out of luck; you cannot get your mines and minerals." Ultimately we should have to convey mineral rights to them also. If we passed this Bill we could not possibly stand in the way of a demand for such action.

Hon. Mr. DANDURAND: I think my right honourable friend was Minister of the Interior at the time that the original Act was passed.

Right Hon. Mr. MEIGHEN: Yes; it was my Act.

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

DEBTS DUE TO THE CROWN BILL

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of Bill 99, an Act to amend An Act respecting debts due to the Crown.

He said: Honourable senators, the Minister of Finance when introducing this Bill in the other House gave this short explanation of it:

> The Dominion Government has agreements with some of the provinces under which the Dominion Government collects income tax and similar taxes imposed by a province. The purpose of this Bill is to enable the Crown in the right of Canada to deduct from the salaries of federal employees resident in these provinces the amount of the provincial taxes which it is the duty of the Dominion Government to collect under these agreements.

I have before me this statement by our Law Clerk, which I will read:

> I am of opinion that this Bill proposes clearly ultra vires legislation which may lead the Dominion into serious litigation, and I consider it my duty so to advise, with my reasons.
>
> The Dominion acts as taxgatherer for a province solely as an agent of the province, executing as such agent the law of the province. The Dominion is itself utterly devoid of any law-making authority in the premises, so it cannot lawfully authorize its Minister of Justice to adjudicate as to whether any person—Dominion employee or otherwise—in that person's capacity of a provincial taxpayer is indebted at all to the province, much less to adjudicate (for that is what the provisions of the Bill amount to) as to how much is due and then not only to withhold Dominion moneys confessedly due to the provincial taxpayer, but seize them and purport to execute a "set off," which (by the way) is an equitable procedure applicable to debts due in the same right and founded upon actual or implied agreement between the debtor and the creditor; so that even the nomenclature of the Bill is wrong.
>
> An effect of the Bill is to cut off the tax debtor from resort to the courts, not only because it is one levelled against his salary, wherewith alone (in by far the most cases) he can provide for his defence, but because the Bill purports to put the Minister of Justice in the place of the court.
>
> The Parliament of Canada has no more authority to enact compulsory provisions concerning debts due by Crown employees of the Dominion to a province than it has to enact concerning debts due by Crown employees of the Dominion to, say, shopkeepers or landlords in a province.

The fact that a shopkeeper or a landlord had authorized the Dominion to collect and that Parliament had authorized, say, the Department of Trade and Commerce to do the collecting would not confer legislative authority upon Parliament to enact concerning the civil rights of delinquent debtors in a province, and with relation to a debt arising in and necessarily continuing to be located in the province. Likewise as to a debt owing to the province, and if the Income War Tax Act purported to do more than authorize Dominion officials to collect under authority of provincial law that Act itself would be, pro tanto, invalid.

In my opinion the Bill amounts to a proposed expropriation by the Dominion of the moneys of citizens of the provinces who are (in a logical sense) accidentally in the employ of the Dominion Crown. Its purpose may be laudable, but laudable purpose cannot confer legislative jurisdiction upon the Dominion or justify a breach of the civil rights of provincial citizens. Their civil rights are no less constitutionally inviolate because they happen to be officers, servants or employees of the Dominion Crown.

I submitted his opinion to the department which has charge of collecting income tax, and I have a statement from the Commissioner of Income Tax, Mr. Fraser Elliott, explaining the situation. I will now read it:

The proposed amendment is occasioned by the fact that a number of Dominion civil servants in the province of Manitoba are unwilling to pay to the provincial Government the provincial income tax imposed in respect of their salaries.

Some 1,300 civil servants in the province of Manitoba have failed to pay their provincial income tax, and there are also some in Ontario.

The question of liability was litigated through the courts in Manitoba and the Supreme Court of Canada and the Privy Council. The Privy Council held that the Dominion civil servants resident in the province of Manitoba were subject to provincial taxes and the same should be paid.

Although legally liable by the decision of the Privy Council, these Dominion civil servants have failed to pay, on the ground that they are immune from any provincial action against their salaries because they are servants of the Crown in the right of the Dominion.

This immunity from legal process has precluded the province from collecting taxes overdue.

Accordingly Bill No. 99 is proposed as a means of effecting collection of a debt due to the Crown in right of the province.

Remember, this immunity has precluded the province from collecting taxes from employees of the Federal Government.

It is not a tax-imposing Bill. It is nothing more than the collection through the medium provided in the Bill of a debt due the province of Manitoba.

There are certain limitations on such action provided in the Bill, namely, there has to be in existence an agreement between the province and the Dominion whereby the Dominion is administering the tax-imposing laws of the province, but that is an incident only and does not touch upon the question raised, namely, has the Dominion the power to deduct from the salaries payable to its servants sums of money owing by the civil servant and pay the same over to the creditor, namely, the province.

This, clearly, is the question before us.

It is generally accepted that the Crown in the right of the province cannot enforce judgments by order of garnishee addressed to the Crown in the right of the Dominion. Therefore the power of collection is not within the competence of the province of Manitoba.

The B.N.A. Act has never been regarded as anything other than wholly comprehensive in extending to the Dominion and to its provinces full scope of the law in every direction, by giving to the province or to the Dominion the power to carry out the law in all its phases. Inasmuch as the province has not the power to enforce its judgments against civil servants it is not to be lightly presumed that there is a hiatus or casus omissus under the B.N.A. Act.

Therefore the Parliament of Canada is the legislative authority in Canada which has the power to authorize the Dominion Government to make such deductions from the salary of its own employees.

Such a power would not rest in the legislative authority of the province and it is presumed to be inherent in all law that the legislation pertaining to the matter exists in either the Dominion or the province.

If it is excluded, as has long been recognized, from the power of the province to garnishee the salary of a Dominion civil servant, then the power belongs to the Dominion. Consequently the subject-matter of Bill 99 is thought properly to come within the Dominion legislative field.

Furthermore I am advised that any doubts upon the constitutional validity of this Bill may be put at rest by enabling legislation which the province of Manitoba has undertaken to enact.

There remains therefore but to reiterate that Bill 99 is not a taxation measure and therefore does not fall within the purview of section 92 of the B.N.A. Act relating to "direct taxation within the province in order to the raising of revenue for provincial purposes". Again it does not interfere with property and civil rights within provincial jurisdiction, because the Dominion action is against a Dominion civil servant in relation to a debt owing by the Dominion Government to its servant, namely the withholding from the civil servant a portion of that debt and paying it over to the province.

Therefore it is not a matter falling within property and civil rights as that term is used in the B.N.A. Act.

In conclusion, therefore, realizing that deduction or garnishee proceedings against Dominion civil servants is not within the competence of the provincial legislative body, and realizing the comprehensiveness of the B.N.A. Act as granting to the Dominion and the province complete jurisdiction over all phases of the law, what is excluded from the province falls within the competence of the Dominion, particularly in relation to its own civil servants and any debt which they may owe.

This opinion is concurred in by the Department of Justice.

C. F. Elliott,
Commissioner of Income Tax.

The Senate will clearly recognize the situation. Hundreds of employees of the Dominion of Canada residing in Manitoba refuse to abide by a judgment of the Privy Council which orders them to pay income tax to the province. This Bill assumes that, the province

being helpless, the power rests with the Dominion. Under these circumstances, backed as I am by the opinion of the Department of Justice declaring the Bill to be constitutional, I think there should be no hesitation in giving the Bill second reading.

Right Hon. ARTHUR MEIGHEN: Honourable members, the opinion of Mr. Fraser Elliott is indeed interesting, and carries with it, as the last sentence says, the judgment of the Department of Justice. Under these circumstances, even though our Parliamentary Counsel expresses a contrary opinion, I do not think I am justified in voting against the measure. Nevertheless, I want to put this on record. Having carefully read the opinion of Parliamentary Counsel, and having carefully listened to the opinion just read, which, in fact, is the opinion of the Department of Justice, strongly supported by a very able man, the Commissioner of Income Tax, may I say, with all the deference due to them and to the fact that the opinion of the Department of Justice has only now come before me, I am more impressed with the judgment of our Parliamentary Counsel.

The opinion just read proceeds on the assumption that unless we have power to make ourselves judges of the amount of the debt, to decide that a citizen of Manitoba owes a certain amount, and then to take the money which otherwise is his and pay the debt—power which is disputed by our Counsel—there is a hiatus, and no way whatever exists by which the Government of Manitoba can collect the debt. I cannot follow that.

Needless to say, not only have I no sympathy with these employees of the Crown, but I earnestly hope a way will be found to show them what citizenship means; and if no other way is found, I would let them try their luck in applying for another job.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: The memorandum states that the Government of Manitoba cannot sue and garnish. Perhaps it cannot garnish. I am not so sure. If it cannot, then we ought to exhaust our power to enable it, and others, to garnish. Why should a civil servant be protected beyond other citizens in the non-payment of his debts?

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: I have never been able to understand it. Provinces and citizens should have the fullest access to the courts against civil servants, ministers of the Crown or members of Parliament if they fail to pay their debts. I am not sure, but I do not believe there is any prohibition on the provinces against garnishment. What prohibition is there to prevent Manitoba from suing every one of those one thousand two hundred persons? They are not exempt from suit simply because they are employees of the Crown.

Hon. Mr. HAIG: The province has sued and got the judgment of the Privy Council.

Right Hon. Mr. MEIGHEN: If that is the case, I would amend the Bill to provide that whenever a certificate of judgment from a competent court is furnished to the Department of Revenue, the Department of Finance, or the appropriate department, the money may be deducted. It would be a judgment of the court, and not our judgment, which is the basis of objection of the Law Clerk of this House. I cannot see the slightest objection to amending the Bill and saying that, if a certificate of judgment is forwarded, the money may be deducted in a certain way. I think I have made myself clear.

Hon. JOHN T. HAIG: Honourable senators, without discussing the legal aspect of the case, I think I can tell you what caused this "row," if I may use that term. About 1932 or 1933 the Legislature of Manitoba passed a bill which, like our National Defence tax, imposed a two per cent deduction from income. Certain Dominion civil servants refused to pay this tax. They were sued by the province, and the case went to the Privy Council, which gave judgment in favour of the Government. In spite of that decision, the Government of Manitoba has never been able to collect the money because of its inability to garnish the salaries of Dominion civil servants.

Hon. A. L. BEAUBIEN: Were they not taken into the courts?

Hon. Mr. HAIG: Some of them were. Speaking from memory, I would say there were two or three cases taken into the courts. They dealt with all phases of the question, and were combined in one suit which went to the Privy Council.

Hon. A. L. BEAUBIEN: In other words, the province has not got judgment in all the cases.

Hon. Mr. HAIG: They have not got judgment in all the cases, but in view of the decision of the Privy Council they can secure judgment in every one of them.

Right Hon. Mr. MEIGHEN: And they can make these people pay the costs too.

Hon. Mr. HAIG: Yes.

Hon. Mr. EULER: Could not the property of these people be attached?

Hon. Mr. HAIG: That would cause no end of trouble. Some of them have their property not in their own names, but in the names of their wives or some other persons. The merits are all in favour of these people being compelled to pay. Their refusal to pay is a straight defiance of the right of the province to collect. I do not like the income tax law—I voted against it—but it is the law, and should be observed. I agree with the right honourable leader on this side of the House. I think it is a shame that a man should be able to run up a grocery bill, call in a doctor, or have his children's teeth attended to by a dentist, and then, simply because he works for the Dominion Government, be able to evade payment for the goods or services he has received. Such is the law in Manitoba —I do not know whether it is in other provinces or not—and I do not think it should be the law. You can garnish the wages of railroad employees or any other persons except Dominion civil servants. I am not certain as to the constitutionality of this Bill, but I am going to vote for it.

The Hon. the SPEAKER: Is it your pleasure, honourable members, to adopt the motion for the second reading of this Bill?

Hon. Mr. DANDURAND: I was about to draw the attention of the Senate to a statement in the memorandum which I read:

> Furthermore, I am advised that any doubts upon the constitutional validity of this Bill may be put at rest by enabling legislation, which the province of Manitoba has undertaken to enact.

I hope that this enactment of the Manitoba Legislature will contain a statement which will satisfy my right honourable friend and those who feel as he does, that the exact amount of the debt should be clarified and mentioned. Of course, these debts exist in virtue of an Act of the Legislature. It is quite easy to find exactly what any civil servant owes, because his salary is known and it is only necessary to figure the tax on that.

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

MOTION FOR THIRD READING POSTPONED

Hon. Mr. DANDURAND: With leave of the House, I would move third reading now.

Right Hon. Mr. MEIGHEN: Honourable members, I should like, in fact I think I should insist, that this motion stand until the next sitting. The reason is that this is as good an opportunity as we shall ever get to set right the law which now stands in the way of collection of the money by Manitoba. I formerly held the opinion, and it now is supported by information on which I rely, that prohibition against garnishment can be wiped out. Wipe out all prohibition against garnishment and you will solve the whole problem. Even better than that, you will enable others to collect where hitherto they have been forbidden by class legislation of the worst type,—

Hon. Mr. CALDER: Hear, hear.

Right Hon. Mr. MEIGHEN: —legislation protecting those who least of all need to be protected from paying their just debts. I should like the Government to consider between now and next week my suggestion that the Bill be changed into one permitting garnishment—

Hon. Mr. HARDY: Garnishment of all kinds.

Right Hon. Mr. MEIGHEN: —of all kinds. Then there would be no question of jurisdiction, and these fellows would be put in their place, as would hundreds more, who ought to be.

Hon. Mr. HARDY: I quite agree with the right honourable gentleman opposite (Right Hon. Mr. Meighen). I think that any member of this House who has had any business connection in the city of Ottawa, which of course is very largely a civil service city, will understand what the lack of the power of garnishment means to hundreds of business men here. I venture to say that at least thirty to forty per cent of the failures amongst a certain class of merchants in this city are largely due to the fact that the salaries of civil servants cannot be garnisheed. I believe that, as the right honourable gentleman has said, this is an opportunity to make a new law covering the whole wide subject. Anyone who has a proper claim against a civil servant should have the privilege of garnishing the debtor's salary. There is no class in Canada who should pay their debts more readily than civil servants. They are paid regularly, right on the dot, once or twice a month, as the case may be, and when they retire they are given a reasonable superannuation allowance. The right honourable gentleman's suggestion strikes me as a very good one, and I believe that if the Senate spent a few hours dealing with it next week the Government might listen.

Hon. Mr. HUGESSEN: I had not intended to speak on this matter, but I do want to say a word in support of the suggestion made by the right honourable gentleman opposite (Right Hon. Mr. Meighen) a few moments ago. I support it not only for the reason he gave, but

because it seems to me that from a general point of view this kind of legislation is vicious—

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. HUGESSEN: —quite apart from the question of whether the civil servants in Manitoba owe this money or not. On that point I have no knowledge whatever. It seems to me a vicious principle to have one legislative body acting as the collection agent for a totally different authority. Each taxing authority should stand upon its own feet and have its own means collecting what it considers to be due to it. I entirely agree that anyone who has a just claim against a Dominion civil servant should be able to collect by the ordinary course of law and judgment. And I feel that the Bill as it stands now embodies a bad principle in the appointment of one authority as agent for enforcing collection of taxes due to another authority.

Hon. Mr. DANDURAND: Honourable senators, I have no objection to the motion for third reading of this Bill being postponed until the next sitting. The point raised by my right honourable friend (Right Hon. Mr. Meighen) and supported by other senators has to do with an important and difficult problem. It is a problem that has engaged the attention of every government for a considerable number of years—namely, how to give creditors a fair right to collect debts from civil servants. I do not know why it has not been solved in the very easy way suggested to-day. It will be for the Minister of Finance and the Government to decide whether the proposal can be dealt with in the short space of time which remains before prorogation.

But I want to say something in favour of the Civil Service. Its members have felt that the situation was not a very satisfactory one for the body as a whole. They have an institution which tries to see that the proper thing is done by the debtor towards his creditor. I know of one case in which this institution was interested, that of a man who had got deeply into debt. Before he retired he withdrew the whole sum standing to his credit in the Superannuation Fund and paid off everything he owed, so that he left the Service debt free.

The third reading will be set down for the next sitting of the House. In the meantime I shall draw the attention of the Minister of Finance to this afternoon's debate.

SPECIAL WAR REVENUE BILL

SECOND READING

Hon. Mr. DANDURAND moved the second reading of Bill 103, an Act to amend the Special War Revenue Act.

He said: Honourable senators, this Bill provides for increases in the tax on a large number of articles. So many articles are affected that I should call it an omnibus Bill. I do not know whether honourable members have gone through it, and whether they desire to ask questions now or in Committee of the Whole.

Right Hon. Mr. MEIGHEN: Honourable members, I have no objection to the second reading, but I am confident that the honourable leader will want to go into Committee of the Whole. Twelve amendments have been suggested by our Parliamentary Counsel.

Hon. Mr. DANDURAND: Oh, yes.

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

CONSIDERED IN COMMITTEE

On motion of Hon. Mr. Dandurand, the Senate went into Committee on the Bill.

Hon. Mr. Sinclair in the Chair.

The Hon. the CHAIRMAN: Is it the intention of the Committee to discuss the Bill clause by clause?

Right Hon. Mr. MEIGHEN: So far as I know, the amendments are altogether clerical, making the wording uniform, except an amendment on page 6, which is of a more or less substantial character.

Hon. Mr. DANDURAND: I may say I am advised that these amendments, which my right honourable friend has before him, are quite acceptable to the department, except the last two, on page 10. There "automotive" would be replaced by "automobile". Our Law Clerk favours the proposed change. The department believes that "automobile" is too narrow, and would like to retain "automotive," which is much broader in its scope.

Right Hon. Mr. MEIGHEN: I understand that all the amendments are accepted but the last two, which substitute "automobile" for "automotive." There has been placed in my hand a quotation from Webster's dictionary, in which the word "automotive" is defined. Automotive vehicles are said to include lawnmowers, farm tractors, station tractors, station baggage trucks, and the like,

which do not commonly come under the term "automobile." Our Law Clerk has a deep-rooted objection to "automotive," but I may reluctantly agree that it is possible for a man to be a very eminent counsel and yet not a modern Noah Webster. With much hesitation I accept cancellation of the last two amendments.

Hon. Mr. DANDURAND: Then I need not take the time of the Senate to discuss the matter further. We will retain the term "automotive vehicles."

Hon. Mr. EULER: I move, seconded by Hon. Mr. Murdock, adoption of the following amendments:

Page 5, line 42: leave out "aforesaid," substitute "such."

Page 5, line 43: leave out "aforesaid," substitute "such."

Page 5, lines 44 and 45: leave out "the said," substitute "such."

Page 5, lines 47 and 48: leave out "the said," substitute "such."

Page 5, line 48: leave out "said," substitute "such."

Page 5, line 49: leave out "thereto," substitute "to such offence."

Page 6, line 28: leave out "any other Act," substitute "in any other Act in force at the time when this subsection comes into force."

Page 7, line 7: leave out "same," substitute "they."

Page 7, line 14: between "Act" and "the" insert "in force at the time when this subsection comes into force."

Page 8, line 22: between "law" and "the" insert "in force at the time when this section comes into force."

The motion was agreed to.

Hon. Mr. HAIG: What is the position of dealers with respect to automobiles in their possession on the 24th of June which they have paid for and own? Do those dealers have to pay this special tax?

Hon. Mr. DANDURAND: The tax applies unless delivery was made by the vendor prior to the Budget being brought down.

Hon. Mr. HAIG: Some dealers act as commission agents, but others buy outright. For instance, what is the position of a man handling Packard cars who had purchased ten and stored them in his warehouse?

Right Hon. Mr. MEIGHEN: New cars or old?

Hon. Mr. HAIG: New ones. Do they come under this Bill?

Hon. Mr. EULER: As they had been delivered, he would not be liable.

Hon. Mr. HAIG: That is what I want to know.

Hon. Mr. DANDURAND: Under those conditions there was a reduced tax of 10 per cent reaching the dealer.

Hon. Mr. HAIG: I am satisfied, then.

The Bill was reported as amended.

THIRD READING

Hon. Mr. DANDURAND moved the third reading of the Bill as amended.

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

PENITENTIARY BILL

FIRST READING

A message was received from the House of Commons with Bill 30, an Act to amend the Penitentiary Act and the Penitentiary Act, 1939.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of the Bill.

He said: This is a short and simple Bill. Subsection 5 of section 1 is new and provides authority to reach agreement with a province for confinement within the province of prisoners convicted in the Yukon Territory or Northwest Territories. The subsection reads:

> The Minister may, subject to the approval of the Governor in Council, arrange with the Lieutenant Governor of any province for the confinement in gaols of that province of convicts convicted in the Yukon Territory or the Northwest Territories and the compensation to be made by Canada to that province for the care and maintenance of such convicts while so confined.

As to subsection 6, this is the explanatory note:

> The section as redrawn purports to authorize the transfer of prisoners within or out of the Yukon Territory and the Northwest Territories to penitentiaries as heretofore and to provincial gaols. The latter provision is desirable as the Royal Canadian Mounted Police guard rooms and territorial lock-ups are subject to congestion and afford little opportunity for the healthful employment or exercise of persons undergoing imprisonment.

Right Hon. ARTHUR MEIGHEN: I am wondering how many members of this House have observed one peculiar feature of this Bill. I think it is the first of its kind I have ever seen. It is a new animal so far as the Parliament of Canada is concerned. It amends not only one Act, but two.

Hon. Mr. EULER: It kills two birds with one stone.

Right Hon. Mr. MEIGHEN: No, it is the same bird, but reincarnated for a peculiar purpose.

Hon. Mr. DANDURAND: Did my right honourable friend say "jailbirds"?

Right Hon. Mr. MEIGHEN: No. The jailbirds are just the same as they were, but the Bill has a sort of twin application.

Section 1 reads:

Subsection five of section forty-seven of the Penitentiary Act, chapter one hundred and fifty-four of the Revised Statutes of Canada, 1927, and subsection five of section fifty-two of The Penitentiary Act, 1939, chapter six of the statutes of 1939, are repealed and the following in each case substituted therefor.

Now I shall have to explain what this hydra-headed monster is. As I look into the faces of honourable members I wonder if I can detect the smile that would arise if they knew the tale that hangs thereby. They should remember it. Two years ago—over that now—just as hot summer was upon us, we had a heavy, ponderous looking, new Penitentiaries Bill thrown at us as the hour for the expiry of Parliament drew nigh. On going through the Bill I wondered why it was of such portentous dimensions. A careful study of it disclosed that, though it was as thick as your hand, all it did to the old Act was to change the word "superintendent" to "commission". The change could have been made by simple amendments, but in order that there should appear to be something larger than a mouse coming out of the mountain of the Penitentiary Commission, a Bill was brought in which, while actually a mouse, had all the appearance of an elephant.

Hon. Mr. DANDURAND: Was it not a consolidation of the Act?

Right Hon. Mr. MEIGHEN: There was no consolidation. It did nothing whatever but change the word "superintendent" to "commission" and make consequential changes in the old Penitentiary Act. This was the mouse, in the guise of an elephant, that came out of one of the most expensive commissions this country ever authorized.

Well, the Bill was so lengthy that we did not have time to examine it; and I, who had gone into it personally, did not see any need of it at all, and urged its rejection at that late hour of the session. The House agreed, and it was rejected, not because all, or nearly all, were of my opinion that the original superintendent was sufficient and the substitution of a commission just a waste of the taxpayers' money, but because we had not time to go into the whole problem.

This was followed by one of those customary fulminations of the Government in the other Chamber against the sinful Senate, and the imprecations of the Minister of Justice, which were hurled at us. Even our pure and undefiled motives were impugned.

But that was not what was most in the mind of the Minister. What was in his mind was the sacred administration of the penitentiary service, for without the means and machinery that this new Act was to give him he stood appalled at the prospect of having to keep quiet, and free from riot and rebellion, the inhabitants of our penitentiaries. On the 29th of June, 1938, he declared that if this Bill was not going to pass he could no longer assume responsibility for the penitentiaries of Canada. The country turned white. In many a newspaper I read about the serious decision this Senate had made, and doubtless housewives and timid citizens throughout our land feared there would be riots and public disturbances, for the Minister of Justice, responsible for the administration of law in Canada, could take no responsibility. The Senate having destroyed his Penitentiary Act, he could not appoint a commission, and he warned the people to look out for what was going to happen.

Well, the summer passed, the season ended, and there was no rebellion, no riot. Everything seemed quiet and peaceful. In fact, I think that not only through that summer, but through every month and summer since, for two years, we have had a continuous freedom from penitentiary trouble of any kind, such as we never before enjoyed. And the Minister stayed at his post. He did not flee to the peaceful recluse of the Caribbean. He summoned his courage and stayed on the job, though he had only a superintendent.

Hon. Mr. DANDURAND: Oh, he had a guardian angel.

Right Hon. Mr. MEIGHEN: The superintendent.

Hon. Mr. DANDURAND: No; Miss Agnes MacPhail.

Right Hon. Mr. MEIGHEN: Yes, who had stirred him up to the commission. If that guardian angel stood at his side throughout the two years, perhaps he is not entitled to the reputation for great courage which I am disposed to give him to-day. Anyway, nothing happened; no part of the heavens fell.

The session of 1939 came, and the Bill was sent to us early. It was the same kind of law—not only the same kind, but precisely what it had been the year before. It re-

enacted the Penitentiary Act of 1927 and just changed "superintendent" to "commission," so that five men, I think it was, could be appointed to superintend the administration of penitentiaries, which really are, and must be for ever, administered by the warden and the men under him.

However, this House agreed; the Bill passed and became law; and I looked for the swift appointment of the commission in order to lighten the terrific load which was weighing down the Minister of Justice, and remove the black cloud of fear which was disturbing him through to the end, and which almost drove him to flee the country and abandon the enormous responsibility of administering our penitentiaries. But no appointment was made. Parliament prorogued and we all went home. The superintendent stayed in his little office; no commission took his place; and there has been none appointed since. The Minister of Justice had got used to the responsibility; the apparition of riot and rebellion was dispelled, and things went on as before.

Now we have had another session, and still no commission has been appointed. In some way or other, even now the Minister seems to be able to stand up to the awful task. He comes to amend the Penitentiary Act, and he finds there are two Acts: there is the old Act which appeared in the Revised Statutes of 1927 and is still in force, and there is the other one, which we passed a year ago, but refused to pass the year before, thereby bringing down on our heads the horror of these fulminations. But the later Act is not the law. It is on the Statute Book, and may be given life by proclamation, but it has not been proclaimed. If we amend only the first Act passed, our amendment will die with it. So we have to amend two laws, one that is living and one that is still-born.

I am sorry to notice that our Minister of Justice is indisposed. I hope this is not the result of the extraordinary burden imposed on him—having to run the penitentiaries with a superintendent instead of a commission.

Hon. Mr. DUFFUS: Are you really sincere?

Right Hon. Mr. MEIGHEN: I am absolutely sincere—as, I know, he was not.

Hon. Mr. DUFFUS: I doubt it.

Right Hon. Mr. MEIGHEN: We are sorry to see he is indisposed. During these two years he has administered the penitentiaries just as well as they ever were administered; and if he will continue to do just as he has done for these two years—leave the old Act in effect, and forget the new—I shall give him credit for it next session. He ought to do it. It would save the country a lot of money. The new Act, with the commission, is just nonsense, imposing an unnecessary burden on the country. He should not have been frightened in the first place, or driven into that Act by the report of any commission. I am glad he has forgotten about it. Let him continue to administer the penitentiaries —he can do it as well as anybody—and if he does so I shall give him all credit in the debate on the Speech from the Throne next session.

Hon. Mr. EULER: And give him his amendment?

Hon. Mr. DANDURAND: It will be somewhat of a consolation to the Minister of Justice to hear the commendation he has just received from the right honourable gentleman, who is not prodigal with his commendations.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. DANDURAND: It will serve to remind my colleague that after having appointed the Penitentiary Commission, which carried on a lengthy inquiry, he succeeded in establishing a new order of things in penitentiaries. No more rebellion! No more difficulty! Everything has been running smoothly! I think that is a commendation of the work of the commission.

I move the second reading of the Bill.

Right Hon. Mr. MEIGHEN: The commission does not exist.

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

THIRD READING

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

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

EXCESS PROFITS TAX BILL

FIRST READING

A message was received from the House of Commons with Bill 104, the Excess Profits Tax Act, 1940.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of the Bill.

He said: Honourable senators, with the leave of the Senate I now move the second reading of this Bill, which, I hope, will have quite

important beneficial effects on the treasury of Canada.

The note which accompanies this Bill gives the principal changes in the Excess Profits Tax.

Under this Bill a tax of seventy-five per centum is levied upon the annual excess profits derived from carrying on business in Canada. As an alternative, a minimum tax of twelve per centum is levied upon the total annual profits. The larger of the two taxes is to be paid.

Excess profits are the difference between the profits of the taxation year and the profits of the standard period, being the four years 1936, 1937, 1938 and 1939, or fiscal periods ending therein.

Provision is made for adjustment of the standard profits by the Minister to have regard to changes in the length of fiscal periods, to have regard to increases or decreases in the capital employed in the business, or in the case of gold mines and oil wells, to have regard to increases or decreases in the volume of production.

Provision is also made for the ascertainment of standard profits by a board of referees in cases of new businesses or businesses depressed during the standard period.

Exemption is given to professional activities, small businesses with profits less than $5,000 before salary or other payments to proprietors, personal corporations, non-resident-owned investment corporations and various institutions not taxable under the Income War Tax Act.

The determination of profits for this Act is upon the same principles as under the Income War Tax Act, but certain deductions are allowed under this Act which are not allowed under the Income War Tax Act. For instance, in the case of corporations a special deduction is allowed for that portion of the income tax which is payable upon the excess profits, and a special deduction is allowed for such reasonable provision as the Minister may allow as a reserve against future depreciation in inventory values. In the case of taxpayers other than corporations the excess profits tax is first imposed upon the profits and then the excess profits tax is to be allowed as a deduction for purposes of assessing the income tax. Consequently the deductions allowed to such taxpayers under the Excess Profits Tax Act include the ordinary business expenses such as depreciation, depletion, expenses laid out to earn income as well as a special deduction in lieu of salary paid to proprietors, not to exceed $5,000 per proprietor working full time, and the aforementioned reserve against future depreciation in inventory values.

The Bill is drafted to apply to all profits earned or deemed to have been earned since January 1, 1940, and in the case of fiscal periods not coinciding with the calendar year the profits shall be apportioned.

I am quite sure my right honourable friend (Right Hon. Mr. Meighen) has examined this Bill closely and that the note I have just read will satisfy him.

Right Hon. ARTHUR MEIGHEN: Honourable senators, I shall owe an explanation to the honourable leader (Hon. Mr. Dandurand) for the remarks I am about to make. He was good enough to ask me if I had any objections to the measure, and I replied to him in the negative. I did not feel there were any we could urge, and I gave him to understand that so far as I personally was concerned the Bill could go through to third reading. Since he was speaking to me, though, I have found that this Bill contains a clause which I should like to have discussed in committee. I will state now what that clause is, and say frankly it is one in which I personally am interested. Therefore my words will have far less effect than they otherwise would have had. It is a clause imposing another tax on companies which are solely co-operative in nature, namely, purely investment companies. Such companies should be exempted, just as other co-operative companies are. They are not profit-making; they cannot be. They may gather and distribute profits, but they earn no new ones. The added tax which is imposed here would make it the duty of every one of these companies to dissolve in justice to their shareholders. The companies could not justify their existence. In fact, I want to say frankly, they cannot now. All the existing taxes have been put on since the companies were created. But the difficulty is that if you dissolve, as in justice you ought to do, you will have to face such charges imposed against distributees in the way of transfer taxes and the like that you will be murdered anyway.

However, this is not a subject which should be argued at length here. I am not going to oppose the second reading, and even if the Government do not see the situation as I believe they will see it, I will not oppose the third reading. We ought not to do anything about this without the Government's approval. I would ask that the Bill be sent to the Banking and Commerce Committee and considered there in the presence of officials of the department, because I cannot believe that after they understand the situation they will be unable to find a way out. I am an officer of one of these companies and I suppose that in a sense I too am a sufferer, but in a relatively small sense. The persons who bear the brunt, who are doubly, trebly and even in some cases quadrupledly taxed—I am thinking of provincial as well as federal taxes—are the shareholders of these companies, which are unable to make any earnings of their own, but merely distribute the earnings of others.

I should like us to consider this matter in committee, to see if a remedy cannot be found. If we conclude that the only remedy

is dissolution of the companies, I shall be thoroughly content. It would be too bad, I think, to dissolve them, because I sincerely believe there is merit in the idea underlying them. They exist in every modern country. They will continue to exist here, but I repeat it is unjust to the shareholders that they should.

Hon. Mr. DANDURAND: I would suggest that we take second reading now, and suspend the sitting of the House for half an hour or so while we consider the Bill in the Banking and Commerce Committee. The Commissioner of Income Tax is here, and I may be able to have another official present.

Right Hon. Mr. MEIGHEN: I do not like to object to that, but the honourable senator from Alma (Hon. Mr. Ballantyne), who has now gone, strongly desires to be present when the Bill is taken up in committee. Therefore I should very much prefer that the committee's sitting be postponed until next week. I will undertake that the discussion shall not be long. We are absolutely in the hands of the Government. It would be folly for this House to amend on its own initiative any Bill of this kind.

Hon. Mr. GORDON: I should like to ask just one question. Is it not incorrect to say that the excess profits tax is only 75 per cent? The 12 per cent is deducted first, and it seems to me that the excess profits tax would figure out at 80 per cent instead of 75 per cent.

Right Hon. Mr. MEIGHEN: My honourable friend could get that information at the committee.

Hon. Mr. GORDON: All right.

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

REFERRED TO COMMITTEE

Hon. Mr. DANDURAND moved that the Bill be referred to the Standing Committee on Banking and Commerce.

He said: Honourable senators, when we adjourn this afternoon we shall probably stand adjourned until Monday evening next at 8 o'clock. If our sitting on Monday is not too long, we may go into the Banking and Commerce Committee immediately afterwards.

Right Hon. Mr. MEIGHEN: All right.

The motion was agreed to.

The Senate adjourned until Monday, July 29, at 8 p.m.

THE SENATE

Monday, July 29, 1940.

The Senate met at 8 p.m., the Acting Speaker (Hon. A. B. Copp) in the Chair.

Prayers and routine proceedings.

DIVORCE BILL

FIRST, SECOND AND THIRD READINGS

Hon. Mr. MURDOCK, on behalf of the Chairman of the Committee on Divorce, presented the following Bill, which was read the first, second and third times, and passed:

Bill R3, an Act for the relief of Moora Lipsin Sagermacher, otherwise known as Mary Lipson Sager.

UNEMPLOYMENT INSURANCE BILL

QUESTION OF PRIVILEGE

On the Orders of the Day:

Hon. A. C. HARDY: Honourable senators, I rise to a question of privilege. In to-night's Ottawa Citizen there is a short news item headed, "Warns Senate if Bill on Insurance Rejected." I shall read the item:

If the Senate should reject the unemployment insurance measure the widespread disappointment would precipitate a public demand "that that other place be dispensed with as speedily as possible," M. J. Coldwell, C.C.F., Rosetown-Biggar, told the House of Commons to-day.

I am referring only to the press report. I shall make no comments on it except to say that I do not think this House is open to threats. A threat of the kind I have just read—if I may use strong language—smacks of blackmail.

Some Hon. SENATORS: Hear, hear.

NATIONAL WAR SERVICES—REGISTRATION AND MOBILIZATION

On the Orders of the Day:

Hon. JOHN T. HAIG: Before the Orders of the Day are called, I desire to ask the honourable leader of the House (Hon. Mr. Dandurand) whether he has any information to present to the House as to the procedure to be followed in the calling up of men under the Mobilization Act and the War Services Act.

Hon. RAOUL DANDURAND: With respect to this matter, probably the same source of information is available to my honourable friend as to myself. Both on Saturday and to-day the Press announced that the honourable Minister of National Defence would this afternoon make a statement to the House of

Commons concerning matters within his jurisdiction. Owing to pressure of other business the statement has been delayed until this evening, when, I expect, the information which my honourable friend is seeking will be given by the honourable Minister.

TREACHERY BILL

FIRST READING

A message was received from the House of Commons with Bill 73, an Act respecting Treachery.

The Bill was read the first time.

SECOND READING

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

Hon. RAOUL DANDURAND: Honourable senators, as we are rapidly approaching the end of the session, I move, with the leave of the House, that this Bill be read a second time now.

In the absence of the honourable Minister of Justice, in whose name the Bill stood, Hon. Mr. Ilsley, who acted as chairman of the committee which recommended this Bill to the other House, gave the following explanation on the motion for second reading:

Honourable gentlemen may remember that the honourable member for Parry Sound (Mr. Slaght), speaking in the debate on the proposal to set up a committee to review the Defence of Canada Regulations, advocated the establishment of the death penalty for treachery. Perhaps the word "treachery" was not used at that time, but the honourable member for Parry Sound brought very forcibly to the attention of the House what all of us knew and had considered to a greater or lesser extent, namely that in this particular war there is danger of immense damage being done by the activities of saboteurs, and what are called "fifth columnists", and traitors in every sense of the word. Damage of that kind was done in the small and neutral countries of Europe which were invaded by Germany; the way was thus paved for the rapid conquest of those countries; and it was felt that the committee which had been set up by Parliament should give special and immediate attention to the question whether our own law was adequate to meet situations of the kind.

Therefore the first duty to which the committee addressed itself was the consideration of that question. We found that Great Britain had considered the same question, that the Parliament of the United Kingdom had passed an Act called the Treachery Act, in which there was an accurate and precise definition of the offences which should, in the opinion of that Parliament, be regarded as so serious as to deserve the punishment of death. The committee gave its attention to the existing provisions of the law. The provisions which relate to acts of this sort are those of the Criminal Code relating to treasonable offences, those of the Criminal Code relating to mischief, the provisions of the Official Secrets Act, and the provisions of the Defence of Canada Regulations themselves. If honourable members have read the second report of the committee set up to consider and review the Defence of Canada Regulations they will find a concise statement or a reference to the previously-existing law, a brief analysis of the situation generally, and a brief statement of the reasons which led the committee to make the recommendations which they did.

The Defence of Canada Regulations are passed under the provisions of the War Measures Act, and the maximum punishment which can be inflicted under the War Measures Act is five years' imprisonment. Five years' imprisonment is not adequate to meet offences of the kind under consideration.

The provisions of the Criminal Code relating to treason are not sufficient to cover what we have in mind. To begin with a person cannot be convicted of treason unless he owes allegiance to the Crown. That does not mean that necessarily he must be a British subject, but he must have accepted or adopted in some way the protection of the Crown so that he owes allegiance to the Crown. It was the opinion of the committee, and I think it is the opinion of the legal profession, that persons who came here temporarily, clandestinely, with the idea of being here a short time—perhaps coming here from the United States, if such a thing might occur, with a view of doing damage by way of sabotage or otherwise and then returning to that country—could not be convicted of treason, because they would not come within the purview of the present sections of the Criminal Code. Besides, treason is not clearly defined in the Code. It permits of a great deal of argument as to what is and what is not treason. Further, there is a curious option with regard to punishment for treason. The best legal advice that the committee could get on that point was this, that the judge has the option of imposing death as the penalty or of letting the accused go altogether; he has no discretion to do anything between those two extremes.

Mr. Hanson (York-Sunbury): That is an astonishing statement.

Mr. Ilsley: It surprises my honourable friend? Well, it surprised every member of the committee with a possible exception of one, who, to his great credit, raised the point. The provisions of the section relating to treason are that the person who is convicted of treason shall be liable to suffer death. It is different from the provision relating to murder, where he must suffer death if he is convicted of murder. The provision of the Code which gives the judge a discretion to reduce the penalty provided by the section does not extend, it would seem, to the section relating to treason; it extends only to the sections relating to imprisonment. If the penalty is life imprisonment, the judge imposing the sentence can make it anything less than life, but in the case of treason he apparently has an option, either to send the accused away with a warning or otherwise, or to sentence him to be hanged. That is not a satisfactory condition in so far as punishment is concerned. I do not think that this is the position in England, either. I believe that in England, treason, if established, must result in capital punishment.

These are some of the defects in the existing law both as regards proof and as regards punishment. The "mischief" sections are not appropriate to the conditions which may arise.

They are not complete; they were not designed with a war or apprehended war or anything of the kind in view; they are what might be called peace-time criminal sections.

The Official Secrets Act, while dealing with spying, wrongful communication of information, unauthorized use of information, and other things of the character under consideration, is not complete for the purpose in mind. It does not authorize imprisonment for more than seven years, a maximum which the committee deemed inadequate in some circumstances. After due consideration we decided that there should be enacted in this country a provision such as the United Kingdom enacted with regard to certain serious offences. The offences I have in mind can be very shortly stated.

The provision respecting the offence which it is thought proper to punish with death is that if, with intent to help the enemy, any person does or attempts or conspires with any other person to do any act which is designed or likely to give assistance to the naval, military or air operations of the enemy, to impede like operations of His Majesty's forces, or to endanger life, he shall be guilty of an indictable offence and shall on conviction suffer death. There is another provision of the Act; it relates to somewhat less serious offences. This other provision of the Act is not found in the Treachery Act of the United Kingdom. It is found in the Defence Regulations of the United Kingdom.

Mr. Hanson (York-Sunbury): But it is a new offence in Canada.

Mr. Ilsley: Yes. It may be included among certain existing offences or many acts which would be offences under this other provision to which I have referred. But in this form it is not in the law of Canada at the present time. In that sense it is new in this Act. It is taken from the Defence Regulations of the United Kingdom. Defence Regulation number 2A reads:

"If, with intent to assist an enemy, any person does any act which is likely to assist an enemy or prejudice the public safety, the defence of the realm or the efficient prosecution of war, then, without prejudice to the law relating to treason, he shall be guilty of an offence against this regulation and shall, on conviction or indictment, be liable to penal servitude for life."

With the proper change in terminology necessary by reason of our practice here we have adopted that section exactly as it is. These are the two main sections of the Treachery Act. That is the substance of the Act. It may be thought that the capital offence section is pretty severe. The committee fully considered the desirability of providing a discretionary power in the judge to make the punishment either death or life imprisonment, and after very full consideration it was their opinion that no discretionary power of that kind should be vested in the judge, although it is fair to say that the committee were not unanimous. One member and perhaps others felt that there should be that option on the part of the judge. It is fair, however, to add that these members do not feel too strongly on that point, knowing that it is a debatable matter. The large majority of the committee were of the opinion that, these offences being extremely serious—because they must be done with intent to help the enemy—once the intent and the act are proved, there should be no option but that the person convicted should suffer death.

The usual safeguards are thrown around the accused. There should be some control in the institution of a prosecution of this kind. It cannot be begun without consent of the Attorney-General of Canada. In the second place, the accused has the usual protection of the grand jury in those provinces in which there are grand juries. First, there is the preliminary inquiry before the magistrate and later he has the protection of the jury, if one can call it protection; at any rate, he has the right to go before a jury. And then there are provisions for appeal. I should add, however, that appeals are expedited. There is a section designed to expedite the hearing of appeals so that cases will not drag on for any length of time. Finally, there is the power of the Governor in Council to commute a sentence if it is felt in exceptional cases that this should be done, just as in the case of murder. There are some subordinate provisions of the Act, notably those relating to courts martial and their jurisdiction. They are given concurrent jurisdiction over persons subject to the military law and over alien enemies in cases where alien enemies are sent to them for trial, or it is deemed advisable that they be tried by court martial. The punishment in case of conviction by court martial is not by hanging, but by shooting, and that is probably the universal rule in most countries with which we are acquainted.

I think I have given a fair statement of the reason why this Bill has come before Parliament. It is the result of an inquiry made by a special committee of the House of Commons, and was adopted either unanimously or with only one dissident. I commend the Bill to the Senate.

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

MOTION FOR THIRD READING POSTPONED

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

Hon. Mr. DANDURAND: I think we might take the third reading to-morrow.

Hon. Mr. BALLANTYNE: Yes.

Hon. Mr. DANDURAND: Third reading to-morrow.

Hon. Mr. BALLANTYNE: I suppose the honourable leader has taken cognizance of a memorandum presented to him by Parliamentary Counsel.

Hon. Mr. DANDURAND: Parliamentary Counsel has stated that, although ordinarily he would feel inclined to present amendments, in this case he is abstaining from doing so.

Hon. Mr. BALLANTYNE: I have a number of them here.

Hon. Mr. DANDURAND: He says:

This Bill follows closely the Treachery Act, 1940, of the United Kingdom. I have no amendments to propose to it. I would ordinarily propose that the first two lines of clauses 3 and 7 be limited to laws now in force, but,

in view of the kind of legislation that this is, and of its temporary character, I refrain in this case from so advising.

I confess that I did not read the notes which followed, but I observed that Counsel had taken pains to show a concordance of this Bill with the United Kingdom Act, as my honourable friend will see. That does not bear on the present legislation, except to inform the leaders here as to the source from which this Bill comes.

Hon. Mr. BALLANTYNE: He does say, in addition, that certain clauses headed "new" do not appear in the United Kingdom Act.

Hon. Mr. DANDURAND: Oh, yes. Some do not. He states which ones do.

ROYAL CANADIAN MOUNTED POLICE BILL

FIRST READING

A message was received from the House of Commons with Bill 112, an Act to amend the Royal Canadian Mounted Police Act.

The Bill was read the first time.

SECOND READING

Hon. Mr. DANDURAND moved the second reading of the Bill.

He said: Honourable senators, this Bill contains a number of amendments, which we might discuss in Committee of the Whole. The explanatory notes, on the right-hand pages of the Bill, are very full, and, to me at all events, satisfactory. If second reading is given now, I shall move that we go into Committee of the Whole, where I think we could make more rapid progress.

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

CONSIDERED IN COMMITTEE

On motion of Hon. Mr. Dandurand, the Senate went into Committee on the Bill.

Hon. Mr. Coté in the Chair.

Hon. Mr. DANDURAND: I desire to inform the Committee that I have a statement from our Law Clerk that he has no amendments to propose to this Bill.

The Hon. the CHAIRMAN: Shall we consider the Bill clause by clause?

Hon. Mr. HAIG: Honourable senators, this measure will extend the scope of the Act considerably. Should the honourable leader not give an outline of the general scheme of the Bill before we deal with it clause by clause?

Hon. Mr. DANDURAND.

Hon. Mr. CALDER: If the honourable gentleman will allow me, I may say I have glanced through the Bill and I doubt very much whether anyone could make a comprehensive statement on a multiplicity of amendments, such as we have here, all dealing with different things. The various sections can be discussed when we reach them. I should think it would be better not to proceed with the measure now, but to postpone consideration for some time, so that we may have an opportunity to read the amendments. I doubt if we should make much speed by trying to go ahead before we read them.

Hon. Mr. DANDURAND: I agree with my honourable friend that this Bill deals with a great many things. It is what we call an omnibus Bill. But may we not take it up clause by clause and see if in each case the accompanying explanation printed opposite the amendment is not satisfactory?

Hon. Mr. CALDER: I think that would be all right, so long as it was understood that we may agree to sections tentatively and that any honourable member who desires to discuss any of them further may do so.

The Hon. the CHAIRMAN: That is, before the preamble carries.

Hon. Mr. CALDER: Yes.

On section 1—arrangements with local governments or municipalities for the use of the Force:

Hon. Mr. DANDURAND: This is the explanation given on the right-hand page of the Bill:

> The words underlined in the proposed section 5, on the opposite page, are new and provide for agreements with municipalities for the services of the Royal Canadian Mounted Police. There is no intention at present of enlarging the scope of the Force, but as the R.C.M. Police is already operating in the municipalities of Flin Flon, Man., and Melville, Sask., it is considered best to have definite statutory provision therefor.

Hon. Mr. CALDER: I presume that agreements would be made with municipalities only in those provinces which themselves have made agreements with the Royal Canadian Mounted Police Force.

Hon. Mr. DANDURAND: This statement was made by the Acting Minister of Justice in another place:

> The Bill will give authorization to the Mounted Police authorities to negotiate agreements with the municipalities. At the present time the Mounted Police may make agreements with the provinces for the policing of those provinces. The proposed legislation will empower the Minister, under authority of the Governor in Council, to make arrangements with municipalities. It is intended to extend to

municipalities the advantage of having the Mounted Police replace local police systems. I am informed that already the Mounted Police are operating at Flin Flon, and in another Western town. This legislation, therefore, will provide the necessary authority to permit the making of agreements not only with the provinces, but with the municipalities. At the same time it will provide for taking into the Mounted Police Force those police forces already existing in municipalities, and it will provide for the pensions of those provincial or municipal police officials.

I am informed by the Department of Justice that it is not the intention to develop to any great extent the policy of making agreements with the municipalities. However, in view of the fact that in one or two localities the Mounted Police are giving service, it is desired to have the power to extend those facilities to other municipalities when it is thought advisable, and when circumstances justify.

Hon. Mr. HAIG: Honourable senators, it is all right to empower the Governor in Council to make an arrangement with a municipal government for the policing of the municipality, but this section goes further. It provides that any officers and men of the municipal police may be taken over by the Mounted Police force and that the Mounted Police pension benefits may be extended to such officers and men. I am afraid that is going too far.

Hon. Mr. DANDURAND: My honourable friend has the Bill before him, and he will see what words are new in section 5 as amended by the Bill. The section would read:

5. (1) The Governor in Council may enter into arrangements with the Government of any province of Canada or with any municipality for the use or employment of the Force, or any portion thereof, in aiding the administration of justice in such province or municipality, and in carrying into effect the laws of the legislature or municipality thereof respectively; and may, in any such arrangement, agree upon and determine the amount of money which shall be paid by the province or municipality, as the case may be, for such services of the Force.

(2) There may be included in any such arrangement provision for the taking over by the Royal Canadian Mounted Police Force of such officers and men of any provincial or municipal police force, respectively, as may be required and for the extension to such officers and men of the pension benefits provided for officers and constables of the Royal Canadian Mounted Police Force, upon such terms and conditions, including recognition of prior service, as may be approved by the Governor in Council and agreed upon between the Dominion Government and the Government of any province or between the Dominion Government and any municipality, as the case may be.

The new words in the section give the Governor in Council power to make with municipalities arrangements such as hitherto it has been permissible to make with provinces only.

Hon. Mr. HAIG: That is what I am objecting to. I can understand how an arrangement may be worked out with regard to pension benefits for a provincial police force that is taken over by the Mounted Police. Manitoba was, I think, the first province to have its police force taken over, and in that case the federal and provincial authorities were able to figure out exactly what the province should pay or be paid in order to make members of the provincial body eligible for Mounted Police pension rights. But this Bill widens the scope of the Act by enabling the Dominion Government to absorb the policemen of any municipality into the Mounted Force and bring them under the Mounted Force's pension fund. If this permission applied only with respect to new towns, like Flin Flon, where the Mounted Force could take over virtually from the beginning, it would be different, but under this section the Government could take over the police force of the city of Winnipeg. That would mean a pretty large pension undertaking.

Hon. Mr. DANDURAND: It requires two parties to make a contract, and naturally the Royal Canadian Mounted Police would not force the hand of any municipality. The transfer of any municipal police body to the Mounted Force would be done by mutual agreement.

Hon. Mr. CALDER: The feature I do not like is the wide range of possibilities under this section. Let us look at the picture. Suppose Ontario entered into an agreement with the Dominion Government for the taking over of the entire provincial police force by the Mounted Police.

Hon. Mr. FARRIS: That may be done under the law now.

Hon. Mr. CALDER: But this Bill would enable the Dominion Government to go farther—to enter into an agreement to do the policing for any municipality in Ontario. That would include policing in all its details, not with respect to criminal law alone. We all know how varied the ordinary duties of a policeman in a city, town or village may be. Well, under this Bill, all such duties could be assigned, by agreement, to the Royal Canadian Mounted Police. I say the possibility is there. The honourable leader (Hon. Mr. Dandurand) states the intention is, not to widen the activities of the Mounted Police to any such extent, but to take over the policing in two municipalities only, Flin Flon and one other place.

Hon. Mr. HAIG: Melville.

Hon. Mr. CALDER: That arrangement is all right if we are assured it will remain there, but some day you may have in charge of the Mounted Police an officer who is desirous of having as many thousand policemen as possible all over the country, and he will exert all his energies to expand the Force. I realize, of course, that the Government stands in the way of such expansion, but you may have a Government eager to do the same thing; you cannot tell. It seems to me there should be some restraint imposed on the possible scope of this Bill.

Hon. Mr. DANDURAND: All I can give my honourable friend is the assurance which I have communicated to the Senate—

Hon. Mr. CALDER: Certainly.

Hon. Mr. DANDURAND: —that at present there is no intention of enlarging the scope of the Force—

Hon. Mr. CALDER: At present?

Hon. Mr. DANDURAND: —but, as the Royal Canadian Mounted Police is already operating in the municipalities of Flin Flon and Melville, it is considered best to have definite statutory provision therefor.

Hon. Mr. CALDER: I wonder why the words "at present" were inserted. There is no intention "at present" to do so.

Hon. Mr. DANDURAND: Of course, the Minister was speaking for himself.

Hon. Mr. CALDER: I suggest that this section be held over for further consideration.

The Hon. the CHAIRMAN: Shall the section carry or shall I report progress?

Hon. Mr. DANDURAND: We can pass the section now and discuss it further on the third reading of the Bill.

Hon. Mr. CALDER: On that understanding.

Hon. Mr. MURDOCK: Does this Bill permit the Royal Canadian Mounted Police to take charge of the policing of a municipality in a province which has no agreement with the Dominion Government? As I read the Bill, I understand that it would not be possible for arrangements to be made to handle the policing of any municipality in Ontario, because Ontario is not one of the provinces under the jurisdiction of the Royal Mounted Police.

Hon. Mr. HAIG: It does not say so. That can be done under this Bill.

Hon. Mr. CALDER: That can be done under the old Bill.

Hon. Mr. MURDOCK: It is not so stated. That is the conclusion I draw. The point should be cleared up.

Hon. Mr. CALDER: Under the existing law the Government of Canada has power to enter into an arrangement with the Government of any province, whereby the provincial police may be taken over by the Royal Canadian Mounted Police. This Bill, by the insertion of the words "or with any municipality," extends that power so as to enable the Royal Canadian Mounted Police to take over not only the provincial police, but as well the municipal police. I think we should have time to study this provision and ascertain its implications and possibilities.

Hon. Mr. MURDOCK: Flin Flon and Melville are municipalities within the provinces that now have an arrangement for the Royal Canadian Mounted Police to handle their police work. Could a similar arrangement be made, let us say, at Kirkland Lake or Sudbury?

Hon. Mr. CALDER: Not unless the Dominion Government has entered into an agreement with Ontario for the Royal Canadian Mounted Police to take over the work of the provincial police.

Hon. Mr. HAIG: No.

Hon. Mr. MURDOCK: Is that right?

Hon. Mr. HAIG: No.

Hon. Mr. CALDER: Yes.

Hon. Mr. MURDOCK: Do not forget that in every case the word "municipality" follows the word "province."

The Hon. the CHAIRMAN "Or municipality."

Hon. Mr. BLACK: I am quite certain that in New Brunswick the same condition exists as in the other provinces where an arrangement has been reached between the Federal Government and the provincial Government under which the Mounted Police have taken over the provincial police. In those provinces which I have mentioned every incorporated town employs one, two or three uniformed policemen, and the municipalities also have a police force. It seems to me that ultimately, under the provisions of this section, the police, let us say, of Moncton or Saint John or Sackville may all be taken over and become incorporated in the Royal Canadian Mounted Police Force. If so, it is quite possible that the strength of local opinion would cause the police of the various cities, towns and municipalities to be taken into the Mounted Police Force and to become eligible for pension.

Hon. Mr. CALDER: They might be retired.

Hon. Mr. BLACK: Yes. Is not that the danger? I am seeking information. If that is the case—and from what we have heard so far it appears to be—then we are opening up a wide field and enlarging the pension list of the Royal Canadian Mounted Police to an unprecedented extent.

Hon. Mr. FARRIS: It seems to me two or three matters should be considered. First there is the meaning of the section. As I have read it for the first time, I think there is no doubt that if this Bill passes, the Governor in Council may enter into an agreement with a municipality, whether or not a prior agreement has been made with the province.

Hon. Mr. HAIG: Correct.

Hon. Mr. FARRIS: But there is this to be remembered in that connection: the municipalities are entirely the creatures of the provincial legislatures, and those legislatures can limit the power of the municipalities to make such agreements.

Hon. Mr. CALDER: Suppose they do not do so.

Hon. Mr. FARRIS: If they consider it in the interests of the provinces that such agreements shall not be made, it is very easy for them to deprive the municipalities of that power.

Hon. Mr. BLACK: Is it not quite likely the provinces will be very glad to allow municipalities to have their police forces taken over?

Hon. Mr. FARRIS: I think that is so. My first proposition was that if this Bill is enacted the Dominion Government may make agreements with municipalities, regardless of whether or not there is a prior agreement with the province. My second submission is that the provinces, notwithstanding the passing of this Bill, have it entirely in their power to prevent municipalities from making such agreements. Now I come to the third step. The honourable senator has asked how far the provinces might wish to do that, and I take it the implication is that the provinces would regard it as in the public interest to allow such agreements to be made.

That brings up what the honourable the junior senator from Winnipeg (Hon. Mr. Haig) has mentioned, that the ramifications of the powers which might be conferred on the Royal Mounted Police in this way are not confined to purely criminal matters. But it seems to me that that principle is already in the Act. This Bill is merely giving it its full logical effect, since provincial police—far more, I think, than city police—deal with many matters that strictly are not criminal. In British Columbia the provincial police in the great unorganized territories deal with matters that are legion and strictly not criminal. So, already, not only have you inserted the thin edge of the wedge, but you have the wedge driven in a long way by existing legislation, under which the Dominion may make an agreement with a province in regard to taking over the powers of the provincial police.

Let me point out further that in British Columbia—I do not know about the other provinces, but I think it is the same there—the tendency to centralize police work is already well on its way, and that in the law of British Columbia there is a provision very similar to this, as to agreements between the provincial police and the city or municipal police. In many portions of the province to-day the provincial police are, by agreement, policing our smaller cities and municipalities. In this connection Kamloops comes to my mind. It has no city police, and the provincial police are enforcing the civic by-laws and doing other police work.

Now, under the existing law, apart altogether from this amending Bill, the Dominion has power to enter into a policing arrangement with British Columbia and take over all the policing powers now exercised by that province. Therefore, if you extend the power to additional municipalities, you are introducing no new principle whatever; you are simply carrying to their logical conclusion provisions which are already in force.

Hon. Mr. HAIG: Is there an agreement now between British Columbia and the Dominion?

Hon. Mr. FARRIS: No; but you have power for it under this Bill.

Hon. Mr. HAIG: But the province has not that power now?

Hon. Mr. FARRIS: No. But we are discussing the principle of the legislation, which is not affected by the question whether or not an agreement has been made.

Hon. Mr. HAIG: Where a contract has been entered into between the provincial and Dominion Governments for the Royal Canadian Mounted Police to take over the policing powers, as in Manitoba and Saskatchewan and in certain of the Maritime Provinces, you will find something else entering into the picture. I direct attention to the next section, containing exceptions as to age of new personnel. There is that double set of circumstances to be taken into consideration. I am not afraid of a new contract being made by the municipality of Flin Flon or by the city of

Brandon or any other municipality; but I am afraid that, say, in the case of Brandon, when the municipality makes an agreement with the Dominion to put its police force under the Mounted Police, members of that local force who could not qualify under the age limit will be exempted from the requirement as to age and will become Mounted Police. Apparently the Government is of the same view, for in the very next section the amendment makes an exception as to age of such new personnel.

Hon. Mr. FARRIS: Which section is that?

Hon. Mr. HAIG: Section 2, on page 2. It is because of that double set of circumstances that I have raised the question to-night. I am not objecting at all to the Government being allowed to enter into an agreement with a municipality, but I do object to its taking over the municipal police force. I am positive those men would not be able to qualify under the Mounted Police regulations as to age; otherwise section 2 would not be in the Bill. With all due respect to the men in the local police force in any municipality or small town, my experience in Manitoba teaches me that those men certainly could not come within the age limit applicable to Mounted Police.

An Hon. SENATOR: It might lower the standard too.

Hon. Mr. HAIG: Yes, and the standard might be lowered very materially. My objection would not apply to the police of Vancouver, Montreal, Winnipeg and other large cities, for they are subject to certain age limits. For instance, the members of the Winnipeg Police Force enter at the age of twenty and are superannuated at forty-five. I know many municipal policemen in Manitoba who are more than forty-five years of age; in fact some of them have been forty-five years on the force.

Hon. Mr. CALDER: Why should they not be?

Hon. Mr. HAIG: But why should they get the benefit of superannuation provided for by the Royal Canadian Mounted Police regulations?

Hon. A. L. BEAUBIEN: They would only get the benefit of superannuation from the time they entered the Royal Canadian Mounted Police Force.

Hon. Mr. HAIG: It does not say that, and in section 2 there is a specific exception as to age.

Hon. Mr. FARRIS: Surely the standard of the Royal Canadian Mounted Police is primarily in the hands of the Government and its officers, and there is no reason to assume that that standard will be lowered under the proposed power.

Hon. Mr. HAIG: My honourable friend does not get my point. When, for instance, the Royal Canadian Mounted Police took over the provincial police of Manitoba, some of the provincial police had been only two or three years on the force. They are superannuated now as Mounted Police. Why should such an additional burden be put on the Mounted Police pension fund? I object to it. I am afraid it will obtain under this section. True, if you take over the policing of Flin Flon, where there is no local police force, what I object to cannot happen. I believe there are about four or five members on the Melville police force.

Hon. Mr. MURDOCK: If my honourable friend will turn to page 4 he will see this safeguard is provided:

> Notwithstanding anything in this Act, any pension, gratuity or allowance provided for by this Act shall be granted only with the approval of the Governor in Council, and upon the further condition, in the case of a member of the Force, that it shall be granted only in consideration of good and faithful service during the period in respect of which it is calculated.

Hon. Mr. HAIG: But the other section says that prior service on the local force must be taken into consideration. A man may have been on that force for forty years.

Hon. Mr. FARRIS: It does not say they must take it into consideration.

Hon. Mr. HAIG: But they may. I presume they will be compelled to do so by the local member for the constituency.

Hon. Mr. DANDURAND: I would ask that these first two clauses be postponed, and that we pass on to the other clauses. Then, if there are special objections to them, I shall have the benefit of knowing what they are.

Hon. Mr. BALLANTYNE: I was going to suggest to the honourable leader that we could discuss this Bill more profitably in the Committee on Banking and Commerce, with the officials of the department before us.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. BALLANTYNE: I am afraid that if we try to deal with the Bill in Committee of the Whole, the process will be lengthy and confused.

Hon. Mr. CALDER: I quite agree. While this may not be a contentious measure, our lack of knowledge is such that we cannot deal with it satisfactorily unless we have before us

proper officers of the police and of the department to inform us as to the situation. In my opinion we can deal with this Bill better in the Committee on Banking and Commerce.

Hon. Mr. DANDURAND: I will follow the suggestion made, and will move that the committee rise, report progress, and ask leave to sit again.

Progress was reported.

REFERRED TO COMMITTEE ON BANKING AND COMMERCE

Hon. Mr. DANDURAND: With the leave of the Senate, I would move that the Bill be referred to the Committee on Banking and Commerce.

The motion was agreed to.

TARIFF BOARD BILL

FIRST READING

A message was received from the House of Commons with Bill 114, an Act to amend the Tariff Board Act.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of the Bill.

He said: Honourable senators, this Bill is a very simple one, and does not call for lengthy discussion. Perhaps the explanation found in the Bill itself will be sufficient. It says:

The Bill's main provisions are as follows:

1. The salary of the chairman of the board is reduced from $15,000 to $12,000 per annum. The present chairman of the board agreed to accept office at this salary. Accordingly, the Act is made retroactive to March 25, 1940, the date of his appointment.

2. A new provision is inserted to cover the case of a person who was a civil servant at the time of his appointment as a member of the board. He is permitted to elect to continue to be a contributor under the Civil Service Superannuation Act, but his contributions and benefits are based on the salary he was receiving in the civil service immediately before his appointment to be a member of the board. If such a person makes the election he is not entitled to the pension provisions in subsection one of section eight of the Act.

I move the second reading of the Bill.

Hon. C. C. BALLANTYNE: Honourable senators, I just wish to say that, on the basis of his past record, the chairman of the board will make a very excellent officer, and his action in accepting a $3,000 reduction of salary is most commendable.

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

THIRD READING

Hon. Mr. DANDURAND: By leave of the House, I move the third reading of the Bill.

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

UNEMPLOYMENT INSURANCE BILL

FIRST READING

A message was received from the House of Commons with Bill 98, an Act to establish an Unemployment Insurance Commission, to provide for Insurance against Unemployment, to establish an Employment Service, and for other purposes related thereto.

The Bill was read the first time.

NATIONAL WAR SERVICES—REGISTRATION

FORMS AND TARIFF OF FEES, ETC.

Hon. Mr. DANDURAND: Honourable senators, before we adjourn, I must express my regret at having neglected to bring to the Senate on Thursday last an answer which I had to a question put to me by the right honourable the leader on the other side. I had the answer on my desk, but it became lost among other documents. It bears on the National Registration questionnaire, which the right honourable gentleman thought was too cumbersome.

Instead of reading the three or four pages I have in explanation of the situation, I would ask leave to have it extended on Hansard as read.

As to the matter of national registration and the questionnaire that has been prepared, I desire to say that a committee representative of every branch of government was set up under the chairmanship of Dr. Coats, Dominion Statistician. This committee produced the questionnaire which will be submitted to the Canadian people to be answered.

The Government has examined closely into the work of the committee, and has adopted it.

After consultation, the Government is confident that any type of information secured as a result of this registration can be made readily available to any branch of the Government, or to any industry in Canada, on short notice.

Instructions have been issued to the registrars by the Chief Registrar. Instructions by the registrars to the deputy registrars have also been issued. These instructions are now all in printed form, and copies may be secured from the Chief Registrar, Mr. Jules Castonguay.

The military departments apparently had it in mind to conduct a registration of man-power of the nation along lines practically identical with what, according to the public press announcements, the United States is going to do at once. This would have caused two national registrations in Canada within a short space of time. It was felt that the two jobs

could be done simultaneously, and in less time than would ordinarily be required to conduct either registration.

Copies of the cards of all single men between the ages of 19 and 45 will be available in each province as soon as the registration is complete. These will be kept in the provinces. They will be broken down into military districts, so that we shall have a list of all single men between these ages in each of the military districts in Canada. Ontario and Quebec each have more than one military district, but the boundaries of most of the military districts are the same as the boundaries of the provinces. These cards will be put forthwith into age groups in the military districts, so that we shall know how many single men of the ages of 21, 22, etc., there are in Canada. This information will be available to the military authorities, for use in pursuing their policy of calling up these men for periods of military training in Canada.

A committee is working on the formulation of regulations with respect to the calling up, and these regulations will be tabled as soon as possible.

This job of registration, when viewed as the registration of all people above the age of 16 years—male and female—in Canada, looks like a tremendous one, but when it is broken down, as has been done, into local registration units of the same size as polling divisions in a general election, it is reduced to what should be workable proportions.

The Government is satisfied that the national registration will be of untold benefit to the Government and to the industries of the nation. The information secured, as outlined, will certainly be of immediate and practical use to the military authorities.

The national registration has nothing to do with the military branches of the Government nor with the military service. It is purely a civil undertaking. The information gathered will be used by all departments, including the military.

Everything is being done to reduce the cost of this undertaking to a minimum. Part of the cost will be the expense of printing the questionnaires, certificates of registration, advertising and other details, but the only paid officials will be the registrar and his assistant in each constituency, and the deputy registrars in each poll. The bulk of the work is to be done by voluntary organizations, and literally hundreds of thousands of voluntary workers have to be secured.

The members of the House of Commons have agreed to co-operate.

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

THE SENATE

TUESDAY, July 30, 1940.

The Senate met at 3 p.m., the Acting Speaker (Hon. A. B. Copp) in the Chair.

Prayers and routine proceedings.

EXCESS PROFITS TAX BILL

THIRD READING

Hon. Mr. DANDURAND moved the third reading of Bill 104, the Excess Profits Tax Act, 1940.

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

ROYAL CANADIAN MOUNTED POLICE BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK presented, and moved concurrence in, the report of the Standing Committee on Banking and Commerce on Bill 112, an Act to amend the Royal Canadian Mounted Police Act.

He said: This is a brief explanation of the amendment we have made to the Bill. Yesterday the Senate discussed the first section at considerable length. That section has been stricken out and a new section substituted which, it is believed, will remove the objections then expressed.

The motion was agreed to.

THIRD READING

Hon. Mr. DANDURAND moved the third reading of the Bill as amended.

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

DIVORCE BILL

FIRST, SECOND AND THIRD READINGS

Hon. Mr. MURDOCK, on behalf of the Chairman of the Committee on Divorce, presented the following Bill, which was read the first, second, and third times, and passed:

Bill S3, an Act for the relief of Robert Tester Gordon.

DIVORCE STATISTICS, 1940

Hon. JAMES MURDOCK: Honourable senators, may I, on behalf of the Chairman of the Committee on Divorce, present the report of divorce statistics for 1940.

For the present session 73 notices of intention to apply to Parliament for bills of divorce were given in the Canada Gazette. Of the foregoing, 70 petitions were actually presented in the Senate and dealt with by the Committee on Divorce, as follows:

Unopposed cases heard and recommended	58
Opposed cases heard and recommended	4
Opposed case heard and rejected.	1
Applications not proceeded with..	7
	70

Of the petitions recommended, 21 were by husbands and 41 by wives.

Of the applications recommended, all were from residents of the province of Quebec.

An analysis of the occupations followed by the applicants is as follows: accountants, agent, airman, barbers, chauffeurs, clerks, druggist, electrician, engraver, garage proprietor, labourer, married women, mechanic, nurse, operator, pipe fitter, porter, real estate broker, retired policeman, salesman, school teacher, seaman, secretary, stenographer, superintendent, trader.

The committee held nineteen meetings.

In 42 cases the Committee on Divorce recommended that part of the parliamentary fees be remitted.

Assuming that all the bills of divorce recommended by the committee and now in various stages before Parliament receive the Royal Assent, the comparison of the number of divorces and annulments of marriage granted by the Parliament of Canada since the passing of the Ontario Divorce Act is as follows:

1931	39
1932	27
1932–3	24
1934	38
1935	30
1936	40
1937	46
1938	85
1939	50
1940	62

UNEMPLOYMENT INSURANCE BILL

SECOND READING

Hon. RAOUL DANDURAND: Honourable senators, I move that for the time being we suspend the first three Orders of the Day and proceed to the fourth Order, for the second reading of the Unemployment Insurance Bill.

The motion was agreed to.

Hon. Mr. DANDURAND moved the second reading of Bill 98, an Act to establish an Unemployment Insurance Commission, to provide for Insurance against Unemployment, to establish an Employment Service, and for other purposes related thereto.

He said: Honourable senators, I should perhaps preface my remarks with a statement explaining how it is that, the Bennett Government having passed an Unemployment Insurance Bill in 1935, we are now presenting a Bill of the same nature; and perhaps I should also explain the delay which has intervened between 1935 and this year. Of course, most honourable members of the Senate are familiar with the situation. When the 1935 measure was introduced it was stated there was a pressing need for such legislation. That measure was passed, and later declared void by the Supreme Court of Canada and the Privy Council, on the ground that it was unconstitutional. After the Privy Council's decision was handed down, the Government busied itself in an attempt to obtain support from the provinces for a resolution addressed to the Imperial Parliament asking for an amendment to the British North America Act which would permit the Federal Government to bring down a Bill of this kind. It took some time to get the provinces to agree to that. I think three of them stood aloof, and it was not until recently that they all agreed to transfer to the Federal Government the right to legislate on unemployment insurance. Then a resolution asking the Imperial Parliament to amend our Constitution so as to give the Federal Government power to legislate on this subject was adopted in the House of Commons and the Senate, and as soon as the Imperial Parliament passed the necessary enactment the present Bill was initiated in the Commons.

The last five years have yielded to the parties interested in drafting this measure considerable experience which was not available to those who had to do with the 1935 measure. Great Britain had already passed an Act, which was amended more than once, and the experience in that country and in the United States could be drawn upon in the preparation of this Bill. I may say that a great deal of study has been given to the project, both before and since 1935. Experts in the Department of Labour and in the Insurance Branch have worked together in trying to perfect a statute which would meet the needs of this country. As I have already intimated, unemployment insurance was not a new thing in some other countries. And in this country, if I am not mistaken, my right honourable friend (Right Hon. Mr. Meighen) was instrumental in having appointed in 1919 a royal commission to study the questions of unemployment insurance and old age pensions.

After the 1935 Bill was received from the Commons it was in due course referred to our Banking and Commerce Committee, who gave it considerable study. The principle of the Bill had been unanimously accepted in the other House, and on second reading it was

accepted by both sides in the Senate, though there was a difference of opinion as to the Dominion's right to legislate in this matter. Outside of the constitutional question, we were all agreed upon the importance of putting on the Statute Book an Unemployment Insurance Act.

I will deal now with the main difference between the 1935 measure and this one. Under the 1935 measure there was a so-called flat rate scheme, which provided that male adults should contribute 25 cents a week and female adults 21 cents a week, and the insurance benefits for men who became unemployed were $6 a week, and for women $5.10 a week. This feature has been replaced by the graded scheme and ratio rule. Inasmuch as this change is of some importance, I should like to read an explanation given before the special committee of the other House by Mr. Stangroom, of the Department of Labour. It is to be found at page 26 of that special committee's report:

As you know, the 1935 Act adopted the flat rate principle for contributions and benefits. This was based pretty much on the particular experience which grew up from the British Act of 1911; which, in turn, grew up from trade union experience. Since that time there has been a large body of experience in the United States. South Africa and Norway adopted graded schemes, and Germany and Italy also had a graded scheme. All these recent plans adopted benefits in proportion to earnings, and therefore in proportion to the normal standards of living of the workers. There is a fundamental problem arising in any scheme of unemployment insurance: Can you compensate need, or can you only compensate for something that relates to the normal standard of living of your worker? A man with ten children may be earning $10 a week and a man with no children may be earning $50 a week. It seems that you cannot find any system of benefits that will relate closely to the needs of both these groups. What you can do is to relate the contributions and benefits to the normal standard of living of these people. In Great Britain the Ministry of Labour in 1931, speaking before the Gregory Commission, stated they had investigated the problem of changing their system to a graded system. The officials of the ministry said that they approved of it in principle, but because of the rather distressing condition of their fund at that time they thought it was unwise to make the change then.

Under the 1935 Act there were eight classes of contributions and eight of benefits, with the addition of dependant benefits. These are just as difficult to administer as, in fact they might be said to be more difficult to administer than, a scheme of contributions related directly to benefits. Any flat benefit must be fixed at the low earnings of any worker in any part of the country; otherwise the benefits would exceed wages. If the benefit exceeds wages you get a tendency to malingering; men will prefer unemployment benefits to a job. Granted that under any ratio rule he would decrease his right by so doing; but, nevertheless, there would be many who might prefer the benefit where they could draw it. The problem of over-insurance in Great Britain is still very serious, and it remains perhaps the principal administrative difficulty. As the cost of living rose and changed, they had to increase their contributions and benefits, to make their benefits total something reasonable under the circumstances; and with each change they have found that they immediately create in various parts of the country, in the low wage areas, over-insurance; that is, the benefit is more than the normal wage of the insured person. Some attempts have been made to apply a "ceiling" in Great Britain, but pressure from various groups has made it impossible. For instance, at present there is a Bill before the British House which suggests an increase in contributions and benefits for the simple reason that the cost of living has increased. Since the war started in Britain it has risen some 25 points. During the last war they had the same experience. Benefits and contributions were adjusted several times during the war as the cost of living rose, so the real value of the benefits changed considerably. Weighting for cost of living, and the wage index, the ratio of benefits at the 1930 rate was eighteen and ten pence for a family of four, in 1914; and 47 shillings in 1919, and then later, in 1928, it went down to thirty-one and four pence. Thus, the flat rate has to be continually adjusted to the movements of the cost of living. If benefits are related to earnings, the average benefit would be higher than the flat rate, because the above-mentioned restrictions would be removed. You have no danger of over-insurance where you never pay the full amount of the earnings. Under the present Bill the benefit grades from about 88 per cent of a man's earnings in the low wage group to about 40 per cent in the high wage group. The low wage earner is favoured in that way.

I have said that this grading principle, which replaces the flat rate scheme, is accompanied by the ratio rule, which also is of considerable importance. It is to be found in section 34 of the Bill. This is the explanation of the rule as given by the same witness:

There is one point you might care that I should enlarge on, and that is section 34 of the Bill, the ratio rule. Some people might feel it looks a little complicated. The ratio rule permits an insured person to draw benefits in any benefit year—that is, at the time he begins to be unemployed—directly related to his employment history during the preceding five years, and his claims for unemployment benefit during the preceding three years. The purpose of extending this formula beyond the employment history of the benefit year is to make it possible to level out fluctuations that would otherwise occur in the period of benefit to which he would otherwise be entitled. The benefit, you will notice, in 34(a) is one day of benefit for every five days' contribution paid by him in the preceding five years, less, as in (b), one day for every three days' benefit drawn in the preceding three years. For example, suppose a man worked thirty weeks during the first year that he was covered by unemployment insurance. He would be entitled at the end of that period, if unemployed and if he fulfilled the other statutory conditions, that is availability for work and so on, to one-fifth of the period in insurance benefit; that is, six weeks. If he worked thirty weeks in the following year of

his coverage and again became unemployed he would have accumulated sixty weekly contributions, one-fifth of which would be twelve weeks. But from this would be taken one-third of the number of benefits which he enjoyed the previous year, that is two weeks. Therefore the period of benefit to which he would be entitled the second year would be ten weeks. If he had the same employment experience of thirty weeks the third year the benefit paid would run to seventy-six days, and in the fourth year eighty-seven days. If over a period of years he was normally employed for thirty weeks he would be entitled to fifteen weeks' benefit; that is, half the time of his employment. At first glance it looks as if he is entitled to only one-fifth of the time, but actually he relies on employment experience which entitles him to one-half of his unemployment history in benefit duration; if he worked thirty weeks on the average over a period of years he would still receive fifteen weeks' benefit, as if he had worked thirty weeks exactly each year. Similarly if a man worked twenty-four weeks either exactly or on the average he would be entitled to twelve weeks' benefit, if he had built up five years' employment history. If a man worked thirty-six weeks in a year he would accumulate more benefit rights than he would be able to use. Thirty-three weeks is about the balance.

I think I can give no better general explanation of the Bill than by reading the explanatory note, which is to be found opposite the first page:

The Bill provides for the setting up of a commission to administer unemployment insurance throughout Canada, for the establishment of an Employment Service and for related purposes. One commissioner is to be appointed after consultation with organizations representative of workers and one after consultation with organizations representative of employers. The chief commissioner is to hold office for ten years and each of the other commissioners for five years.

The benefits of the scheme apply to all persons employed under a contract of service or apprenticeship, with certain exceptions which are listed in part II of the first schedule. Young persons under 16 years of age and persons earning less than 90 cents in a full day cannot draw benefits, but may accumulate benefit rights at no cost to themselves. The Bill provides for the inclusion of some of the excepted employments under the Bill on the recommendation of a national advisory committee to be set up under the Act.

An unemployment insurance fund, with the Bank of Canada as fiscal agent, is to be created. The contributions by employers and workmen would bring approximately equal totals over the country. Parliament adds a grant of one-fifth of the aggregate contributions made by employed persons and employers, and also assumes the cost of administration, which moneys are to be provided through annual votes of Parliament. Benefits are paid as of right on fulfilment of four statutory conditions:

1. The payment of not less than 30 weekly —or 180 daily—contributions within two years, while in insured employment.

2. Proper presentation of the claim, and proof of unemployment.

3. That the contributor is capable of and available for work.

4. That he has not refused to attend a course of instruction if required.

Disqualifications for benefit include: loss of work due to misconduct or a labour dispute in which he is directly involved: unwillingness to accept suitable employment: receipt of an old age pension: being an inmate of a public institution, or earning less than ninety cents a day while in employment.

Contributions are graded in wage groups. The amount of daily or weekly benefit is 34 times the average daily or weekly workman's contribution for insured persons without dependents, and 40 times the average contribution for married persons mainly or wholly maintaining one or more dependents.

No benefit is payable during the first nine days of unemployment in a benefit year. After that a worker may draw one payment for every five contributions made in the previous five years, less one payment for every three benefit payments received in the previous three years.

The commission is to set up regional divisions under insurance offices, and create courts of referees, representative of the interested parties to handle claims. Umpires and deputy umpires appointed by the Governor in Council from among the judges of the Exchequer Court and the Superior Courts of the provinces, are to be final adjudicators of claims. Provision is made for the appointment of inspectors with power to make examinations concerning compliance by employers and others concerned.

The advisory committee, appointed by the Governor in Council, will advise and assist the commission, report on the conditions of the fund, and make recommendations if the fund is, or is likely to become, insufficient to discharge its liabilities. The committee is to consist of a chairman and from four to six members, some of the latter being representative of the employers and organizations of workers respectively.

This is one of the most important clauses of the Bill, for upon the satisfactory working of that advisory committee will depend the maintenance of the fund in fair condition.

The commission is to organize a National Employment Service with regional divisions and local offices. The regional office of each division is to be used as a clearing-house for vacancies and applications for employment, making the information available through local offices and elsewhere. Loans may be granted to workers travelling to places where work has been found.

National, regional and local committees, representative of workers and employers, are to be set up to advise and assist the commission on employment problems.

It will be seen from this short statement that an effort is to be made to keep men employed so far as there is a demand in Canada for labour through the National Employment Service and its local offices.

Now I come to the objections that may be levelled at the Bill. I may say that I took it upon myself to read the whole three days' proceedings of the special committee of the other House which considered this Bill, and I have annotated the objections which were there made. I find that most of them come

from the action of the Senate in 1935. Naturally, we heard them in our own committee at that time. My right honourable friend (Right Hon. Mr. Meighen) then moved to enlarge or broaden the basis of the scheme so as to have the good risks help the less advantageous risks. This proposed amendment created a stir among those trades and companies who claimed that their employees did not need unemployment insurance, as their positions were stable, and in consequence we had a procession of such interested parties. We heard the insurance companies, the trust and loan companies, the banks, the merchants, the department stores, the retail trades, and the railways, for their head office employees, who could be counted by the thousands. The same argument daily came to our ears: "There is no unemployment with us. Our employees under this scheme will pay for unemployment insurance without any corresponding benefits to them." My right honourable friend, jointly with us all, listened to all those representations, but was adamant, and I think justly so, as the scheme, I believe, could not be maintained by the insuring of bad risks only.

I soon realized the necessity of the scheme. We were told that thousands of employees in sheltered positions were unconcerned as to others, out in the rain, and most of them failed to realize at the time that they were a privileged class. While others lived in fear, they enjoyed security; they did not know what it meant to be turned out penniless with a wife and children. I met many employees at that time who, after thinking the matter over, realized that their duty was to help carry on the scheme by making their contributions to it. I believe that more and more will see the light and will do likewise in a spirit of solidarity.

The objectors of 1935, the life insurance companies, the Bankers' Association, the Manufacturers' Association, the Retail Merchants' Association, the Canadian Chamber of Commerce, drawn to our committee by the action of my right honourable friend, all came back last week to the House of Commons committee, and they used the same argument that they advanced in 1935. They want exemption because employment with them is permanent.

The Canadian Manufacturers' Association and the Canadian Chamber of Commerce were, I think, the only ones to offer an alternative. In outline their plan is to deduct 75 cents weekly from the wages of each employee and have the employer make a weekly contribution of 25 cents. The dollar so collected every week would be invested in war savings stamps, and when these had reached a value of $100 the stamps would be exchanged for a war savings certificate bearing interest at the current rate of 3 per cent. Contributions would then cease. That scheme of individual contribution was recommended as a substitute for the pooling arrangement under the Act of 1935 and the Bill of 1940. As Mr. Coulter said, in speaking for the Manufacturers' Association, "All contributions by an employee would be earmarked for that employee." It would be everyone for himself; there would be no help for one who had faltered through no omission of his own. There would be no collective insurance; simply a gradual saving by the employee himself of $100, on which he could draw in days of distress.

Now, I call the attention of honourable senators to the fact that these gentlemen, the employers, desire to have a collective scheme replaced by the individual action of their respective employees, who would each save 75 cents a week towards accumulating, with the help of 25 cents a week from their employer, a fund of $100. The contribution of 25 cents a week by the employer would be just about the average he is called upon to contribute under the group scheme. If 75 cents a week is paid by the employee, who under the Bill would pay only 21 cents, the employers are ready to pay 25 cents weekly in order to effect a saving for the Government in administration; but when the $100 has been accumulated, the employer's contribution stops and the employee is left with a certificate entitling him to $100. Now, I ask honourable members of the Senate, what will happen when unemployment comes upon us and the $100 has been spent in covering the cost of the first weeks of unemployment? I confess I am somewhat disturbed at the idea these gentlemen seem to have, that when unemployment comes, after the war, for instance, this $100 would be a satisfactory stop-gap. When the accumulated $100 is gone, who will step in? Their scheme ends with the $100 which has been accumulated. There will be no fund, but there will be need for relief from some source, and that source will be the State.

Mr. Norman J. Dawes, who appeared for the Canadian Chamber of Commerce, confessed frankly that he is opposed to unemployment insurance. In the course of his remarks he explained that he thought all our financial efforts should go towards organizing for the winning of the war, and he suggested that unemployment insurance should be delayed until after the war; but he had to

admit that even after such a postponement he would still be opposed to unemployment insurance. This being so, what would be the use, in his case, of waiting for one, two, or three years? To do so would bring him no nearer to seeing any advantage in such a scheme as that brought forward in 1935, which he then condemned, or the present one, which he now condemns.

We all recognize that when the $100 has vanished someone will have to come to the rescue. And the employers will be large contributors. I admit that under the insurance scheme they will receive no direct return for their outlay. Nevertheless they stand to gain enormously. The depression from 1929 to 1940 hit them very hard. They have had the experience of the last ten years. Unemployment affects the purchasing power of the people, and of necessity the wheels of industry slow down. Dividends are reduced or are no longer declared. After ten years of depression we are now making a stupendous war effort, and men are being engaged in war industries to help forward that effort. What will the end of the war mean to Canada? We are at present at the peak of our war activity. Is not this a time to ask these men to contribute to a protective fund? Should not the employers strain every nerve to meet the impact which will follow the close of the war? If no fund is accumulated during these years when the going is good, wages are high, and thousands and thousands of men, previously unemployed, are at work, it goes without saying that when the war ceases there will be no fund.

If no such fund exists, where shall we be? The State will necessarily intervene as a cushion. Employers represent capital. The capitalists will have to furnish the State, by way of taxes or levies, with the means to meet such a contingency. I had occasion to say at the beginning of the depression, in 1929 or 1930, that capitalism was on trial. It is still on trial. To survive under our system it must assure a subsistence to all. Its tools are human beings who must be taken care of. Should not employers prepare for the inevitable morrow and make the necessary sacrifices now? I would urge the importance of proceeding without delay. I repeat the old saying, "To govern is to foresee."

The advisory committee which is planned under this legislation may suggest to have it modified. I confess that, although we are benefiting by the experience of many countries which have been proceeding ahead of us, we are still in the experimental stage. Modifications may have to come before Parliament next session, and perhaps the session after. But we must take time by the forelock. The organization of this scheme may take some months, and I suggest and urge that no time be lost in starting to set up an organization to provide for our unemployed when our war industries stop. We should now ask the employees in stable employment, who do not at the moment see that they stand to gain, to join in without recrimination and help to increase the fund and do their duty towards their neighbour. We should ask the employers, for their own protection, to look forward a little and recognize that it is in their own interest to proceed, although it may seem hard to do so, and, in preparation for the day of reckoning, to put their shoulder to the wheel and help to carry the scheme to fruition.

I move the second reading of the Bill.

Right Hon. ARTHUR MEIGHEN: Honourable members, this is a piece of legislation not only of front-rank importance, but of a character which calls for thorough, conscientious, and therefore prolonged consideration on our part. It is not merely an authorizing Bill; it is legislation which, if its purpose is proper, is presented to Parliament as it ought to be presented, its principles all plainly expressed, the machinery definitely described, and the whole scheme of operation stated right in the body of the measure. As such, it certainly makes demands upon our attention beyond anything yet presented this session. So far we have had nothing of consequence, save one or two authorizing Bills which really were not legislation at all. This Bill, embodying as it does a subject and a proposal to which this House is peculiarly suited to give adequate and thorough consideration, comes to us about the 1st of August, in about as hot a season as the nation has ever known, and when, necessarily, everyone is in a hurry to retreat from this torrid city.

My first word is to protest against the treatment of this House and of Parliament in general which the presentation of a measure of this character at this time implies. We have been sitting now since the 16th of May, about two and a half months. For a great part of that time this House and its committees, which are its working machinery, have been idle. It was a plain duty, if ever there was one, to initiate this Bill here, and at the beginning or near the beginning of this session. It is only a few days since I reminded the House that in the four sessions when I was, under the late Government, leader of the Senate, we had nineteen bills initiated here. The Employment and Social Insurance Bill of 1935 was not one of those, but it came to us from the other House before the middle of the session, while ample time remained to deal

with it. It would have reached here earlier but that we had before use other very important measures, which had been introduced here. We were busy from the beginning of that session to its close.

Why the Government should persist in the humiliation of this House, I know not. In five sessions we have had initiated in this Chamber but four Government measures, two of which were merely amendments. This one, too, they saw fit to keep to themselves in the other House, and it went before a committee of that House. I have heard it suggested—I earnestly hope, not seriously—that we should read the evidence given before that committee, accept it as though presented to our own committee, and thus absolve ourselves from the duty of questioning witnesses, studying their case in their presence, dealing in minute detail with every phase of this business measure, hearing all interests, and intelligently deciding all points raised.

Hon. Mr. DANDURAND: This Bill contains mostly a repetition of the sections of the 1935 Act.

Right Hon. Mr. MEIGHEN: And that is why it comes to us at the end of July instead of in May? That is no excuse at all. To say that because we considered this subject five years ago we can slight it now is surely not worthy of the leader of this House. We cannot slight it. Five years ago there was serious difference of opinion as to the soundness of the measure as applicable to Canada. I took the affirmative side. Many persons, just as capable of coming to sound conclusions as I, took the other side. But even those who took the affirmative then might see good reason now to take the contrary. Are we living in 1935? We are in 1940. In 1935 we were ascending the hill from the valley of depression, and in Canada the outlook for agriculture, particularly, was rather promising. Now we are in the blackest phase of the blackest war the world has known, and the future outlook for agriculture is gloomy indeed. He who says that because we thought this thing through as best we could in 1935 we must now, without reconsideration, adopt the same conclusions as we did then, is surely not doing justice to the trust reposed in us.

Some days ago, before the Government had given any indication they intended to bring in an unemployment insurance measure this session—I had no knowledge that they so intended, but had simply read a newspaper report that they might bring one in—I expressed the hope that they would not do so, and I gave my reason. It was not that I was opposed to unemployment insurance per se, even in Canada. I should not be opposed to an unemployment insurance measure to-day if conditions were anything like normal, or if we could foresee the future with no more than ordinary clearness. But at this time to proclaim that we are entering into a burdensome new scheme of social reform is to indicate, particularly to the United States, that we are not very serious about the present life-and-death struggle—that our last effort is not being thrown into it.

However, the Bill is here, and we must do the best we can with it. The principle of unemployment insurance and the general principle of the Bill I ordinarily approve of. Unemployment insurance is perhaps not an exact title, for the reason that you can really insure only against risks ascertainable by actuarial calculation based upon the past, and unemployment is not something with respect to which you can make actuarial calculations in the light of experience. Yet you can at least roughly approach an actuarial basis and do something towards providing insurance. Insurance is a means of eliminating from this life struggle some of that element of hazard which man, with all his genius, has not been able entirely to remove. Hazard enters into the lives of us all, and there is not a day but we have to take chances. There are the fortunate and the unfortunate. There are those whose feet, by what appears to be, and is in considerable measure, mere good fortune, seem always to be in pleasant places, and there are those who through one adversity and another, or one perversity and another, seem to have the hand of everybody against them. The object of legislation should be to remove that element so far as possible. Never can it be wholly driven out. But legislation which has for its purpose the reduction of the incidence of chance and hazard in the lives of men and women is absolutely sound. To a small degree only can the present measure be said to provide insurance, for in the main it imposes taxation. However, that taxation is for an insurance purpose, which is the first and outstanding principle of the Bill, and as respects this principle it has my support.

I am not going to suggest to the House—this applies certainly to all those around and behind me—that this Bill should be defeated on the motion for second reading. I do not think it should be. It is one of those many measures respecting which we can give a much better and more intelligent opinion and render far sounder judgment after we have been told in committee about the incidence of their application, and their complicated effects on various sections of the people. It is a Bill which, above all others, should be studied in

committee, and thoroughly studied. My first appeal to this House is that, notwithstanding the season and the weather, we do not run away from this big task which now is placed before us. Though we believe and feel certain we should have had an opportunity to perform the task sooner, let us at all events perform it now. There has not been much which we could do this session. Let us do this, whatever the inconvenience and the apparent hardship to ourselves. Let us not say: "The Commons committee found this and that. We will take it." You might as well say: "The Commons found such and such a thing. We will accept their judgment." Surely we are not to be merely a tail to the Commons kite. We are a co-ordinate branch of Parliament, and as such we must act at all times—early in the session, in the middle and at the end of the session.

All that I shall say at the moment will have to do with the phases of this question which to my mind should be carefully considered in committee. I have in mind at the moment what the leader of the House said just before he sat down. There are many who feel we should enact this legislation, not at the present time, but when the war is over and we can see the kind of future which appears to be ahead of us for at least some three or four years. To this the leader of the Government says: "No. The time to enact unemployment insurance is when employment is good." It is fairly good to-day. Personally, I wonder it is not better, but it is fairly good. His argument is that if we pass the measure now we shall create a fund. That is true. But inasmuch as at the moment there is a peak, a bulge, in employment, the absolute certainty is that when the cause of the bulge is removed a cavity will appear. We shall go from the convex to the concave, and, however large the fund may be, it is sure to disappear, because the larger the number of persons employed to-day the larger will be the number of those unemployed later. If you establish your fund when employment is low you do not gather in so much, but you will not face the same drain upon the fund later, because the proportion of contributors who will be unemployed later will be smaller. From the point of view of finance the argument is just as strong one way as the other. But taking the larger view, I think this is a time when we should well consider whether the duties of the citizen to the State should not be stressed, rather than the obligations of the State towards the citizen. If democracy has failed—and certainly in many countries it has gone down—it is because the citizen has got the notion that the benefits of all obligations accrued to him and none at all to the State; that they all went in the one direction. If he suffered, it was for the State to relieve him. If he exercised bad judgment and found things hard, he applied at the door of the State for help. Many a time the State, represented in the Parliament of Canada, has come to the rescue of people whose plight was solely due to their own neglect and bad judgment. To-day the burden on the State is the heaviest in our history, and undoubtedly we ought to consider whether we should not devote our efforts to building up a healthy attitude of the people towards the State, instead of going further, in the face of the darkness of the future, to convince the citizen that if he is in need we are ready to see him through.

I should like to have seen this Bill deferred. Who knows what will be the condition of this country when the war is over? Distance is the greatest master of illusion in all the universe. We are distant from the scene of war, our immediate surroundings are much as they were in the days of peace, and we think not of the consequences of these extraordinary events which are thundering and smashing at humanity at this time. Who knows where we shall be when we are through this conflict? I should like to see 100 per cent attention given to the conflict itself.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: After that is finished, the result will be a good deal better than if we give 95 per cent attention, and still better than if we give only 50 per cent. I should like to see the whole nation's energy and mind centred on the struggle, and not diverted by great new strokes of policy which have really no relation to that struggle and its results.

Other phases of the Bill will come before the committee. How the committee will weigh the arguments pro and con, and the question of time, I know not now. I hope they will give consideration to the reflections I have just sought to express.

The honourable leader of the House calls attention to the resemblance between this Bill and the measure of 1935. He does so quite properly. It is a copy—not wholly so, but in its main features. This Bill is on the basis of making the fortunate in employment assist the unfortunate. Companies, industries and spheres of life which have very little unemployment to contend with are required to help those which have greater unemployment to contend with: they are all asked to make the same contribution. That principle, which is adopted here, we adopted in the measure of 1935. Then we had to turn a deaf ear to the appeals of various sections of industry and finance who said to us: "We

have hardly any unemployment. In our banks, for example, we have virtually none. We keep our staffs through bad times; we have to; and we pension them if by chance they have to retire or are unfortunate in health. Why should we be made to pay into an unemployment insurance fund when we receive no benefits?" To that kind of appeal we have to say: "No; for no insurance scheme can possibly exist if only the bad risks are taken. We admit you will pay vastly more than you will ever receive; but another industry, the automobile industry for example, and many seasonal industries in Canada, will receive far more than they will pay."

On this principle was founded the Bill of 1935; on this principle the present Bill also rests. Generally, I am in favour of it. I do not think you can adopt a system whereby you rate assessments in proportion to risks of the individual sphere or section of industry. But it is worth considering whether or not you can modify the present principle in such a way as to make it in the interest of a section of industry to minimize unemployment in that section.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: You can do that and still hold to the general principle upon which this Bill rests. If it can be worked out, it is very important to make it worth while, say, for the automobile industry so to run its factories as to maintain something like a standard number of employees at work throughout the year, rather than a large number for a short time; to make it worth while for the lumber industry, regularly a seasonal industry, to extend its period of employment; and the same in regard to business. Many businesses throughout this country—their name is legion—retain employees, not because of needing them at all, but from a sense of duty towards them. If you can embody in this Bill some sliding scale of assessment which will make it worth while for an industry to maintain the highest standard of employment, then you will have removed one of the gravest and actually one of the most serious objections to unemployment insurance. I do not think it is impossible.

I should like to have seen this Bill examined with something like the thoroughness with which the Workmen's Compensation Act of Ontario was studied before that legislation was passed. I think for two years very able men were in contact with all labour and employer organizations, until finally a Bill emerged which has been a model for bills not only in this Dominion, but also in other sections of the world, and which undoubtedly has worked to the great advantage of all concerned.

So far as I can see, there is nothing impracticable about embodying a sliding-scale provision. Evidence before the committee may show me to be wrong, but I think honourable members will agree that we ought to explore the situation to see if it cannot be done.

There is another feature about unemployment insurance which bothers me, and which should be considered by the committee. All these things are good to those immediately affected; but I am afraid there is another side to this question: there will be less desire to be continuously employed and more of a struggle on the part not only of employers but also of employees to get out every cent that they ever put in. All this will add to the cost of production. It cannot possibly do otherwise. Besides having to pay his share of the insurance, the employer will also have to pay the cost of administration within his own concern, which cost will be vastly greater under this Bill in the respect in which it is altered from the 1935 Bill, the employee contributing according to his wage. The employer's bill for the taxation itself will be very great. The employee's will be as well. Wages will be affected by that deduction; at all events the tendency will be to demand more. The cost of the article produced will be increased. The effect on cost cannot be otherwise, no matter how we may hope.

What will happen then? First, we have to consider consequences in our export markets. Without export markets Canada dies. No other country in the world depends upon them to quite the extent that we do. Therefore we have to be careful about adding to cost of production. We may be able to stand some additional cost, and if we can we ought to, for the benefit of the Treasury, looking to conditions of unemployment which may come. But from another standpoint I want to present the incidence of this added cost. There is one great class of our population which gets nothing out of this insurance fund at all, and that is agriculture.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: You cannot insure agriculture. Agriculture has to pay its share of all that the State supplies: $6,000,000 for administration—I shall be happy if it is kept within that figure—and $14,000,000 for the insurance fund. That $20,000,000 is spread over agriculture as over every other section of taxpayers in this Dominion. But more, the augmented cost of production is added necessarily to what the agriculturist pays for products of the factory. There is no escape. So in two ways you are making the burden of agriculture heavier at this time. In this respect the Bill differs in its incidence from

the Bill of 1935. Then agriculture faced a more promising time. Now, I think, the universal judgment of the House is that it faces a blacker time. We depend upon exports, but no other section of our people depends upon exports so vitally as do the people engaged in agriculture. Where shall we be if our wheat exports cease, if the absorbing power of the world disappears, if—which God forbid—the British market for our bacon is cut off? There is danger at least of a severe contraction of the farmer's market in this Dominion. At this moment we come along and add to his burden in a very important way by a scheme of social reform.

All these subjects should be considered by the committee, and considered very carefully. I do not think the country generally is in a hurry for this measure. I know my communications have been varied. I have had some in favour of the Bill, but I have had two or three against it for every one in its favour. With other members probably the proportion would be different. But there is no appeal that is universal or anything like unanimous for its immediate passing. I beg of the Government—I know it intends to submit the Bill to committee—that it invite and thoroughly review submissions to that committee by earnest, conscientious men, whether they appeared before us in 1935 or not, and whether they were before the Commons Committee recently or were not. I know all will be given a courteous hearing at the hands of our committee. I suggest that we do not hurry our consideration of this Bill merely because we are hot and are eager to be at home. As respects not only the fate of the Bill itself, but also the various phases which I have sought to expound, and those which others will think of, let us approach the decision not in any party spirit—I know we shall not—but as citizens entrusted with a grave duty, and as parliamentarians who have at heart the honour of the body to which they belong.

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

REFERRED TO COMMITTEE

Hon. Mr. DANDURAND: I move, seconded by the Right Hon. Mr. Graham, that this Bill be referred to the Standing Committee on Banking and Commerce.

In making this motion I would point out to honourable senators, for perhaps the hundredth time, that those who are not members of the Banking and Commerce Committee should feel as much at home in the committee as those who sit around the table, because all may participate in the discussions and put questions.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BLACK: May I ask the leader of the Government if it is possible to get a larger room for the committee? The one in which we regularly meet is small and the ventilation is not good. If all who want to hear the evidence are to attend, I would suggest there should be a bigger room.

Hon. Mr. DANDURAND: I do not know what we can obtain, but I shall make an effort to meet the wishes of my honourable friend.

Hon. Mr. BLACK: Honourable senators, I am informed that the representatives of three different organizations are already either here or on their way here, and desire to be heard on this Unemployment Insurance Bill. If that is the case, as I am assured it is, we might make some progress by sitting to-night.

Hon. Mr. DANDURAND: I give my assent to that idea.

DEBTS DUE TO THE CROWN BILL

MOTION FOR THIRD READING—BILL REFERRED TO COMMITTEE

Hon. RAOUL DANDURAND moved the third reading of Bill 99, an Act to amend an Act respecting debts due to the Crown.

He said: Honourable senators will remember that we had this Bill before us last week. I need not refer to the discussion we had on the Bill, which asks for authorization to collect from Dominion employees residing in Manitoba amounts due by them to the province.

Two or three questions arose. The question of the constitutionality of the Bill was one which brought an opinion from our Law Clerk and another from Mr. Fraser Elliott, Commissioner of Income Tax. Another question raised was as to the possibility of the Government allowing creditors to garnish Dominion employees for their debts. This question was referred to the Minister, from whom I have the following statement:

> The Government has given consideration to the suggestion made in the Senate that the exemption from garnishee proceedings enjoyed by civil servants be removed. The removal of this exemption could not be effected by alteration of the Bill, which has passed the House of Commons and is now before the Senate. A new Bill would be required.
>
> The abolition of a long established principle, such as the one that the Crown is not answerable to a garnishee summons, should not be taken without further consideration than is possible at this stage of the session. It is, I think, admitted that the situation which the

Bill is designed to meet is an acute one which must be remedied. It is therefore suggested that without trying to cover the much broader field, Parliament should pass the Bill.

It was, I think, suggested that conditions in Ottawa were unsatisfactory and that merchants should be afforded the remedy by way of garnishee which they have against debtors other than civil servants. The newspapers contained the reports of several interviews with Ottawa merchants at the end of last week which would indicate that they have not much fault to find with conditions as they exist.

Moreover, the information I obtained is that there is a procedure known as judgment summons which can now be used against civil servant debtors, which is virtually as effective as proceedings by way of garnishment would be.

I do not know whether my right honourable friend is familiar with that procedure.

What the situation is in other provinces, I do not know. In this day of high-pressure salesmanship and encouragement to the public to load themselves up with debts as a result of instalment buying not only of durable goods, but of non-durable goods as well, there is something to be said for the view that merchants should be careful in the degree of pressure which they exert on civil servants to buy on credit. If garnishee proceedings would give them a more certain way of getting themselves paid out of their salaries, it might be in this way undesirable. It must be remembered that civil servants are different from most employees in that there is a high degree of certainty about their tenure. The Crown, whom they serve, is a good paymaster, and a method by which the Crown would become virtually the collector for the private creditor would remove all brakes upon the efforts of those selling goods to get civil servants into debt to them.

Right Hon. Mr. MEIGHEN: Oh, oh.

Hon. Mr. DANDURAND:

I would prefer it, however, if, instead of going into these details, the Senate be invited to pass the existing legislation, as it meets a particular situation and is good as far as it goes, leaving the broader question to be considered when there is more time for giving it consideration.

Regarding the other point raised by certain honourable senators, that the Crown Debts Act should not be applied at all unless a judgment is first obtained against debtors, I may say that the amount owed by way of taxes is a little different from most other debts in that it is susceptible of exact determination, and most taxing statutes place the amount beyond dispute after a certain stage.

The Crown Debts Act has always been administered with the greatest care and sense of responsibility by the Department of Justice. In the thousand odd cases in Manitoba, it would involve tremendous expense to require writs to be issued and judgments obtained before application of the Act.

To amend the Crown Debts Act in this way would be rendering a great disservice to the debtors, without, so far as I can see, benefiting anybody, except possibly the legal profession and perhaps some officials connected with the courts.

The conclusion to be drawn is that, since we admit the obligation of the employee of the Crown to pay his debts, we should allow this Bill to pass, thus alleviating the situation in the province of Manitoba, and leave the question of garnishee generally throughout the country to be raised in the future.

Hon. Mr. LITTLE: May I ask what department this comes from?

Hon. Mr. DANDURAND: The Department of Finance; Mr. Ilsley.

Right Hon. ARTHUR MEIGHEN: Honourable members, the name of J. L. Ilsley is appended to that memorandum, but my regard for his clear mind is such that I cannot believe he is its real parent.

Hon. Mr. LITTLE: Hear, hear.

Right Hon. Mr. MEIGHEN: Let us analyse it. Honourable members of this House who spoke the other day could see no reason why these delinquents in Manitoba should refuse to pay their honest debts, as established by the courts of the land, and be protected from garnishment. Nor could they see why other debtors among the civil servants of Canada should be protected from garnishment. The memorandum says the reasons are these: First, the subject is too big for us to deal with at this stage of the session. In other words, to decide whether a civil servant should be in a privileged position, and thereby helped to get out of paying his debts, is too big a subject for us to review now, though unemployment insurance is just an ordinary, trivial measure and we can put it through.

What is so big about this garnishment question I do not know. It affects a lot of votes. So far as I am concerned, they are gone anyway, and I do not need them. But as a matter of right or wrong, what is big about this question, or what is difficult?

The next reason given is this: Unless, by shutting off garnishment proceedings, you protect the civil servants from having to pay their debts, these poor civil servants will be victims of high-pressure salesmanship. That is to say, the civil servants of Canada are particularly incompetent to look after themselves. They are particularly vulnerable to the salesman—

Hon. Mr. DANDURAND: Some of them.

Right Hon. Mr. MEIGHEN: —some of them—

Some Hon. SENATORS: Oh, oh.

Right Hon. Mr. MEIGHEN: —and the State, in loco parentis, has to hold an umbrella over them, or to stand guard for

fear the salesman may get near its wards, these poor civil servants. The memorandum actually sets them aside as less competent to manage their own affairs than is the average citizen of Canada. If I thought Mr. Ilsley was the author of the memorandum, I would not use the expression: what utter nonsense!

Hon. Mr. LITTLE: Hear, hear.

Right Hon. Mr. MEIGHEN: What utter nonsense! The civil servants are in a preferred position in that their creditor always pays. In that respect they are in a better position than any other citizens of this country. They run no risk at all. Yet the Minister of the Crown tells us, or rather he permits another to tell us through him, that we cannot expose these poor chaps to the rigours of high-pressure salesmanship. We have to stand around them and protect them, and if they do fall victims we must save them from being forced to pay debts they themselves incurred.

What is the last reason? It is that it will be expensive for the Manitoba Government to take out judgments against these men. Does anyone imagine that if the right of garnishment is established it will ever be necessary to take out judgments? Why, a civil servant would be a fool to continue his resistance to that point, for he would only have to pay the costs in addition. It will not be necessary to serve garnishments if we remove the protection which these people have forfeited and to which they have definitely shown they have no right at all.

It is also said, by way of parenthesis, that the change in the law might be of some help to lawyers, as it would lead to more lawsuits. Why any lawyer would defend an action to which there is no defence, I cannot imagine. The Privy Council has said there is no defence.

Our Parliamentary Counsel has prepared amendments to this Bill which would remove any protection now existing. I think I should say to the House that he doubts whether the assumption that the Crown cannot be garnisheed is correct. But assuming that it is correct—as I think we should, for that has always been assumed—the present measure offers a fitting opportunity to make a step towards equality of rights throughout our Dominion—towards the removal of privilege, the placing of all citizens on the same basis and the making of every man answerable for his own obligations. Why should we not do that now? I suggest to the leader of the House that this Bill be referred to a committee—to the Banking and Commerce Committee, if it is not too busy—and that we try to make a good job of amending the law. Let us have at least that to our credit this session.

Hon. Mr. DANDURAND: My right honourable friend has not noticed the expressed opinion that we should have to prepare another Bill; that we could not achieve his object with this one.

Right Hon. Mr. MEIGHEN: Oh, no; Parliamentary Counsel does not seem to be of that view, for he has provided amendments which he says will do what we have in mind.

Hon. Mr. DANDURAND: There is something that surprises me in this discussion. My right honourable friend (Right Hon. Mr. Meighen) and other able lawyers have in the past been in charge of departments and must have had occasion to learn of claims being made against employees under them, yet until the present time it never occurred to them that every creditor of a civil servant should have the right to garnishee. In the tradition which has been uniformly accepted since 1867, to the effect that the Crown should not be sued, there must be some principle that should be respected. I know that occasionally we have discussed the question of the right to sue our Board of Transport Commissioners, our Harbour Commissioners and other such bodies. I have the impression that without a fiat no suit could be brought against the Intercolonial Railway when it was administered directly by the Government. It is easy to picture what it meant to someone living hundreds of miles away from here, who had grounds for a small suit against the Intercolonial, but could not bring action in the courts of his own district, because it was necessary to obtain a fiat. For fifty years it has seemed to me that in this principle of the State refusing to be sued there is something which we have to look upon with awe.

Right Hon. Mr. MEIGHEN: On a garnishment the State is not sued.

Hon. Mr. DANDURAND: No, but practically it comes to that.

Right Hon. Mr. MEIGHEN: Oh, no.

Hon. Mr. DANDURAND: I think the same principle is involved in refusing to permit a creditor to garnishee a civil servant.. I have no objection to examination of this Bill by a small committee, but I wonder what it will lead us to. I have an impression that we should first try to get the Government to consider this new request which has been made here. It is not at all certain that we should

get very far if we amended the Bill in the way indicated by my right honourable friend, for the Government has authorized the Minister of Finance to declare that the proposed change in the law is a matter that could not be taken up at this time. I leave it at that. My right honourable friend is free to move, if he so desires, that a committee be formed for the purpose of amending this Bill in the sense he indicates, but I cannot accept the responsibility of so moving.

Hon. Mr. HAIG: Honourable senators, would it be possible to refer this Bill to our Railway Committee? I noticed in the Press that an honourable member of another place complained bitterly of an attack on civil servants of this country. There is no such attack. If a man works for the Canadian Pacific Railway or the Canadian National or any other large corporation and does not pay his bills, his wages can be garnisheed. A large number of people in Winnipeg are employed on the railways, but I doubt if there are more than two or three garnishments against railway workers there in a month. They all know they are not protected; so they make their payments.

I have no grudge at all against civil servants, but I strongly protest because people employed by the Crown—including senators, if you will—are not required to pay their debts to the extent of their ability. I come from the very place where the row over this thing started, the city of Winnipeg, and it started on account of the two per cent wage tax in Manitoba.

Hon. Mr.. HUGESSEN: They like a fight out there.

Hon. Mr. HAIG: I admit we are a fighting people.

I suggest that in all fairness this Bill should be referred to the Committee on Railways. Most of the members of that committee are not on the Banking and Commerce Committee, which is busy with the Unemployment Insurance Bill. We shall be here for a couple of days more, in any event, and in that time the Railway Committee could hear representatives of the Civil Service. Even if the committee reported the Bill just as it is, something would have been gained by that reference. I am persuaded that 95 per cent of the civil servants of the country pay their debts on the nail. I move that the Bill be referred to the Standing Committee on Railways, Telegraphs and Harbours.

Hon. Mr. COTE: Honourable senators, I am not a member of that committee, and there is one thing I should like to point out here. If the principle of the Bill is to be adopted, as it now is, there should be, I think, an amendment to provide against a contingency, which I shall explain. The Bill sets no limit to the proportion of a debt that the Minister may deduct from the weekly or monthly wages or salary of a civil servant. Suppose in a certain case the debt was $100. If that were deducted in one sum from a civil servant's monthly salary, it might leave very little for him to live on until he got his next cheque. In every province of Canada, although garnishment of wages and salaries is allowed by statute or by rules of the court, a limitation is placed on the amount that can be taken from a man's weekly or monthly wages. I think that in Quebec, under the Lacombe law, up to fifteen per cent of the weekly or monthly wages can be garnisheed, but I am speaking only from memory. I know that in Ontario there is a definite limit to the amount that can be garnisheed. If we do change the law to remove the present immunity of civil servants from garnishment, it would be very unfair that any of them should be liable to a large deduction from salary in any one month, and I think an amendment should be inserted to provide against that contingency.

Right Hon. Mr. MEIGHEN: That could come before the committee.

Hon. Mr. DANDURAND: I hardly think the Railway Committee would be the proper one to which such a Bill should be sent. I thought we had a Legislation Committee, but I do not see it referred to in the list. However, there is a Civil Service Administration Committee, and the measure could perhaps be examined by it.

Right Hon. Mr. MEIGHEN: Who are on it?

Hon. Mr. MURDOCK: I move that Bill be not now read a third time, but that it be referred to a special committee, to be appointed by the honourable leader of the House (Hon. Mr. Dandurand) and the right honourable leader on the other side (Right Hon. Mr. Meighen), for the purpose of considering the Bill with a view to strengthening it.

The amendment was agreed to.

TREACHERY BILL

THIRD READING

Hon. Mr. DANDURAND moved the third reading of Bill 73, an Act respecting Treachery.

He said: Last night we discussed this Bill, and, in case my right honourable friend

(Right Hon. Mr. Meighen) might desire to make some remarks on it, we postponed the motion for third reading until to-day.

Right Hon. ARTHUR MEIGHEN: I have studied the Bill, but not with the thoroughness I should have liked. Instinctively I am all for the Bill. It would be a pretty severe Bill that would be too severe to suit me at a time like this, and the better it provides for prompt but judicious examination of the guilt or innocence of an accused person, the better the Bill will be. It is some weeks since I read the Bill, and I am not clear whether it is permanent or is applicable to the war period only.

Hon. Mr. MURDOCK: The last section says:

This Act shall expire on the issue of the second of the two proclamations specified in section two of the War Measures Act.

Right Hon. Mr. MEIGHEN: I was under that impression. In the circumstances I do not wish to offer any opposition at all to the measure.

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

SOLDIER SETTLEMENT BILL

SECOND READING

The Senate resumed from July 25 the adjourned debate on the motion for second reading of Bill 31, an Act to amend the Soldier Settlement Act.

Hon. RAOUL DANDURAND: Honourable senators, last week we discussed this Bill at length. I do not know whether my right honourable friend (Right Hon. Mr. Meighen) recalls that we have a grown-up child called the Soldier Settlement Act, which for a number of years has reappeared before us periodically. This Bill purports to amend for the tenth time the Soldier Settlement Act by repealing section 57 of chapter 188 of the Revised Statutes of Canada, 1927, and substituting therefor this section:

From all sales and grants of land made by the board, other than land acquired by the board by purchase for resale and sold and granted to settlers, all mines and minerals shall be and shall be deemed to have been preserved whether or not the instrument of sale or grant so specifies, and may with the approval of the Minister be sold, leased, exchanged or otherwise disposed of by the board under such terms as may be determined by the Minister, and the moneys realized thereby shall be remitted to the Receiver General to the credit of the Soldier Land Settlement Assurance Fund.

The provisions of this section shall take effect as on and from the seventh day of July, 1919, and shall be deemed to have been in operation on and from that date.

The explanatory notes follow:

Section 57 of the Soldier Settlement Act as it stands specially reserves mines and minerals underlying soldier settlement lands, and no provision is made for their disposal.

The purpose of the amendment is to enable the Director of Soldier Settlement to grant to the original soldier settler the mines and minerals acquired with the land, and also to enable the Director, with the approval of the Minister, to sell, lease or otherwise dispose of mines and minerals relating to lands not under purchase contract by an original soldier settler.

I have obtained from the Department of Mines and Resources a memorandum explaining the situation. As my right honourable friend was at the head of the department when this legislation was enacted in 1919, the memorandum may refresh his memory.

When the Soldier Settlement Act was passed in 1919 Mr. Meighen set out (see page 3859 of Hansard, 1919) the method adopted in buying and reselling lands to soldiers as follows:

Then the writer cites my right honourable friend as he spoke in the House of Commons:

"We do buy land and resell it to soldiers, but the plan of operation is to allow the soldier to select his land first—not from the land we own, but wherever he wants it. He selects his farm, he comes to an arrangement as to what he is prepared to pay, and then the office of the board is, through its inspector, to see that he is not paying too much, and, if necessary, to have the price reduced before the board will itself purchase the land. The price having been brought down to a satisfactory basis, the board buys the land for the soldier and accompanies the purchase by a resale agreement to him."

That is the situation.

Right Hon. Mr. MEIGHEN: And it is common sense.

Hon. Mr. DANDURAND: The Board acts as agent for the soldier.

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND:

Section 2, subsection 1, defined "land" as follows:

"'Land' or 'lands' includes granted or ungranted Dominion, provincial or private lands, and real or immovable property, messuages, lands, tenements and hereditaments of any tenure, and real rights, easements and servitudes, streams, watercourses, waters, roads and ways, and all rights or interests in, or over, or arising out of, and all charges upon, land or lands as herein defined."

Section 16 of the Act authorized the board to sell and dispose of lands acquired for the settlers and provides as follows:

"(a) Where the parcel to be sold has been separately acquired the sale price shall be the cost of the parcel to the board."

That is, when the soldier has repaid to the board he gets all that the board got in purchasing the land for him.

Section 57 of the Act, which is now being repealed, reads as follows:

"From all sales and grants of land made by the board, all mines and minerals shall be and shall be deemed to have been reserved, whether or not the instrument of sale or grant so specifies, and as repects any contract or agreement made by it with respect to land it shall not be deemed to have thereby impliedly covenanted or agreed to grant, sell or convey any mines or minerals whatever."

There is undoubtedly a conflict between sections 16 and 57.

Right Hon. Mr. MEIGHEN: I do not think there is.

Hon. Mr. DANDURAND: The memorandum continues:

Keeping in mind that in 1919 the lands in the Prairie Provinces were still being administered by the Dominion and that the title to the minerals still remained in the Crown except in those cases where the early grants included them, it is fair to assume that section 57 applied to such lands only and not to those private lands where the title to the minerals had passed from the Crown. It is suggested that section 57 was put in the Act for the purpose of making sure that in all conveyances of lands which had not been alienated by the Crown previously, the under-rights would be reserved, thus conforming to the policy adopted many years before, when the mineral rights were reserved when Dominion lands were granted.

To give section 57 a different interpretation would be to defeat the intention of section 16 (a). It is interesting to note the following clauses in the standard form of Agreement for Sale of land (adopted shortly after the Act was passed):

"14. This agreement of sale is given and received under the provisions of The Soldier Settlement Act, 1919, and any amendments now made or which may hereafter be made thereto, and of any Soldier Settlement Act of Canada hereafter passed and of any regulations made or which may be made under any Soldier Settlement Act of Canada which can or may be applicable hereto, shall apply to and form a part hereof as if actually incorporated and embodied herein and the board and the purchaser shall be entitled to the benefits and privileges conferred and subject to the duties and liabilities imposed by the said Act and amendments thereto, or by any subsequent Act supplanting or supplementing the said Act or by any regulations made under such Act.

"15. In consideration whereof, and on payment to the board of the said sums of money and interest thereon punctually at the times fixed, and on performance of the conditions aforesaid, the board agrees with the purchaser to immediately thereupon convey to the purchaser, in fee simple, the said land, free from all encumbrances, but subject to the reservations, limitations, provisions and conditions contained and expressed in the original grant from the Crown."

"In the original grant from the Crown."

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND: The memorandum continues:

The above clauses should be compared with clause 14 of the standard Agreement of Sale of lands which had reverted to the board and were being resold.

"14. It is agreed that upon punctual payment by the purchaser of all moneys hereby by him agreed to be paid, and upon strict performance of all and singular the aforesaid provisions, conditions and agreements, and upon the surrender of this contract, he shall be entitled to a conveyance of the said land in fee simple free from all encumbrances other than such as may have resulted through the act and neglect of the purchaser, but subject to all reservations, limitations, provisos and conditions contained or expressed in the original grant from the Crown and excepting and reserving thereout and therefrom all mines and minerals (which without restricting the generalities thereof shall be deemed to include all gas and petroleum)."

It would seem to be quite clear upon reading section 16 of the Act that it was never the intention of Parliament that in connection with the sale of lands purchased by the board and resold to soldiers, the Crown should reserve any interest for its own benefit. In the case of private lands selected by the soldier, the transaction between himself and the board was in the nature of a loan by the latter. If the board, instead of taking title in his name, had taken a mortgage from the soldier and the soldier had paid up his loan, the question of the reservation of mineral rights would not have arisen. If, for instance, the soldier had borrowed the money, say from the Canadian Farm Loan Board or from any private lending company, when he had paid up his loan he would receive back all his equity in the property.

To put it another way, the Bill is to permit the board to give to the soldier all the security it held for the repayment of the loan it had made.

While it is true that soldiers for whom the board purchased private lands, the title to which included the mineral rights, were more fortunate than those who acquired land without the mineral rights, it is suggested that they are no more fortunate than other soldier settlers whose lands, by reason of their locality or otherwise, may have greatly increased in price. If the board should now retain all the mineral rights, it would in some instances be making a profit out of the lands purchased for soldier settlers, which is clearly not the intention of section 16, because in such instances it would not be selling to the settler the land at the price it cost the board.

The policy of the board in carrying out the spirit of section 16, namely, of conveying to the settler all the land it acquired for him, is not a new policy and was recognized as far back as the year 1935, when the Government of that day issued a Crown grant of mineral rights to a soldier settler for a nominal consideration. Several other grants have been issued since under similar circumstances. It would be possible to deal with all the other mineral rights in the same way. However, the Bill will permit the board to transfer them by means of a simple conveyance: (a) to the soldier settler when entitled, and (b) when not entitled, to anyone who may wish to purchase them. In such cases the board will get the benefit of the sale.

It is estimated that there are 1,200 cases where soldier settlers have repaid their loans and the board has reserved the mines and minerals, which now stand in its name.

Yet it would seem as if they belonged to the soldier, since the land was bought for him.

There are 8,606 active soldier settler accounts, and of these there are approximately 2,700 cases where the board acquired by purchase the mines and minerals with the land. In perhaps only a very few instances has the value of such mineral rights been raised or become an important issue. In fact, it has been found that within the boundaries of the proven oil area in Alberta there are only two active soldier settler accounts. The reservation of the mineral rights by the board has in some cases, however, caused the soldier a definite hardship. In one particular instance in Ontario a soldier settler who had paid his loan in full and acquired his title to the land, the minerals having been reserved, entered into an agreement of sale to sell the land to a third party. The latter found out that the settler did not own the mineral rights, and is endeavouring to rescind the contract on the ground that the settler cannot convey the full and complete title.

If my right honourable friend desires to examine more closely the fairly long statement which I have read, I will not move that second reading be given now.

Right Hon. ARTHUR MEIGHEN: I have listened to the statement, which is really an excellent one, and argues the matter from the standpoint of the measure as thoroughly as it could be argued. But I still do not agree with it. I cannot see the slightest contradiction in the legislation. The legislation defines land as including easements, hereditaments, roads, streams, and so on, and rights in the land. Rights in the land do not necessarily include properties under the land. I would say that even though the word "in" is used, the principle of ejusdem generis must apply; it includes everything of the nature of these things which have been described. Then the legislation says you are conveying to the settler—

Hon. Mr. DANDURAND: The original settler.

Right Hon. Mr. MEIGHEN: Yes—it says you convey only the land named and you reserve the mines and minerals. So, though the board may have got them, it does not convey them. It is forbidden by the Act to do so. The Act does not restrict the board to the cases of Dominion lands; it makes this prohibition apply to every single case.

Hon. Mr. DANDURAND: But what does my right honourable friend say to this argument? The soldier selected a piece of land. Then, instead of buying it outright, being unable to do so, he went to the board and said, "I want this piece of land and will pay so much for it." The board protected him by seeing that the price was fair, and proceeded to arrange with him for repayment. The board was then acting as agent of the soldier.

Hon. Mr. CALDER: But under a law that contained a certain provision.

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND: But wait a moment. The board bought the piece of land for the soldier. When he had fulfilled his obligation and repaid to the last cent, he asked for his title. The board takes it for granted that it cannot take away from the title, but must give him anything that it received for him. It received for him a piece of land. The board says: "So much was paid for that piece of land. The soldier has repaid the amount the board paid for him, and has fulfilled all his obligations." Is there anything which would indicate that the board was to make any profit out of that transaction? If it is to retain the subsoil—the oil and the coal—and transfer only the surface of the land, then the Crown has made money, or has not returned to the soldier the piece of land he bought from the party who had the full rights of the subsoil. The board says: "We are acting as agents. We buy for this soldier, and we tell him that he can repay under certain conditions, and when he has done so, he will be entitled to the piece of land that he bought." But when that point is reached you would have the board say: "Oh, no, we will not give you back all that we bought for you. There is a valuable oil field under your land. We will retain it and will not hand over the property as we bought it for you."

I do not like to press my right honourable friend to accept this amendment without his full concurrence, but I think that if he will ponder over the situation he will come to the conclusion that the amendment is a fair one.

Right Hon. Mr. MEIGHEN: I do not doubt the good faith of the officer who wrote that memorandum. He is an able officer, whoever he is. But I do not think the Minister has the history of this thing right. As a matter of fact, the Crown bought the land and paid cash for it, for the purpose of sale to the soldier. The object of the procedure followed was simply that the soldier might be satisfied with the special piece sold to him. That is why the method was adopted of having the soldier select the land. The Minister says that the soldier bought it, the Soldier Settlement Board acting for the Crown, and that the soldier can say to the board, "I want that land and everything I bought." But the soldier did not buy the land. The Crown bought it and resold it to him, and he cannot say to the Crown or to the Soldier Settlement Board—the two are synonymous: "I

want everything you bought. You bought that as my agent." That is not true. He selected it for the Crown to buy, but under a special law which said, "Whatever the Crown may buy, it shall sell to the soldier only the land itself and not the mines and minerals."

Now, why did the law say that? It was for this reason. We knew the soldiers would be selecting some Crown lands, and in such cases, we knew, they could not get the mines and minerals.

Hon. Mr. DANDURAND: But the Crown dispossessed itself of the piece of property.

Right Hon. Mr. MEIGHEN: That is true, but we knew some soldiers would be selecting Crown lands and would not get the minerals. None of them would be thinking about mines and minerals at all. We did not want to be in the position of conveying mines and minerals to one class who happened to pick this land or that, and of having to deny them to another class; so we provided in our law that nobody should get the mines and minerals.

The Minister says, "We make money out of that fellow." We do not. He bought under a special law, and knew what he was buying. If we do make something out of the mines and minerals reserved, it will be a mere bagatelle compared with what we lose on the whole plan. I cannot be certain, but I think this very subject was discussed in the House of Commons long years ago, and I think I took part in the discussion and showed that there might be some recovery along this line.

However, if other honourable members do not feel as I do, I am not going to press the matter further. I think the Crown is giving up as a sheer gift something which the soldier never intended to buy, and did not buy, and which the Act forbade him to buy; and the Crown has now very little of the treasures of this world to give up.

Hon. Mr. DANDURAND: I realize that the Crown has lost millions in this venture; but when we come to the rights of the individual I ask what answer the right honourable gentleman has to the argument that if the party had known he was being deprived of things which perhaps would be valuable in ten or twenty years—

Right Hon. Mr. MEIGHEN: He must have known it. It was in the Act.

Hon. Mr. DANDURAND: Generally the soldier will look at the conveyance.

Hon. Mr. CALDER: Not in Western Canada. Only the original lands in Western Canada were sold without any reservation so far as mineral rights were concerned. In millions of acres of land the rights were retained in the Government. It was only with respect to the early grants that settlers acquired mineral rights.

Hon. Mr. DANDURAND: But I draw attention to the fact that the Crown had already dispossessed itself of that land with the mineral rights, and it had gone into private hands.

Hon. Mr. CALDER: Yes; a very small area.

Hon. Mr. DANDURAND: But we are discussing it from this narrow point of view. A soldier selected a piece of land that had left the possession of the Crown and was in the hands of an individual, and the Crown had abandoned its right to the minerals. One could fairly argue that the Crown had been paid for them, or had got an enhanced value. The Crown had dispossessed itself of the land. The land had passed to A, and the soldier, B, said, "I will take that piece of land." That carried with it the minerals, and if he had paid out of his own pocket there would have been no question. He got from a private individual the rights that had been abandoned or sold by the Crown. I think that under those circumstances he was entitled to treat the board as an agent that bought for him, as was said by my right honourable friend (Right Hon. Mr. Meighen) when he explained the situation to the House of Commons, and that handed him, when he had discharged all his obligations, the property so bought.

Hon. Mr. CALDER: In my judgment there is no question at all as to what the intent of Parliament was, so far as these mineral rights were concerned. I think the record would show very clearly what that intent was, and it might be worth while to have the matter inquired into further. It is not correct to say that the soldier actually bought the land and all it contained, above and below the ground—

Hon. Mr. DANDURAND: If he bought from a private individual, that is correct.

Hon. Mr. CALDER: —because the law, under which the soldier was buying, specifically provided that when he got his title the mineral rights should be reserved to the Crown. So it is incorrect to argue that the board was merely the agent of the soldier and bought for him everything above and below the ground. In actual practice, what happened? The soldier never thought of the mineral rights at all. He was interested in the soil

out of which he intended to make a living. The Act provided that the board should buy a farm for him to work, and, I repeat, it specifically stated that when the time came for him to get his title he should not get title to the minerals. I know that the thing can be argued pro and con, ad infinitum, without our reaching any conclusion. The department takes one view and some of us take the other.

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

REFERRED TO COMMITTEE

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

Hon. Mr. COTE: Does the House not think this Bill should go to a committee? If what has been said by the honourable senator from Saltcoats (Hon. Mr. Calder) is true, a rather strong argument made by the honourable leader (Hon. Mr. Dandurand) falls to the ground. The matter is one which I think many of us would like to see investigated before third reading is given. The honourable senator from Saltcoats has said that when the board purchased land for a settler the mineral rights were not included, because the vendor did not own them.

Hon. Mr. DANDURAND: Oh, yes, the vendor owned the mineral rights. The Crown had divested itself of them.

Hon. Mr. COTE: In some cases it did, and in some cases it did not. The vendor could not sell the mineral rights if they were reserved to the Crown. Under the proposed amendment, in the case of purchase of land from a vendor who could not sell the mineral rights because they were held by the Crown, it would seem that the board could now transfer these rights to the settler. This certainly would not be right, because it is not possible to argue that the settler expected to have the mineral rights.

Here is another point. Even if we agree with the honourable leader's argument that in the case where the board purchased land with its mineral rights for a certain price and resold the land to a settler at the same price, the settler could expect to get everything the board bought, including the mineral rights, that argument would apply only to the original settler.

Hon. Mr. DANDURAND: That is what the Act says.

Hon. Mr. COTE: But it would not apply to a resale. I understand that in a great many cases the farms have been taken back by the board and resold, and the original settlers are no longer on them.

Hon. Mr. DANDURAND: It is the original settler who has paid all his obligations.

Hon. Mr. COTE: The law uses the term "settlers." It is not limited to original settlers.

Hon. Mr. DANDURAND: You will find that expression there.

Hon. Mr. COTE: If it is there, my second point is answered.

Hon. Mr. DANDURAND: I hesitate to move third reading now. I am agreeable to having the Bill sent to a committee, to give my right honourable friend (Right Hon. Mr. Meighen) an opportunity to meet the legal adviser of the department. I have read with considerable interest the statement from the department, and it seemed they had made a very clear case in favour of the original settlers for whom they had acted as agent.

Right Hon. Mr. MEIGHEN: They did not act as agent at all.

Hon. Mr. DANDURAND: I think that is what my right honourable friend himself said.

Right Hon. Mr. MEIGHEN: No, I did not. They did not act as agent at all.

Hon. Mr. DANDURAND: Here is what my right honourable friend said in 1919:

> We do buy land and resell it to soldiers, but the plan of operation is to allow the soldier to select his land first—not from the land we own, but wherever he wants it.

Right Hon. Mr. MEIGHEN: That is right.

Hon. Mr. DANDURAND:

> He selects his farm, he comes to an arrangement as to what he is prepared to pay, and then the office of the board is, through its inspector, to see that he is not paying too much and, if necessary, to have the price reduced before the board will itself purchase the land. The price having been brought down to a satisfactory basis, the board buys the land for the soldier and accompanies the purchase by a resale agreement to him.

Right Hon. Mr. MEIGHEN: That is right.

Hon. Mr. DANDURAND: Surely this means that the settler gets exactly what the board bought for him, not merely half of it.

Right Hon. Mr. MEIGHEN: He gets what the Act says.

Hon. Mr. DANDURAND: The board supplies the money for the purchase of a farm, because the soldier settler has not the necessary amount in his pocket, and it says to him: "You may reimburse us by instalments, and when you have completed them, the property will be yours." Surely it was not in my right honourable friend's mind that the board should make any money by the transaction.

Hon. Mr. COTE: Since I spoke a few moments ago I have read the section over again, and I find that the benefits of the Bill are not limited to the original settler. Under the Bill as it now reads the second settler, or even a third, would benefit.

Hon. Mr. CALDER: It could not be otherwise.

Hon. Mr. COTE: I am not referring to the successor of the first settler, for there may be an argument in his favour. What I have in mind is the case where the board has taken the land from the orginal settler and resold it to someone else. The later purchaser in that case would benefit too.

Hon. Mr. DANDURAND: This amendment deals with the right of the original settler to get all that the board bought for him. The State, as represented by the board, dispossessed itself at one time of all that was in and under the ground. It sold the rights, and these passed into the hands of an individual. That party, who owed nothing to the Crown, had a clear title, and could sell his piece of land with all that pertained to it, the sub-soil as well as what was on the surface. When the State sold in the first place it sold the minerals, and I cannot for one moment believe that it would seek to get paid twice for them. The purchaser from the State could resell the land and give a full title to it, including the minerals. The point facing the board is that it sold to original settlers who had full titles to not only the land, but also the minerals. I ask my right honourable friend: Can the State claim back what it has sold?

Right Hon. Mr. MEIGHEN: When the land that was sold has been bought back by the State, the position is the same as if the sale had never been made. The statement of mine which was quoted is no doubt correct. I will say this, that after twenty-one years of hard work, experience and much chastening, I could not express it better to-day.

Hon. Mr. COTE: I should like—

The Hon. the ACTING SPEAKER: Just a moment, please. It seems to me, honourable senators, that this discussion is entirely out of order. The second reading was passed, and no motion is now before the House. A suggestion was made for a reference to a committee, and discussion followed. Before there is any further discussion, a motion should be made.

Hon. Mr. COTE: I move that the Bill be referred to the Standing Committee on Banking and Commerce.

Hon. Mr. HAIG: That committee is busy.

Right Hon. Mr. GRAHAM: I think we shall be here till next fall.

Hon. Mr. CALDER: We must not lose sight of what I regard as the chief objection to this measure. That was referred to by the right honourable leader on this side (Right Hon. Mr. Meighen) the other day. This law has been in operation for twenty or more years, and all that time the mineral rights on these lands have been reserved to the Crown. Now, I cannot help thinking that some pressure is behind this Bill. I do not know what it is or where it comes from, but if there is to be a refernce to a committee I should like an inquiry as to the reasons why the measure is brought down after all these years. Some one or two or more individuals must have found out there are valuable minerals under their land, and in order to get title they are acting in such a way as to see that this legislation goes through. That is only in my imagination. I cannot see any other reason.

Hon. Mr. DANDURAND: If my honourable friend will read the memorandum which I have presented to the House he will find the reason which actuated the department. If, however, there is the least suspicion there may be some private interest behind this measure, I agree to its being sent to the Banking and Commerce Committee.

The motion was agreed to.

FARMERS' CREDITORS ARRANGEMENT BILL

PROPOSED CONFERENCE WITH COMMONS

The Hon. the ACTING SPEAKER: Honourable senators, a message has been received from the House of Commons reading as follows:

Resolved that a message be sent to the Senate respectfully requesting a free conference with Their Honours to consider a certain amendment made by the Senate to Bill No. 25, an Act to amend The Farmers' Creditors Arrangement Act, 1934, to which amendment this House has not agreed and upon which the Senate insists, and any amendment which at such conference it may be considered desirable to make to said Bill or amendments thereto.

When shall this resolution be taken into consideration?

Hon. Mr. DANDURAND: Next sitting of the House.

DEBTS DUE TO THE CROWN BILL

PERSONNEL OF SPECIAL COMMITTEE

Hon. Mr. DANDURAND: The Debts Due to the Crown Bill was referred to a special committee to be appointed by the two leaders.

The following senators have been selected as members of the committee: Hon. Senator Dandurand, Right Hon. Senator Meighen, Hon. Senators Buchanan, Calder, Coté, Haig, King, Marcotte, Murdock and Raymond.

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

THE SENATE

Wednesday, July 31, 1940.

The Senate met at 3 p.m., the Acting Speaker (Hon. A. B. Copp) in the Chair.

Prayers and routine proceedings.

FARMERS' CREDITORS ARRANGEMENT BILL

PROPOSED CONFERENCE WITH COMMONS

The Senate proceeded to consider a message from the House of Commons with respect to an amendment made by the Senate to Bill 25, an Act to amend the Farmers' Creditors Arrangement Act, 1934.

Hon. RAOUL DANDURAND moved:

Resolved that a message be sent to the House of Commons to acquaint that House that the Senate accedes to its request for a Free Conference with the Senate for the purpose of considering a certain amendment made by the Senate to Bill 25, intituled: "An Act to amend the Farmers' Creditors Arrangement Act, 1934," to which the House of Commons has disagreed, and upon which the Senate insists.

That the Senate has appointed the Honourable Senators Calder, Beaubien (Montarville) and Haig as managers on its part at the said Free Conference, and

Also that the managers of the Free Conference on the part of the Senate will meet in Senate Committee Room No. 258, at nine o'clock, p.m.

And that a message be sent to the House of Commons accordingly.

He said: Honourable members, it will be recalled that the three managers on behalf of the Senate voted in favour of the amendment. It is the opinion of my right honourable friend (Right Hon. Mr. Meighen) that therefore they are entitled to represent the views of the majority in this Chamber. I might have suggested an honourable senator on this side who voted against the amendment, but I will leave to the honourable gentlemen named the responsibility of presenting to the managers for the House of Commons the point of view of the Senate.

Right Hon. ARTHUR MEIGHEN: Honourable members, there are two points to which attention might be called, both of which have been referred to by the leader of the House.

This is a question on which there was a division of opinion in both Houses. The House of Commons, in appointing managers, chose all three of them from among the majority in that House, a very considerable majority, which was opposed to the amendment. That seemed to me to make it essential that the three managers to be appointed by the Senate should all be chosen from among the majority in this House. Otherwise there would at once be a division in the conference of four to two. This accounts for all three managers for this House being chosen from the majority.

As to the majority in this House, I think every member but one on this side voted for the amendment, as did also a substantial number of the other side. The three chosen are all from this side. I simply want to make it clear that I was quite willing, and so expressed myself to the leader of the House, that one be chosen from among those on the other side who supported the amendment.

Hon. Mr. MacARTHUR: In the House of Commons were the managers chosen from both sides?

Right Hon. Mr. MEIGHEN: No. That is what I have just explained. I have read the debate, and if I remember rightly, no vote was taken, but all three members chosen were from among those who opposed the amendment.

The motion was agreed to.

PRAIRIE FARM ASSISTANCE BILL

FIRST READING

A message was received from the House of Commons with Bill 113, an Act to amend the Prairie Farm Assistance Act, 1939.

The Bill was read the first time.

MOTION FOR SECOND READING POSTPONED

Right Hon. Mr. MEIGHEN: I have not seen this Bill.

Hon. Mr. DANDURAND: With the leave of the House, I would move that the second reading of this Bill be put down for to-morrow.

The motion was agreed to.

APPROPRIATION BILL No. 2

FIRST READING

A message was received from the House of Commons with Bill 122, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1941.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of the Bill.

He said: Honourable senators, this is the second interim Supply Bill of this session. As stated in section 2, it is for

one-twelfth of the amount of each of the several items to be voted, set forth in the Estimates for the fiscal year ending the thirty-first day of March, one thousand nine hundred and forty-one, as laid before the House of Commons at the present session of Parliament.

And section 3 provides:

A detailed account of the sums expended under the authority of this Act shall be laid before the House of Commons of Canada during the first fifteen days of the then next session of Parliament.

I think the previous interim Supply Bill covered up to the end of July, which is to-day. The object of the present Bill is to enable the Government of His Majesty to carry on.

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

THIRD READING

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

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

TRANSFER OF MINISTERIAL DUTIES

ORDER IN COUNCIL TABLED

Hon. Mr. DANDURAND: Honourable senators, I desire to lay on the Table a copy of Order in Council P.C. 3435 of July 25, 1940, passed under the authority of the Public Service Re-arrangement and Transfer of Duties Act and the War Measures Act, including in the duties, powers and functions transferred to the Minister of Munitions and Supply, the duties, powers and functions vested in the Minister of Transport under the Radio Act, 1938.

This Order in Council amends Order in Council P.C. 3076 of July 8, 1940, providing for the transfer of certain powers and duties from the Minister of Transport to the Minister of Munitions and Supply, and was passed to remove any doubt with respect to jurisdiction over radio services.

BUSINESS OF THE SENATE

Hon. Mr. DANDURAND: Honourable senators, I suggest that, as there is nothing further on the Order Paper, we adjourn during pleasure. If we do, the members of the Banking and Commerce Committee will be able to continue their consideration of the Unemployment Insurance Bill. The Senate might resume its sitting at a quarter to six, when we shall be in a position to judge whether it will be necessary to meet again at 8 o'clock.

If there is no objection to my suggestion, I move that the Senate adjourn during pleasure, with the understanding that we resume at a quarter to six.

The motion was agreed to.

The Senate adjourned during pleasure.

After some time the sitting of the Senate was resumed.

CANADIAN NATIONAL RAILWAYS FINANCING AND GUARANTEE BILL

FIRST READING

A message was received from the House of Commons with Bill 120, an Act to authorize the provision of moneys to meet certain capital expenditures made and capital indebtedness incurred by the Canadian National Railways System during the calendar year 1940, to provide for the refunding of financial obligations and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

The Bill was read the first time.

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

THE SENATE

Thursday, August 1, 1940.

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

Prayers and routine proceedings.

MORNING SITTING OF THE SENATE

MOTION

Hon. Mr. DANDURAND moved:

That when the Senate adjourns on Friday, the 2nd of August, it stand adjourned until Saturday morning, at 11 o'clock.

He said: Honourable senators, I move this motion in the hope that it may bring a certain measure of satisfaction to many honourable members and assist in the realization of their wishes.

The motion was agreed to.

UNEMPLOYMENT INSURANCE BILL

WORK OF COMMITTEE

On the Orders of the Day:

Hon. RAOUL DANDURAND: Honourable senators, the Unemployment Insurance Bill was just about ready to come out of committee at one o'clock, but we postponed the conclusion of our labours until after the sitting of the Senate this afternoon. It has now been suggested that we suspend our proceedings in the House and adjourn during pleasure, so that the work of the Banking and Commerce Committee may be completed and the Bill or Bills before that committee may be reported to the House around four o'clock.

Hon. Mr. MARSHALL: Could we not deal first with the Bill to amend the Prairie Farm Assistance Act?

Hon. Mr. DANDURAND: The honourable senator from Peel (Hon. Mr. Marshall), who is in charge of the Prairie Farm Assistance Bill, is under the impression that it is unobjectionable, and he would like to move the second reading now. I therefore defer moving for adjournment during pleasure.

PRAIRIE FARM ASSISTANCE BILL

SECOND READING

Hon. DUNCAN McL. MARSHALL moved the second reading of Bill 113, an Act to amend the Prairie Farm Assistance Act, 1939.

He said: Honourable senators, this Bill amends the Prairie Farm Assistance Act. There are only a very few changes proposed. One is the substitution of a board for the Minister. It was explained in another place that the board would consist of permanent officials of the Department of Agriculture who are connected with the department's grain branches, particularly in Western Canada, and who would therefore be familiar with what is being done there. Another change is that all the applications from now on are to be made by the provinces; so that each province will take the responsibility for its applications. Another amendment provides for action to be taken with respect to part of a township in places where half a township has a crop failure while the other half has not.

The Law Clerk of the Senate has presented some considerable amendments to this Bill. They do not change its effect at all. They have been approved by the officials of the Department of Agriculture charged with administration of the Act, who say the amendments will much improve their office consolidation used for conducting business under the Act. The amendments proposed by the Law Clerk could be moved now or after the second reading is passed.

95832—26½

Right Hon. ARTHUR MEIGHEN: Honourable members, I have been trying to study this measure in the very brief interval between its receipt and the present time. Parenthetically I may say that if I am a little late in arriving here in the afternoons it is always because I am trying to learn something about the legislation before I come in. I do not know how honourable members are able to study the bills before getting here; I cannot do so, even though I am late.

This Bill is not merely a clerical amendment of the legislation now in effect. It extends the Minister's powers very substantially.

Hon. Mr. DANDURAND: It transfers them to a board.

Right Hon. Mr. MEIGHEN: But he selects the board. Keep in mind the history and you will always know that. The Bill also limits the unit of Alberta and Manitoba crop failure areas to which, when once established, the benevolent provisions of the Act may apply—and dear knows they are needed, so far as wheat is concerned. There are, as we know, two classes of areas eligible for benevolence, the crop failure area and the emergency area. The Bill enlarges the powers as to both.

I am not going into the merits of the matter now. I do not know what honourable members think of the direction in which we are travelling. We are setting a premium upon what might be called artificial increase of our grain products, and at a time when for the life of us we cannot see what we are to do with the products we have. I know the plight of those engaged in production in some areas has been serious, and in many instances it is serious still. In days when we are at our wits' end to know what to do with the stored and unstored volume of grain which now is in our Western country, I should like to see Government assistance trend towards encouraging a wider variety of products rather than continually bonusing grain production. A little is being done by private enterprise in the West to encourage beet and beet-sugar production.

As respects the form of the Bill, it is the worst I have ever seen. I do not know who drafted it.

Hon. Mr. DANDURAND: The honourable gentleman from Peel (Hon. Mr. Marshall) has said that he accepts all the amendments.

Right Hon. Mr. MEIGHEN: Yes. But it does seem strange that a department should have a Bill drafted in this form. Just think of section after section of a Bill changing numbers which are consequent upon amendments! This is utterly unnecessary. How-

ever, as Parliamentary Counsel has the amendments all ready, would it not be better to consider the Bill in the Banking and Commerce Committee instead of in Committee of the Whole?

Hon. Mr. DANDURAND: We could simply hand the amendments to the chairman in Committee of the Whole.

Right Hon. Mr. MEIGHEN: We can do that. I do not know whether other members desire to discuss the subject. I know the merits of the general policy are in the minds of honourable members on both sides. I feel alarmed at the direction in which legislation is drifting, and I hope my words will not be interpreted as showing a lack of sympathy with farmers who are visited with these blights of nature. Far from being unsympathetic, I am closer to them than most honourable members.

Hon. Mr. MARSHALL: In view of the fact that the Banking and Commerce Committee seem to have had more than their share of labour, may I suggest that the Bill be referred to the Committee on Agriculture and Forestry?

Right Hon. Mr. MEIGHEN: That will be all right.

Hon. Mr. MARSHALL: When the Bill has been given second reading, I shall be glad to move accordingly.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. Marshall, the Bill was referred to the Select Standing Committee on Agriculture and Forestry.

CANADIAN NATIONAL RAILWAYS FINANCING AND GUARANTEE BILL

SECOND READING

Hon. Mr. DANDURAND moved the second reading of Bill 120, an Act to authorize the provision of moneys to meet certain capital expenditures made and capital indebtedness incurred by the Canadian National Railways System during the calendar year 1940, to provide for the refunding of financial obligations and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

He said: Honourable members, there is one new feature in this Bill, and that is the power taken to issue securities for refunding. Apart from that, the measure is similar to Canadian National Railways Financing and Guarantee Bills introduced in previous sessions. It provides for borrowing for purposes of "retirement of maturing capital obligations, miscellaneous maturing or matured notes and other obligations secured or unsecured and payment of sinking funds, not exceeding $8,200,000." It provides also for borrowing for the purpose of meeting the cost of additions and betterments, including co-ordinations and acquisition of real or personal property, not exceeding $6,904,000. These two sums together constitute the total of $15,104,000. The Bill authorizes the Canadian National Railway Company to issue bonds or other securities not exceeding that principal amount. It is to provide the amounts necessary to meet capital expenditure in the year 1940 for the purposes I have mentioned.

The financing Act of last year was entitled "The Canadian National Railways Financing and Guarantee Act, 1939." The amount authorized under that legislation was $25,821,707. The amount actually advanced by way of loan from the Government was $12,442,522, while $6,500,000 was made available to the railway company under authority of that legislation from the proceeds of the sale of $6,500,000 worth of equipment trust certificates. This issue was dated July 1, 1939, and matures serially in ten annual instalments. The certificates bear interest at two and a half per cent per annum, and were sold at an average of 100·428, the annual cost being 2·46 per cent.

The present Bill, as I have said, authorizes an expenditure of $15,104,000.

I move the second reading of the Bill.

Right Hon. ARTHUR MEIGHEN: Honourable members, I did not catch the respect in which this Bill differs from the regular annual Bill.

Hon. Mr. DANDURAND: The statement of the Minister of Finance was as follows:

> There is one new feature in the Bill, and that is that power is taken to issue securities for refunding. Apart from that, the measure is similar to bills introduced in former sessions.

Right Hon. Mr. MEIGHEN: I may be wrong, but I thought that power was given in each annual Bill.

Hon. Mr. DANDURAND: I thought so too.

Right Hon. Mr. MEIGHEN: The Minister has not told us what are the additions and betterments referred to in subclause (b) of section 2. Eight million two hundred thousand dollars is for the retirement of maturing capital obligations. As to this, of course, there

can be no question. But subclause (b) of section 2 provides $13,724,400 for additions and betterments.

Hon. Mr. DANDURAND: Less equipment retirements.

Right Hon. Mr. MEIGHEN: That has nothing to do with it. It is for additions and betterments. They are able to put in an item of $9,075,000 for equipment retirements, but there is $13,724,000 going into additions and betterments. It does not all need to come from the treasury, because of the retirements. Then there are new equipment purchases, $1,665,000, and $590,000 for the acquisition of securities. Could the Minister tell us what is being done with the $13,000,000?

Hon. Mr. DANDURAND: I have not the details of the figures before me, but I notice that they are referred to in the report of the Canadian National Railways. I may tell my right honourable friend that included in the item for betterments is the expenditure on work which is proceeding on the Montreal terminal.

Right Hon. Mr. MEIGHEN: I thought that was what it was for.

Hon. Mr. DANDURAND: I thought that was what most interested my right honourable friend.

Right Hon. Mr. MEIGHEN: Yes. It is a damper on the hearts and the enthusiasm of all contributors to national needs at this time.

Hon. Mr. DANDURAND: I differ with my right honourable friend.

Right Hon. Mr. MEIGHEN: Even in the city from which the honourable gentleman comes, there is no expenditure which, of itself, is such an interrogation mark as to the good faith of this Administration.

Hon. Mr. DANDURAND: That opinion prevails around the Windsor Station, I know.

Right Hon. Mr. MEIGHEN: It prevails throughout the city, as evidenced in the Press. It is not only around the Windsor Station.

Hon. Mr. DANDURAND: But under the thumb of the Windsor Station.

Right Hon. Mr. MEIGHEN: Is the Montreal Star under the thumb of the Windsor Station?

Hon. Mr. DANDURAND: I refer to the Montreal Gazette.

Right Hon. Mr. MEIGHEN: Oh, that is only one newspaper, and I think it is no more under any thumb than is any other paper.

Hon. Mr. DANDURAND: My right honourable friend is absolutely in error, as I think I could demonstrate now very easily.

Right Hon. Mr. MEIGHEN: The criticism came from Montreal, but I assure the honourable gentleman the feeling is unanimous throughout the rest of the country.

Hon. Mr. DANDURAND: The rest of the country is not Toronto.

Right Hon. Mr. MEIGHEN: Go anywhere you like. It is an outrageous thing to have millions poured into that expenditure at this time.

Hon. Mr. DANDURAND: We are finishing the work, and it must be done.

Right Hon. Mr. MEIGHEN: It is only being begun, and this is the amount of money to begin it. I am quite aware that the $15,000,000 bears no relation to this year's deficit, which will be and should be very substantially less than that of the previous year; but I hope the Government will not forget that this improvement in operation is occasioned by war conditions and nothing else, and will not allow of savings being squandered. They are not actual savings; they are only reductions of losses, and the mere fact that Government moneys are to-day indirectly reducing the losses on the Canadian National Railways will not permit the company to launch upon any more wild-cat schemes or political adventures authorized and predicted by Cabinet Ministers for by-election purposes. The day will come when the old losses will return, and I venture to ask the leader of the Government to remind me in later years—

Hon. Mr. DANDURAND: What is the expression?

Right Hon. Mr. MEIGHEN: The day will come when losses of the dimensions of the past will return on the Canadian National Railways if they continue to be operated as they are operated now.

Hon. Mr. DANDURAND: I think they are operated very economically.

Right Hon. Mr. MEIGHEN: Just let the future be compared with what I predict to-day.

I notice that the Government has a wonderful partiality towards the word "co-ordination."

Hon. Mr. DANDURAND: The work of—

Right Hon. Mr. MEIGHEN: The word "co-ordination."

Hon. Mr. EULER: That was brought in by the Bennett Government.

Some Hon. SENATORS: Oh, oh.

Right Hon. Mr. MEIGHEN: I think our word was "co-operation"; but in respect of railways the Government avoids that word sedulously. Do not overwork the other one.

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

THIRD READING

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

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

UNEMPLOYMENT INSURANCE BILL

WORK OF COMMITTEE

Hon. Mr. DANDURAND: Honourable senators, before my right honourable friend came into the House I said I would suggest that we suspend this sitting and adjourn during pleasure in order to permit the Banking and Commerce Committee to finish its work on an important Bill, and that the Senate resume at the call of the Chair.

Some Hon. SENATORS: Carried.

The Senate adjourned during pleasure.

After some time the sitting was resumed.

FARMERS' CREDITORS ARRANGEMENT BILL

REPORT OF CONFERENCE WITH COMMONS

Hon. JOHN T. HAIG: Honourable senators, on behalf of your managers who met in conference with the managers from the House of Commons on Bill 25, an Act to amend the Farmers' Creditors Arrangement Act, 1934, I desire to state:

The managers on the part of the Senate have the honour to report that they met in a free conference the managers on the part of the House of Commons for the purpose of further considering Bill 25, intituled, an Act to amend the Farmers' Creditors Arrangement Act, 1934, and the amendments thereto. The managers on the part of the Senate report that they have failed to come to an agreement with the managers on behalf of the House of Commons.

UNEMPLOYMENT INSURANCE BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK presented, and moved concurrence in, the report of the Standing Committee on Banking and Commerce on Bill 98, an Act to establish an Unemployment Insurance Commission, to provide for Insurance against Unemployment, to establish an Employment Service, and for other purposes related thereto.

Hon. Mr. EULER.

He said: Honourable senators, the Standing Committee on Banking and Commerce, to whom was referred Bill 98, the Unemployment Insurance measure, have had it under consideration and made certain amendments, as follows:

Page 2: A purely clerical correction.

Page 15: Another clerical correction.

Page 26: Still another clerical correction.

Page 33, Part II: Add between paragraphs (f) and (g), as paragraph (f1), the following:

(f1) Employment in a hospital or in a charitable institution where in the opinion of the Commission such hospital or charitable institution is not carried on for purposes of gain.

Page 34, paragraph (m): Leave out the word "such" in line 2. That is another clerical correction.

Page 32: Add the following clause:

103. The Employment and Social Insurance Act, chapter thirty-eight of the statutes of 1935, is repealed.

All of which is respectfully submitted.

The motion was agreed to.

THIRD READING

Hon. RAOUL DANDURAND: Honourable senators, I move, seconded by the right honourable senator from Eganville (Right Hon. Mr. Graham), that this Bill be now read a third time.

Right Hon. ARTHUR MEIGHEN: Honourable members, this subject has now been up for review on three occasions, on the first two of which I expressed certain views, not as to the merits of the Bill, but as to the time at which it was proposed to put it into effect. Speaking only for myself, I stressed on each occasion that I could not reconcile my duty with the support of such a measure to come into effect at the stage we have now reached in the war. In consistency with the stand I took, first before I had any knowledge that the Government intended to bring in the measure at this time, and afterwards on the second reading, I have now an amendment to move, seconded by the honourable senator from Ponteix (Hon. Mr. Marcotte), reading as follows:

That this Bill be not now read a third time, but that it be amended by adding as section 104 thereof the following:

104. This Act shall come into force on the termination of the present war.

Because my reasons were given as forcibly before as I could repeat them now, I shall not detain the House at all. First I want to make this statement. I cannot believe the Government intend actually to operate this law while the war is on.

Hon. Mr. SHARPE: Hear, hear.

Right Hon. Mr. MEIGHEN: In that I may be wrong. But, having been in administrations and knowing the pressure of finance, knowing also the confusion which inevitably follows if duty is even approached in such a time of awful strain as this, I cannot believe the Government intend to launch what is in effect a taxation measure, of a kind entirely novel to Canada, in addition to the essential general taxation already in force.

Though geographically we are 3,000 miles away, yet as to the practical, ultimate result we may consider ourselves right in the heart of England. I should like honourable members just to imagine they are there for the moment and ask themselves this question: When the armies of 120 million warlike people, under the charge of dictators undoubtedly the most sinister the world has ever seen, are gathering on the Channel, twenty short miles away, and aiming at the heart and life of the great Commonwealth of which we are a part, would you launch a great social reform enterprise of this kind? Would you announce to the world that we were doing our last bit in this struggle, that we were concentrating on victory, none too certain, by giving our attention to a great new experiment in this Dominion? I know that if we were in England you would not. I know that if the pressure of these times weighed upon us as it does on those who are in a position geographically but not otherwise different from ours, you would not be taking this step at the present time.

There are other reasons as well why the legislation is inopportune. "Inopportune" is but a faint word to express the feeling of criticism I have for this measure. It is foreign to the thinking of the hour for this further reason, that we have not the faintest notion, we cannot formulate a conception, of what our condition will be within a relatively short time from the present. For that time we are legislating to effect a markedly radical change in our economy. We could do it vastly better if we waited until that time arrived.

With the principles of the measure I have no disagreement. We have gone over it in committee in a spirit of friendliness and co-operation. We have put it into the best form we can. But, speaking for myself—and, I hope, for many more in this House from all sections and all parties—I beg the Senate not to enact the Bill now. I never represent myself as able to speak with authority as to just what all the people are thinking, but I do know many in all classes who are amazed that we should be considering this subject at this time, particularly when we do not know what will be the future of almost half our people, those who cannot get even the remotest benefit from this measure, but who share in very heavy degree in the onus which it imposes, namely the agriculturists of this Dominion. In their share of general taxation, increased heavily by this measure, and in their purchases of essential supplies, the cost of which must inevitably be augmented by this measure, the farmers will contribute, and contribute heavily. If ever the future was unknown to agriculture, it is unknown at this very moment. So far as we can pierce the future at all, indistinct though it be, it indeed is anything but inviting—it is dark. Where the main agricultural exports of Canada are to find a market in any future that we can now even imagine possible, it is difficult indeed to descry.

Because of that overriding general reason which I have sought to emphasize so often, because particularly of the unknown into which we must step in the next few months, or perhaps weeks, and because especially of the darkness of that unknown as respects at least half our population—for whom we seem utterly unable to find a remedy in the distresses which now surround them—I ask that giving effect to this measure be postponed. When the day of peace arrives, which we all hope will be a happy day, it may well be that we shall think a good many thoughts before we enact this law. If conditions then are as we hope they will be, this measure will find no more friendly, no more active supporter than myself.

I have given my reasons. I have nothing further to say.

The Hon. the SPEAKER: Honourable senators, it is moved by Right Hon. Senator Meighen, seconded by Hon. Senator Marcotte:

That this Bill be not now read a third time, but that it be amended by adding as section 104 thereof the following:

104. This Act shall come into force on the termination of the present war.

Is it your pleasure to adopt the amendment?

Hon. RAOUL DANDURAND: Honourable senators, this country quite rightly boasts of a large majority of Canadians of British stock. I confidently believe that the transfer of their activities from the Old Land to Canada has not impaired their courage nor their virtues. I am convinced that they are as strong-hearted Britishers as their kin on the Island. And what have we seen there? Great Britain passed through the exhausting war of 1914-1918. Unemployment insurance was in effect, employers and employees contributing to the fund during the days of prosperity, and when

the war ended a large reserve had been accumulated. Then came the aftermath of war, with steadily mounting unemployment and the added burden of re-establishing demobilized soldiers in civil life. It was said in our committee, and I think it is on record in Great Britain as well, that without the considerable unemployment insurance fund accumulated during the years when British factories were turning out war supplies in tremendous volume very critical days would have confronted Great Britain. The country was saved from the upheaval that might have followed had the people been forced to clamour for bread. Indeed, some men high in the council of Great Britain have said that unemployment insurance averted a revolution.

To-day Canada, in common with the other component parts of the British Empire, is at war. My right honourable friend (Right Hon. Mr. Meighen) brought before this House in 1935 the Bennett Bill, based on the principle of unemployment insurance. The present measure, in great part, is based on the Act of 1935. He has endorsed the principle of this Bill, has studied its whole fabric in committee, and finds it very satisfactory; yet he asks that the measure be postponed till after the war. I would point out to him that this war may last many months, perhaps several years; no one can tell; and meanwhile more and more men are being employed in our constantly expanding war industries and are earning good wages. It is recognized that, should present conditions of employment continue, the fund will in two years exceed $100,000,000. When the war ends, what will be the situation in Canada, with all our war industries shut down and tens of thousands of workmen thrown out of employment? They will have to turn to relief. It must also be borne in mind that upon demobilization we shall have to re-establish our fighting men in civil life.

This problem has been uppermost in the minds of the Government and of those who support this Bill, and they are convinced that now, in prosperous days, when the wheels of industry are turning at full speed, an effort should be made to accumulate as large a fund as possible to meet the days of unemployment.

My right honourable friend thinks that the operation of this legislation will detract from the efforts we must all make towards winning the war. I would remind him that Great Britain, profiting by experience of the aftermath of the war of 1914-1918, has within the last few days been re-organizing unemployment insurance in such a way as to give the highest results for the days when it will be needed. Yet the British Government are carrying on the war vigorously, and they do not say, "We will content ourselves simply with taking measures to prevent the enemy from reaching our shores." They are thinking of the welfare of the people at large, and they feel that, as in 1914-1918, they must during war prepare for peace.

I do not know whether my right honourable friend has read this statement by the Minister of Finance, bearing on the beneficial action which this measure may have on the war itself. I am quoting from the statement of Hon. Mr. Ilsley, Minister of Finance, made on July 30, 1940.

> The second new development is the provision this House has made for unemployment insurance. This is a far-reaching measure of social security for our working classes. It is also a vitally necessary preparation for the post-war situation. I do not believe, however, that even members of Parliament, let alone the public generally, realize how useful this unemployment insurance may be from the point of view of war finance. Once it gets in operation it will result in the collection of about $4,000,000 a month—

He might well have said $5,000,000.

> —I think that is the estimate—in the form of employers' and employees' contributions. Since the amount likely to be paid out in unemployment benefits during the war will be small, most of these contributions will be accumulated in the insurance fund. This fund will be invested in Government securities and will therefore assist indirectly in financing the war. Secondly, and this too is important, it will involve the setting up of an active, national system of employment offices, which will serve as a placement service enabling all unemployed persons, whether or not they are covered by the unemployment insurance, to be brought into touch with those needing additional labour. This will be of great usefulness as labour becomes more and more difficult to find, and as it becomes more and more important to transfer what unemployed labour there is to the places where it is most needed. In fact, I should not be surprised if the employment service set up under this insurance scheme proves to be just as important, from the point of view of mobilizing our labour force, as national registration itself. For these two reasons the war makes it more desirable than ever to establish unemployment insurance and a thoroughly efficient system of employment exchanges.

That is the view of the Minister responsible for providing the means of financing this war.

Now I ask my right honourable friend to ponder over this situation and to consider the responsiblity that Parliament would assume if it accepted his point of view and postponed the operation of this measure until the day after the war, particularly if the situation then were such as to make the people at large feel that the country should have provided help for the men demobilized and for workers

in war industries and elsewhere who will have lost their jobs.

I said the other day that to govern is to foresee. The Government has the responsibility of carrying on this war. I say that the Government, with the assistance of all patriotic citizens, is doing this as effectively as it can be done. I say also that it is the Government's duty to think now of the people's welfare in the period following the war. Everyone admits that that will be a sorrowful day if men have nothing to do but walk the streets and are forced to return to relief.

I know my right honourable friend heard in our committee, and has read in the report of the Commons committee, the suggestion of some employers that this scheme should be postponed. Some have said we should postpone the legislation for a few months to allow employers and employees to get together to see if they cannot help in framing a Bill that would be satisfactory to both. I am glad my right honourable friend did not make use of that argument. I think he weighed it and left it to one side. Just imagine what would be the result of leaving a difficult, technical measure like this to be discussed with the employees by manufacturers, industrialists and financiers. The Bill had to be prepared by scientific men. It was prepared by scientific men. Yet some people have said, "Let it wait until the war is over." I noticed that some who made that suggestion were not very ardent supporters of unemployment insurance. My right honourable friend, perhaps unconsciously influenced by voices he heard in committee, has said it would be well to suspend action. I would draw the attention of employers to the fact that if no fund is accumulated, millions of dollars will be required the day after war ends, and the employers are the ones who, in large part, will have to provide them. To-day we are asking employees to subscribe. They are meeting the request gladly, although many of them who are in sheltered positions know they will never receive any benefit from the Act. In all walks of life they are showing a readiness to bear their share. With this goodwill on the part of the vast majority of those who represent labour, apart from the agriculturists, I say to the employers that if they co-operate under this Bill there will be a fund available for the day of reckoning.

My right honourable friend has said that the agriculturists will receive no benefit, and yet will have to pay. I doubt very much that the agriculturists, as a class, will be called upon to pay very much. Their only contribution will be to the share which the Government pays. If my right honourable friend will look at the reports which come from all parts of the country, from the Atlantic to the Pacific, as to the financial organization, he will see that the agricultural population will not contribute very largely. The farmers will, of course, do their bit as purchasers and as consumers; but, as my right honourable friend knows very well, the employers are the ones who will bear the bulk of the burden. I say that in the interest of the employers themselves, and in the interest of Canada and the good government of Canada, we should take advantage of this opportunity. My right honourable friend asks if the Government will dare to establish such a scheme during these troublous times. Well, I am quite sure that it is animated by sentiments as patriotic as those of my right honourable friend and that it will do its best to give effect to the legislation if it is passed by this Parliament.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: That is pretty careful.

Hon. A. MARCOTTE: Honourable senators, owing to the pressure of time I shall confine my remarks to just a point or two referred to by the honourable gentleman (Hon. Mr. Dandurand), particularly the one regarding the farmers.

There is no need for me to stress the effect of war conditions on the working man and on the farmer, especially the farmer of the West. What these conditions will be three months, five months, a year hence, nobody knows. We only hope that victory will crown our efforts. At the same time we must not ignore the possibility of trouble, or of our being confronted by a situation which will virtually ruin us for a long time to come.

The honourable leader says this legislation will not affect the farmers at all. We know very well that so far as taxation is concerned business has reached the saturation point. We know, too, that if business has to provide millions of dollars to help this scheme, the employees and the Government will have to do likewise; so in the long run the public will have to pay. We know from experience that when the cost of production increases the Western farmers have to pay more for what they buy. The honourable gentleman says, "Oh, well, when it comes to that, the farmers are not so badly situated." This does not coincide with what Premier Patterson, of the province of Saskatchewan, says in the correspondence, which was tabled, in relation to the question of amending the Constitution. If one peruses

that correspondence one will find, at page 24, the following paragraph:

Because of the large proportion of our people dependent upon agriculture, and particularly in view of the experiences of the past few years, there has been, and is likely to be, a growing demand for some form of crop insurance. The institution of a national system of unemployment insurance will undoubtedly increase advocacy for some form of national crop insurance, and the fact that the Federal Government has taken steps to provide for the protection of those employed in industry will be advanced as an argument why some form of protection should be provided for the farming community.

There is absolutely no doubt in the mind of anyone who has studied conditions in the Western Provinces that such a demand will be made upon the Government. If there are to be $50,000,000 or $70,000,000 for the working man, how many millions are there to be for the farmer? This is something to be considered, especially at a time like this, when we have to provide hundreds of millions of dollars for war purposes.

At another place in the correspondence I find a resolution passed by the Legislature of the province of New Brunswick on the 14th of February, 1938. I read only the last paragraph. It says:

Be it therefore resolved that in the opinion of this House the Government of this province should respectfully urge upon the Government of Canada the advisability of deferring further consideration of the said proposal until the report of the said commissioners—

—that is the Sirois commission—

—is available, when the whole field of social services and any re-allocation of legislative powers in respect thereof may be given fuller study and consideration in the light of the findings and recommendations of the said commissioners.

It is true that we have had the report of the Sirois commission, but it has never been studied. Conclusions have been drawn, but we have not yet had the exhibits and the references which were placed before the commissioners. Why not wait until we have had time to study this report and see what proposals it contains, and the reasons for those proposals?

I have just read a resolution passed by the Legislature of the province of New Brunswick. The Lieutenant-Governor in Council of that province changed the resolution. Had he the right to do that? I doubt it very much. The Legislatature of British Columbia also passed a resolution. These were the only two who did so.

Honourable members who read the correspondence between the former Premier of the province of Quebec, Hon. Mr. Duplessis, and the Prime Minister of Canada, will be interested in the fact that although the Legislature was in session when the succeeding Premier, Hon. Mr. Godbout, gave his consent, he was very careful not to submit the matter to the House. Why? I leave it to honourable senators to find a reason.

Though I have further notes that I should be only too pleased to use, I do not want to take up too much of honourable senators' time. The honourable leader of the House (Hon. Mr. Dandurand) says we must prepare for the future. Surely no one would be more inclined to take that point of view than the Prime Minister. Yet what do we find? The following appears in the House of Commons Debates of June 18, 1940:

On the Orders:

Government notices of motion. The Prime Minister:

That a select committee of the House be appointed to study and report upon the general problems of reconstruction and re-establishment which may arise at the termination of the present war, and all questions pertaining thereto; with power to such select committee to appoint, from among the members of the committee, such subcommittees as may be deemed advisable or necessary, to deal with specific phases of the problems aforementioned, with power to said select committee and to such subcommittees as may be formed therefrom, to call for persons, papers and records, to examine witnesses under oath, and for such select committee to report from time to time to the House; and that the said committee shall consist of the following members.

There you see evidence of the Prime Minister's eagerness to create ways and means of providing for re-establishment of our people who may be in need after the war. Yet that very day he asked for permission to withdraw that proposal. Why? Because, as honourable senators will remember if they bear in mind the date, the 18th of June, that was the day France was asking for the terms of the armistice with Germany and Italy.

Right Hon. Mr. MEIGHEN: Hear, hear.

Hon. Mr. MARCOTTE: If because of the bad situation then existing the Prime Minister was justified in withdrawing his notice of motion for the appointment of a committee to prepare for conditions that might arise after the war, surely we have an equal right to ask that this measure be not put into effect until after the war.

I think it is unnecessary for me to say more on the subject. I have been interested, as I always am, in the arguments advanced by the honourable leader of the House (Hon. Mr. Dandurand), but they have failed to convince

me. If I may say so, I find them no more convincing than those made by the Right Honourable the Prime Minister.

Hon. Mr. DANDURAND: I draw the attention of my honourable friend to the fact that it was the Right Honourable the Prime Minister who initiated the Unemployment Insurance Bill.

Right Hon. Mr. MEIGHEN: Not very consistent.

Hon. Mr. MARCOTTE: He changed his mind. We have often accused the Prime Minister of doing that, and we need not hesitate to accuse him once more.

For the reasons stated, I am seconding the motion proposed by the right honourable leader on this side (Right Hon. Mr. Meighen), and I ask honourable senators to give it their consideration.

Some Hon. SENATORS: Question.

Hon. ARTHUR SAUVE: Honourable senators,—

Some Hon. SENATORS: Six o'clock.

Hon. Mr. SAUVE: Honourable senators, I am one of the members of this House who, throughout this session, have endeavoured to hold strictly to the war mandate manifestly given by the people of all the provinces to the Liberal party Government, which had requested full administrative responsibility in Canada for the conduct of the war.

I do not oppose the principle of the measure submitted to us. In 1935 I was a member of the Government which made that principle the basis of an enactment founded on a decision of the League of Nations. At that time the economic situation was not as serious as it is to-day.

Before the Government could have been said to have proper authority to bring in this Bill, should the measure not have had the prior approval not only of the Premier of each province, but of all the legislative assemblies? I believe it should. The lack of such approval constitutes, in my humble opinion, a violation of provincial autonomy, and I submit, therefore, that the Government of Canada has not sufficient authority to bring in such a measure. Why is it brought in at the very end of the session? Why not have waited until the legislatures had time to study the report of the Rowell-Sirois commission, as well as the text of the Bill itself? I am informed that the Rowell-Sirois report was not laid on the tables of our provincial legislative assemblies. Postponement of the Bill until next session would give both the legislators and the public time to examine it thoroughly and from all angles, with due regard to lessons of the past, conditions of the present and possible difficulties of the future. That would be in the interests of all, employees as well as employers.

Though good in principle, a law may be bad and fatal in practice. That was true of the Farmers' Creditors Arrangement Act, whose worthy object was to keep the efficient farmer on the land. Generally the registrars understood the spirit of the Act very well, but some of the judges applied it incompetently, ridiculously and in such a manner as to make it odious. The object of the law was excellent, but the hasty, ill-prepared and ill-organized administration ruined honest retired citizens who had lent their modest savings, and it spoiled many previously honest farmers.

So it was also in the case of the Unemployment Relief Act, which was intended to assist the industrial worker who had lost his employment because of the depression. When it was passed we were at the height of the crisis. The spirit of this Act was perverted, and the author and benefactor, the Canadian Government, was grossly and cynically exploited, with the terrific consequences we see to-day. When the Government, perceiving the approaching disaster, tried to avert it, revolution was threatened. Let us profit by this lesson. Let us be prudent. Experience should be our guide. Prudence purifies energy and strengthens it.

Prudence is all the more necessary now that our financial situation has worsened to an alarming extent. The Government must not forget the pledges it gave in order to get us to vote for its declarations of war. It will be held accountable for any failure to fulfil its engagement. The passing of this Bill will involve an expenditure of how many millions? And what obligations? And with what ultimate consequences? These are points that we should carefully examine.

The Government has requested authority to spend $1,148,000,000, made up of $448,000,000 for ordinary purposes and $700,000,000 for the conduct of the war. Seven hundred million dollars! And it will be more, as the Minister of Finance frankly stated.

Less than fifty years ago our expenditure was not more than 40 million dollars. To-day our net debt is more than three billion dollars, and our gross debt exceeds four billion dollars. These figures are alarming, even after deduction of our active assets of slightly more than 757 million dollars.

In spite of new taxation, the Minister of Finance foresees a deficit of over 700 million dollars. This is enormous for a country of only 11 million people. To meet such a deficit we shall have to increase our production

considerably, and therefore conserve as far as possible our productive resources, our labour and so on.

It is well to reflect that our five billion dollars of federal, provincial and municipal debt will be repaid in great part by future generations, whose population and production, we are told, will be at least twice as great as those of to-day. It is well to dwell on that thought, in order to avoid pessimism and discouragement.

Canada possesses incalculable resources still to be developed. It seems to me, therefore, the Government could refrain from piling heavy budgets and measures on the weakened shoulders of a generation which is already carrying the debt of 1914-1918 plus the obligations created by the terrible depression of the past twelve years. So burdensome is the load that, for instance, governments have had to institute systems of farm loans in order to retain on the land farmers who otherwise would be unable to meet their extraordinary obligations. Have our rulers failed to consider that by still further increasing the burden of the farmer, through direct and indirect taxation, they are leading him to bankruptcy? And while limiting the farmer's profits the Government does not limit the prices of by-products, foodstuffs and instruments of production.

By taxing salaries and wages, already reduced because of depression, and imposing a sales tax, the Government is complicating still further the worker's budget, without giving him the slightest hope of any decrease in cost of living. It is said that this Bill, if enacted, will not only tax directly all employers, but also indirectly all employees as consumers. This is probable. But we must do something to solve the problem of unemployment. In this regard we shall in a few months be better able to judge our position, and to take appropriate action. Obviously its lack of foresight and its improvidence will compel the Government to reconsider its policy.

For these reasons I would favour the proposal to postpone consideration of this measure until next session, but not until after the war, of which we cannot foresee the end.

I have no grudge against working men. All my public life bears testimony to my efforts on their behalf. I have always protested against the abuses of capitalism, and have ever sought to further the interests of labour. I am still animated by the same sentiments. I repeat, I am opposed to postponing the operation of this measure until after the war, for in my opinion to do so would be equivalent to deferring unemployment insurance indefinitely.

Hon. Mr. SAUVE.

Hon. L. COTE: Honourable senators, if I thought that by putting this legislation into effect immediately we were to the slightest extent interfering with our war effort and our chances of defeating the enemy, I would without hesitation vote to postpone its operation, because, after all, the important thing is to save the present; if we do not, there is no use in trying to preserve the future. But I believe the immediate application of this measure will not interfere with our war effort. Though I look upon the collection of contributions to unemployment insurance as just so much more taxation—and, Heaven knows, we require plenty of taxes to carry on the war—I am confirmed in my belief by the argument that the vast fund represented by these contributions will be available to the Government for the purpose of further financing the cost of the war.

In committee this afternoon I moved an amendment which did not carry. I do not intend to move it again now, because I do not think that at this stage it would meet with any better luck, but in view of the suggestion I made in committee I do think it is important that I should bring it to the attention of honourable senators. There I raised opposition to the schedule of rates of benefit, which of course is the most important feature of this legislation. Unfortunately this schedule is not worthy of all the work, study and effort we have given it. I pointed out that there is not sufficient difference between the weekly rate of benefit payable to single persons and that payable to persons with dependents. Instead of giving these rates in detail, I will ask permission to put on Hansard the table at the end of the third schedule to the Bill.

This is the table referred to:

Weekly Rate of Benefit

Class	Single person	A person with dependent
1	$ 4 08	$ 4 80
2	5 10	6 00
3	6 12	7 20
4	7 14	8 40
5	8 16	9 60
6	10 20	12 00
7	12 24	14 40

As will be observed, there is a difference of only 15 per cent between these two sets of rates. Under class 3, as an example, $6.12 is the benefit payable to the contributor who is single; whereas it is increased to only $7.20 if the contributor is a married person with, say, three or four children. One cannot resist the conclusion that the small difference of $1.08 is not nearly sufficient to take care of a wife and three or four children.

My fear, as I expressed it in committee, is that the slight extra amount will not be sufficient to provide a family with the bare

necessities of life, and consequently those who become unemployed will be in the same position as the unemployed are to-day: they will be reduced to the humiliating necessity of seeking either public or private charity to keep body and soul together.

I hope my remarks will be read by the officers of the department and by those who are to be appointed to the commission to administer this legislation, and that upon further study and consideration of this question the commission may be able to recommend a modification of the schedule in order best to achieve the purpose which we, and, I have no doubt, the Government, have in mind, that is, to provide at least a minimum measure of social security for those in our midst who from time to time become unemployed, not through any fault of their own, but entirely by sheer pressure of circumstances.

Hon. J. W. deB. FARRIS: Honourable senators, replying to the observations of the last speaker (Hon. Mr. Coté), I would respectfully suggest to him that he is directing his protest to the wrong quarter. If the allowance is only $4.80 for a married man who is unemployed, it means that, when employed, his salary or wages represented a minimum of $20 or a maximum of $30 a month. If the laws of any province permit men with families —I think my honourable friend in committee suggested a family of ten—to work for $20 or $30 a month, I suggest that he address himself to the Premier and other ministers of that province and urge that the abuse be rectified. After all, this legislation is based on the principle of a direct ratio between the amount of salary or wages a man earns and the allowance he is to receive when unemployed.

I come now to this Bill and the amendment proposed by the right honourable leader opposite (Right Hon. Mr. Meighen). I recall that when this measure was last before us he intimated that we were forced by the Government to consider the subject in about as hot a summer as the nation has ever known. Fortunately the elements have since come to our assistance, and I am glad to say the discussion has been as temperate as the weather.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: This afternoon the right honourable leader opposite has referred to our desperate situation in this war, and on a former occasion he said he feared the impression that might be created, particularly in the United States, by the introduction of this measure during war-time. But I am strengthened in my desire to vote for this Bill because across the Atlantic ocean has come this message, "Cheer up America!" I should hate to think that any voice in this House calling attention to the 120 million threatening warriors on the continent of Europe had so paralysed us in Canada that we were afraid to carry on our ordinary government functions. I am fully in accord with the declaration which comes every day from England that confidence in our ultimate success in this war can best be demonstrated by refusing to deny to ourselves the right and privilege of carrying on our daily duties and occupations.

No matter what in the last analysis may be the need to provide for unemployment when the war is over, we all agree that we must drop everything which interferes with the prosecution of this war; and if the right honourable leader opposite could convince any of us that the enactment of this legislation at this time would in any way hamper or cripple us in doing those things which to-day are essential to victory, then without question this measure would have to go by the board. But in this connection I would ask honourable senators again to consider the statement which the Honourable Minister of Finance made only last Tuesday, and which has already been quoted by the honourable leader of this House. It is this:

> I do not believe, however, that even members of Parliament, let alone the public generally, realize how useful this unemployment insurance may be from the point of view of war finance.

Those are the words, honourable gentlemen, of the man who has the primary responsibility of providing funds and resources for carrying on the war.

> Once it gets into operation, it will result in the collection of about $4,000,000 a month—

It has been observed that this figure might more accurately be placed at $5,000,000.

> —I think that is the estimate—in the form of employers' and employees' contributions. Since the amount likely to be paid out in unemployment benefits during the war will be small, most of these contributions will be accumulated in the insurance fund. This fund will be invested in Government securities, and will therefore assist indirectly in financing the war.

That is not an idle statement, not a statement made on any political platform. It is a statement of the man with the greatest financial responsibility of any man in Canada. In figuring out how much taxation there shall be, he has calculated that $50,000,000 a year will be provided by this legislation.

Now, honourable senators, what does that mean? It has been said here that the burden is going to fall on employers of labour and the agriculturists. If I can read anything into that declaration, it means that if the Minister of Finance is deprived of the $50,000,000 to be provided by this legislation he will have to seek

it elsewhere. I do not want to push this argument too far, because it might be embarrassing without being of any use. But you and I can readily understand that under this legislation a revenue is being secured which very likely would not be secured from any other form of taxation. Therefore, in view of the unanimous support which the Bill has received, and the solemn declaration of the Minister of Finance, it would be a drastic step for the Senate of Canada to come in at this time and interfere with the calculated plans of those responsible for our financing.

In conclusion let me say that if this measure is not inconsistent with our war effort—I think I could put it far more strongly than that—if it is not inconsistent with our war effort, I know of no form of legislation that is more essential and desirable during war-time. Though we are confident of victory, we cannot but recognize that victory will be a long time coming, and we know that next to winning the war the greatest effort the citizens of Canada have to make is to provide for the grave conditions that will arise after the war. We were told in our committee to-day that a high authority in England said that legislation of this kind contributed very largely to the prevention of a revolution in that country after the last war. We must not deceive ourselves. As time goes on, conditions will be far worse than they were after the last war, and if we were to do anything to frustrate this serious, considered attempt of those responsible to make at least some provision in anticipation of the situation we shall have to face in the future, we should be assuming a grave responsibility indeed.

Some Hon. SENATORS: Question!

Hon. R. B. HORNER: Honourable senators, I wish to say but a few words. I am in favour of the amendment for a reason which is different, perhaps, from any advanced here so far. I am in favour of it because unemployment insurance, as I see it, will not cure conditions, but is very likely to make them steadily worse. What I mean is this. In this great country we have suffered by reason of the fact that too many people have left the land to seek employment in urban centres. In this measure I see an encouragement of that sort of thing, which is a hindrance to the welfare of this country.

I have no apology to make for supporting the measure of five years ago. Conditions have changed since then. There has certainly been no evidence offered to indicate that unemployment insurance is going to remedy unemployment. Governments will have to find something greater than unemployment insurance to cure unemployment. They may have to take over life insurance as well. We have no idea what kind of insurance may be suitable a year from now, or five years hence.

So far as the creation of a fund is concerned, the money is here now. Under this scheme the farmer would pay an increased cost for his goods, because the tax on industry would compel it to raise the price of whatever it sold to the farmer.

I do not intend to take up any more time. I shall have no difficulty in supporting the amendment.

Some Hon. SENATORS: Question!

The Hon. the SPEAKER: The question is on the amendment proposed by the Right Hon. Senator Meighen, seconded by Hon. Senator Marcotte.

The proposed amendment was negatived on the following division:

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Honourable Senators

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Beaubien (Montarville)	Mullins
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Honourable Senators

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Hon. Mr. BUCHANAN: Honourable senators, I was paired with the honourable senator from Victoria (Hon. Mr. Barnard). If I had not been paired I should have voted against the amendment and in favour of the Bill.

Hon. Mr. KING: Honourable senators, I was paired with the honourable senator from Kootenay (Hon. Mr. Green). If I had voted I should have voted against the amendment.

Hon. Mr. LEGER: Honourable senators, I was paired with the honourable senator from Lunenburg (Hon. Mr. Duff). Had I voted, I should have voted for the amendment.

The Hon. the SPEAKER: Honourable senators, the question is now on the third reading of the Bill.

Right Hon. Mr. MEIGHEN: Honourable members, I am sorrier than I have ever been to rise to speak again, even if for only a moment or two. I have the right, though, to speak on the main motion. When I spoke first, having arranged with the honourable leader of the House (Hon. Mr. Dandurand) that we should facilitate an early vote, I confined myself within the narrowest limits. It was felt necessary by no fewer than four honourable members to make an animated and vigorous, and on the part of two a belligerent reply to what I said. I will say something on the main feature of the reply, and only on that. I will not take a moment to answer such an argument as that our launching at this time upon some great new venture will be an evidence to the world that we are thoroughly confident of winning the war. I will allow that argument, unanswered, to have its full effect. But from both sides we have heard the contention that this new taxation—which is exactly what it is—levelled against two classes, industrial workers and employers, for the purpose of raising a fund to take care of those at present employed, over short periods when they are unemployed, will place in the hands of the Minister of Finance four to five million dollars a month, and that this will help him finance the war.

Let me say just a few sentences about that. The Minister of Finance tells us we are taxing two classes for a definite purpose, but, as that purpose will not have to be served for a while, he will be able to use the money for another purpose altogether, that is, to spend it on the war, and therefore this money will help finance the war. He will be able to do that only because he acts for the Government of Canada, which has not the trusteeship responsibilities imposed upon others who collect money for specific purposes. He can use it, I know. But I want to ask this: Must not every dollar of it be replaced later? Of course it must. Ultimately it all will have to be found again, and used for the purpose for which it was originally collected.

I submit this. When this war is over we shall be faced with the problem of taking care of a vast army—I wish it were a dozen times vaster—of returned men, some twenty to thirty thousand of whom stand over there now with their lives at stake for us. If the war lasts any considerable length of time, that number will be increased, no matter what Government we have here, to two, three, four or five hundred thousand. Now, if we can collect more money, if we can get more taxes from employers and from wage earners, as the Government assume we can, would it not be wiser and more directly in line with our war effort to ear-mark such taxes for the benefit of those who will be most in need when the war is over—the men who, because they threw up their jobs and went over there to fight for us, will come back with nothing and have no means of earning a living?

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: It would seem to me that if we can stand more taxes, it is to the benefit of these men that we should direct them first. They are the first charge of this war, not the men provided for within the limits of this Bill, who will be employed for the duration of the war here at home. When the struggle comes to an end, the civilians benefited by this measure will not be in nearly as distressful conditions as the soldiers who had gone to the front.

Here we are making no provision at all for the men who, when they come back, will be unemployed, and we are directing the fund, gathered at the ultimate expense of all classes, but particularly of agriculture, to the men who need it least instead of to those who need it most. Yet, because the Government will be able to spend the money for one purpose, though it was collected for another, we are asked, on the authority of the Minister of Finance, to regard this as a great measure of finance, to throw our hands in the air and get behind it. It does not add to my confidence in the Minister of Finance, which ordinarily has been very high.

When we have looked after the interests of our men who fight—the first mortgage on this country—and taken care of the vital requirements of the war itself, we may well turn our attention to those who because of unemployment are worthy of our support. But apparently we are not greatly concerned about the diversion of our efforts away from the men whose claim upon us will certainly have to be given priority, and from the war itself.

Hon. Mr. DANDURAND: My right honourable friend was a member of the Government in the war years of 1914-1918, and he knows full well the returned soldiers and their dependents became our wards.

Right Hon. Mr. MEIGHEN: Certainly. Our chief charge, as was the case in England, will be the men returning, not those who stayed at home.

Hon. Mr. DANDURAND: I simply want to say that what we are doing here is providing for industrial workers, at present employed, who will be unemployed after the war. Later on Parliament naturally will have to provide by special legislation, as it did in 1918, for the soldiers who return and the families of those who do not return.

Right Hon. Mr. MEIGHEN: But we are diverting our resources in another direction now.

Hon. Mr. DANDURAND: My right honourable friend is not correct when he suggests we are forgetting the soldiers. He knows very well that everything comes in its proper time.

Right Hon. Mr. MEIGHEN: We are diverting our resources in the wrong direction.

Hon. Mr. DANDURAND: We are simply protecting workers who will later become unemployed, and at the same time furthering our war effort by utilizing the money collected from these workers and their employers.

Hon. Mr. ASELTINE: All the money will be spent, though.

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

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

THE SENATE

Friday, August 2, 1940.

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

Prayers and routine proceedings.

PRAIRIE FARM ASSISTANCE BILL

REPORT OF COMMITTEE

Hon. J. J. DONNELLY presented, and moved concurrence in, the report of the Standing Committee on Agriculture and Forestry on Bill 113, an Act to amend the Prairie Farm Assistance Act, 1939.

He said: Honourable senators, while the amendments are numerous, they do not change the effect of the Bill, and they are all made on the advice of the Law Clerk of the Senate. A representative of the department who was present assured us he was fully satisfied with these amendments.

The motion was agreed to.

THIRD READING

Hon. Mr. DANDURAND moved the third reading of the Bill, as amended.

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

SOLDIER SETTLEMENT BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK presented the report of the Standing Committee on Banking and Commerce on Bill 31, an Act to amend the Soldier Settlement Act, as follows:

Your Committee have examined the said Bill and beg leave to report that the preamble of the Bill has not been proven to their satisfaction.

Hon. Mr. BLACK moved concurrence in the report.

The motion was agreed to.

Hon. RAOUL DANDURAND: I may say, in relation to this report, that the committee were of opinion that the procedure followed in the matters covered by the Bill should be continued, and that there was no need for any amendment.

Right Hon. ARTHUR MEIGHEN: Honourable senators, I am quite in accord with the leader of the House when he says the committee felt that the law as it stands should be continued; but when he says that everything which has been done should be continued, I do not think he is stating the judgment of the committee. A case was brought up—it occurred in 1932, I think—which was entirely beyond the limits of the law and should never be continued.

Hon. Mr. DANDURAND: I limited my remarks to the procedure followed in regard to mineral rights.

Right Hon. Mr. MEIGHEN: Yes, the law as it stands should be continued.

DEBTS DUE TO THE CROWN BILL

REPORT OF COMMITTEE

Hon. JAMES MURDOCK: On Tuesday, July 30, Bill 99, an Act to amend An Act respecting debts due to the Crown, was before the Senate, and a special committee consisting of the two leaders and Hon. Senators Buchanan, Calder, Coté, Haig, King, Marcotte, Murdock and Raymond were appointed to consider the Bill. The committee met this morning in pursuance of the order of reference, and I have the honour to present the following report:

The special committee to whom was referred the Bill 99 from the House of Commons, intituled "An Act to amend An Act respecting debts due to the Crown," have in obedience to the order of reference of 30th July, 1940, examined the said Bill and now beg leave to report the same with the following amendments:

1. Page 1, line 23.

Add to the end of the proposed section two the following:

Provided that the Minister of Finance may not so retain in any one month out of such sum or sums so due or payable by His Majesty in such right an amount greater than that which is seizable per month by the law of the province where the concerned officer, servant or employee of His Majesty in such right resides.

2. Add to the Bill at the end thereof, as subsection two of the proposed section two, the following:

(2) This section shall come into force upon proclamation of the Governor in Council.

3. Add to the Bill as clause three the following:

3. The said Act is further amended by adding thereto as section three the following:

3. (1) In any case where any officer, servant or employee of His Majesty in the right of Canada is indebted to any province, municipality or person in any specific sum of money on a judgment recovered for or on account of

(a) any income tax, special tax or wage tax (including interest and penalties) or

(b) any other manner of debt not sounding in damages, whether such debt be or be not of the genus of a debt for taxes,

the like recourse by the judgment creditor against third parties by way of garnishment of judgment debts, as applies against garnishees, generally, in and by the law of the province in which the judgment has been recovered shall be available to such judgment creditor against the Minister of Finance as a third party garnishee, but subject to the subsequent provisions of this section.

(2) The Minister of Finance shall not be subject or required to answer in or to attend at any garnishment proceedings; he shall be liable as a third party garnishee in his representative capacity only and he shall be subject in matters to which this Act extends to orders and directions, specific or general, of the Governor in Council.

(3) The judgment creditor shall produce to the Minister of Finance a certificate of the judgment, the garnishee order and an affidavit made by some person having knowledge of the facts stating the amount due on the judgment and for what it was recovered and establishing the identity of the judgment debtor as an officer, servant or employee of His Majesty in the right of Canada.

(4) The Governor in Council may authorize the Minister of Finance to retain by way of deduction out of any sum or sums of money which, from time to time, may be due or payable by His Majesty in the right of Canada to any officer, servant or employee of His Majesty in such right (such deduction to be by instalments or otherwise as that Minister may, in the interest of the efficiency of the public service, determine) the amount of any judgment debt due or payable in any garnishment proceedings instituted under the authority of, and in compliance with, this Act, and to pay out such sum or sums of money so deducted to the provinces, municipalities and persons who are, pursuant to their respective garnishee orders and to this Act, entitled to be paid it or them.

All of which is respectfully submitted.

Hon. Mr. DANDURAND: Honourable senators, I would add simply that this Bill, which was sent to a special committee, has been returned virtually in its original form, with the few amendments as read. These broaden the principle of the Bill by making it possible for creditors to garnishee the salaries of Dominion civil servants. This is a matter to which the committee gave considerable attention. I have no mandate to speak for the Government, but I shall gladly join in sending the committee's report over for consideration by the other House.

The amendments were concurred in.

THIRD READING

Hon. Mr. DANDURAND moved the third reading of the Bill, as amended.

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

WAR MEASURES ACT

ORDERS IN COUNCIL TABLED

Hon. Mr. DANDURAND: Honourable senators, I desire to lay on the Table two copies in French and two in English of Orders in Council passed under the War Measures Act from May 10 to July 20, 1940. These include Orders in Council passed under the statute subsequently to those which I tabled at the beginning of this session. I am informed that the printing of volume 2 of proclamations and Orders in Council passed under the War Measures Act will be completed to-day, or to-morrow at the latest, and that distribution to honourable members will be made immediately thereafter.

Right Hon. Mr. MEIGHEN: What Orders in Council are those last referred to? I did not catch what the honourable leader said.

Hon. Mr. DANDURAND: The printing of volume 2 of proclamations and Orders in Council passed under the War Measures Act will be completed to-day or to-morrow. They were issued separately and are now being put into a volume.

Right Hon. Mr. MEIGHEN: That must be a print, then, of what has been laid on the Table to-day in type form.

Hon. Mr. DANDURAND: Yes.

UNEMPLOYMENT INSURANCE BILL

CORRECTION OF MINUTES

On the Orders of the Day:

Hon. C. C. BALLANTYNE: Honourable senators, I desire to draw the attention of the House to an error in the Minutes of the Proceedings for yesterday. I am shown as having seconded the amendment moved by my leader (Right Hon. Mr. Meighen), whereas the seconder was the honourable gentleman from Ponteix (Hon. Mr. Marcotte). I do not wish to deprive my honourable friend of this great honour; therefore I hope the record will be corrected. Had I been asked to second the motion I certainly would have done so.

DUKHOBORS, MENNONITES AND SUDETEN GERMAN SETTLERS

QUESTION OF PRIVILEGE

Hon. R. B. HORNER: Honourable senators, I wish to draw attention to an item appearing in the Ottawa Citizen of yesterday, headed, "Member would deport Dukhobors, Mennonites," and reading:

> Dukhobors and Mennonites who refuse to accept Canada's war responsibility should be deported, George Black (Con., Yukon) said last night in the House of Commons.
>
> There were people in Canada who were not amenable to Canadian laws, Mr. Black said, naming the two sects. Yet other Canadians were being called upon to enlist and fight to protect such people.
>
> "The Government should expropriate the property of such people and deport them—and the sooner the better," Captain Black said.

The honourable member who made that statement has never had the privilege of living among or associating with these peoples. As we all know, they came to Canada under an agreement exempting them from military service. I think one of the Orders in Council giving them this exemption was passed in 1873, and another in 1898. The wisdom of granting them that exemption I do not intend to debate, but, since nobody can tell what eventualities there may be in the future, I have sometimes wondered that any Government would take on itself the responsibility of extending permanent exemption of this kind to any people coming into this country.

For thirty-three years Dukhobors and Mennonites have been my neighbours and fellow farmers. It may be that they were of the better class, and, if so, I have been fortunate. But I am in duty bound to say that by far most of these peoples in the West are first-class farmers, good neighbours and good citizens, though they have bad ones among them, as has every other nationality.

At a time like this we should make it a duty to talk enthusiastically about the honour and privilege of being a Canadian citizen. Without boasting, I may say that in my associations with Dukhobors and Mennonites it has been my endeavour to show them that Canadians were just. The right honourable leader on this side (Right Hon. Mr. Meighen) will remember an occasion in the last war when I bothered him. I regretted having to do so, for he was very busy. An attempt had been made to stir up trouble by saying that the Government intended to force the Dukhobors and Mennonites to do this and that, but I am glad to say they were informed that the Government would respect the agreement under which they entered the country.

One of the Mennonites recently told me that their church had met at, I think, Winkler, Manitoba, and decided to ask the Government to continue honouring the agreement with them. But he said they were encouraging their young men to enlist, and if any of them were called upon to assist they would do so in any way they could, without taking part in actual fighting.

Of course, at a time like this we have to be very careful. We are in the midst of a serious situation, and any persons, no matter what their nationality, who show disloyalty to the State or endeavour in any way to hinder our war effort must be taken in hand. But my whole-hearted sympathy goes out to people who may be perfectly loyal, yet, because of their nationality, are suspect. If wars are ever to cease we must strive towards the ideal that men to men should brothers be, the whole world over, regardless of their racial origin.

During the recent adjournment of the Senate I drove some two hundred miles to reach the Sudeten settlement at St. Walburg, Saskatchewan, about which we have all heard a great deal. The treatment of those Sudeten people is deplorable, and it is a serious reflection on the good name of Canada. Nothing short of a thorough investigation will satisfy the people at St. Walburg. They were induced

to come to Canada, which was described to them as a great, free country. I want to know who was responsible for sending them to St. Walburg. I understand it was a man by the name of Sinclair, in the colonization department of the Canadian National Railways. A Mr. Schneider acted as colonization agent for the system, over which he was given the privilege of a pass. I have made inquiries and find that this man was using his position as colonization agent to make money out of those immigrants, who were quite ignorant of the ways of this country. He made $5,200 cash on commissions on sales of land to them. He was also an implement dealer and made exorbitant profits on the sale of implements. I was told by a gentleman, at one time Liberal member of the local Legislature, whose word, I am sure, the honourable leader of the Government would not doubt, that he had met loads of old wagons, puttied and painted to look like new, which had been sold and were being delivered to these poor immigrants at most unreasonable prices. These people had been placed on land of such poor quality that earlier settlers had been starved off it. Those settlers had taken off the leaf mould and sod, and my informant told me that a whole farm was not worth five cents. A little Czech fellow, who spoke very good English, said that Schneider bought horses at $50 a team and sold them to the Sudetens at $160.

If this scandal is not thoroughly investigated and the people are not given back the money of which they were robbed, 90 per cent of them will leave Canada and say they were placed amongst a pack of robbers. This will give Canada a bad name. It is the duty of the Government to see that a thorough inquiry is made.

Schneider also had the appointing of the two supervisors of the settlement, and the people say those two should be where he is—in an internment camp. A responsible citizen in the village who had just returned from the farm of one of the settlers, told me that the man was cutting hay in a slough with an ordinary pair of house scissors, the women were packing it in sacks and the boys were carrying it a quarter of a mile to a barn. Those supervisors, it seems to me, are simply endeavouring to make a farce of the whole scheme and cause the settlers to be dissatisfied with the country and its laws.

I intend to make it my business to visit the settlement again, and in the meantime I ask the Government to make a thorough investigation of this distressing state of affairs.

Hon. Mr. COPP: When was the land sold to those people?

Hon. Mr. HORNER: I think it was last year.

Hon. RAOUL DANDURAND: I am sorry the honourable gentleman has waited so long to draw this matter to our attention. He has been with us for some time since his return from the district which he mentions, and, had he informed me, I should have been happy to submit the matter to the department. The honourable gentleman now asks for an investigation. I will put his request before the Minister in charge of the department and I promise him that to-morrow I will furnish him with a prompt answer. If an inquiry is necessary, it will undoubtedly be made.

I know nothing about the parties who brought these immigrants to that part of Saskatchewan, nor do I know who is responsible for their coming to that particular district, or for looking after their welfare. I was under the impression that the provincial authority had a certain responsibility in respect to the reception of immigrants. I shall make inquiries in the hope of being able to give an answer to-morrow.

I notice my honourable friend has a good word for the Dukhobors. Some twenty-five years ago we had in our midst a delightful old gentleman, Senator MacGregor, who came from Nova Scotia. Sir Wilfrid Laurier used to speak of the Scots of Nova Scotia as the salt of the earth, and the phrase applied most happily to the Senator. Senator MacGregor, in company with a nephew, who also happened to be a member of this House, spent a few weeks in a Dukhobor settlement, visiting from house to house, and on his return he gave us a very favourable report of the hospitable and Christian spirit which appeared to animate them. That was before the Dukhobor trek to British Columbia.

Hon. W. A. BUCHANAN: In the statement the honourable leader of the House (Hon. Mr. Dandurand) is to make to-morrow, I would ask him to cover the respective positions of Mennonites and Hutterites in relation to military service. There is a distinction between the two groups. It would be well to make clear whether Mennonites who have immigrated to this country in recent years are on the same footing as Mennonites who first came to this country and who enjoy immunity from military service under either an Order in Council or a statute of 1873. The later Mennonite immigrants have come from Russia, and there are several settlements in southern Alberta. All Mennonites are individualists. The Hutterites live in communal settlements and, I suppose, might be called Communists.

I am receiving every day messages protesting against the privileges these people enjoy: though other citizens are being called upon to render military service, the Hutterites are not called upon to do anything. That is the feeling in Alberta, where many Mennonites and Hutterites have settled. I think the Government should state what assurances were given these people on their entry into this country, so that their status will be known to those Canadians who, as I say, are very much dissatisfied with what to them is discriminatory treatment in favour of these people with respect to military service.

Hon. JOHN T. HAIG: Mennonites first settled in Manitoba in 1874 under an arrangement which was effected by Mr. Hespeler, at that time the German Consul in Winnipeg. Though the Mennonites live in a sort of community village, they are individualists and own their own farms. They were granted exemption from military service in 1917, when the Conscription Act was passed. Whether the Mennonites who have come out here since the Russian revolution share that exemption is another question.

The Hutterites entered Canada from Dakota after the United States joined the Allies in the Great War, and they came here on the distinct understanding that they would not be subject to military service. They are good farmers and mind their own business. They speak the language of instruction of the province in which they live. In Manitoba English is the language of instruction. I am sure that my colleagues from Manitoba, the honourable senator from Provencher (Hon. Mr. Molloy), the honourable senator from St. Jean Baptiste (Hon. A. L. Beaubien), and the honourable senator from Manitou (Hon. Mr. Sharpe), will bear me out when I say that we have no better workers and citizens than our Mennonite settlers. I think there is less crime among them than among even our own French-speaking or English-speaking citizens. I would impress on the Government that it should go very slow in drafting our Mennonite and Hutterite settlers.

Hon. Mr. DANDURAND: Could the honourable gentleman inform us regarding a large group of Mennonites who years ago left Canada for one of the South American republics? I hope they returned.

Hon. Mr. HAIG: No. The trouble was over language of instruction in their schools. In 1915 the then Minister of Education in Manitoba insisted that English, and English alone, be taught in the schools, with the result that a certain percentage of the church Mennonites migrated to South America, and are still there. They are bitterly disappointed and would like to return to Canada. A few have come back, but the great majority still remain there because our Immigration Department—I think quite properly—will not let them re-enter the Dominion unless they bring back sufficient money and settlers' effects to enable them to carry on. I may say that the Mennonites were willing that English should be taught in their schools, but they wanted part of the day devoted to instruction in German, the language employed in their homes. The Mennonites are followers of Menno and the Hutterites are followers of Hutter, both contemporaries of Luther.

NATIONAL WAR SERVICES—REGISTRATION AND MOBILIZATION

INQUIRY AND DISCUSSION

On the Orders of the Day:

Hon. JOHN T. HAIG: Before the Orders of the Day are called, I would ask the honourable leader of the House (Hon. Mr. Dandurand) whether the rules and regulations with respect to mobilization have yet been tabled.

Hon. RAOUL DANDURAND: I was under the impression that they had been set out in a speech which the Minister of National Defence delivered in the other House a few days ago. I will make inquiries.

Hon. Mr. HAIG: I read the statement to which the honourable gentleman refers, but from that I cannot tell what the set-up is. I was hoping the Government would give us this information before Parliament prorogues.

Right Hon. Mr. MEIGHEN: We have been promised it.

Hon. Mr. HAIG: I should like to have it if possible.

Hon. Mr. DANDURAND: I have a vague recollection of seeing in the Press that such a statement would be presented to the House of Commons. I will find out and inform my honourable friend.

Hon. Mr. HAIG: Thank you.

Hon. Mr. DANDURAND: In this connection I may say that outside of the Supply Bill there are but two measures which can reach us before the end of the session. One concerns the wheat situation in the Western Provinces. In respect to this I might draw the attention of my honourable friends to the statement of Hon. Mr. MacKinnon, Minister of Trade and Commerce, which appears in the House of Commons Debates of July 24 last.

I do not think anything has happened in the meantime to vary it. I am quite sure that all my Western friends are au fait. On reading the statement last evening I found that this measure, which is perhaps the most important piece of legislation we may now expect, and which will affect our treasury to a considerable extent, was designed to give help to the Western Provinces. In view of existing conditions, I feel that we must assume responsibility for any action which will alleviate the situation in the West. As this Bill is still being debated in the House of Commons, I would suggest that the Senate adjourn until nine o'clock this evening, so that the Bill, if it reaches us by then, may receive first reading to-night and be ready for second reading to-morrow morning at eleven o'clock.

Before we meet again I shall try to obtain the information my honourable friend (Hon. Mr. Haig) has asked for.

Hon. Mr. HAIG: Thank you.

Hon. Mr. DANDURAND: Another Bill, which may not have reached honourable members of the Senate in even first-reading form, is Bill 123, an Act respecting the payment of compensation for the taking of certain property for war purposes. I shall ask that this Bill be distributed to the members of the Senate without delay, even though it be in first-reading form, for I think that when it reaches us in its final form it will be altered but little. I see in a marginal note that there may be a slight change in one of the clauses.

It is true that these two measures will come to us somewhat late, but it is the hope of the House of Commons—and I think the hope is shared by a number of honourable members of the Senate—that it may be possible for us to conclude our labours by to-morrow evening. We can of course extend our sittings into next week if we so desire, but if it is no inconvenience to the Senate to deal with these two Bills to-morrow, we shall then have only to await the pleasure of the Commons in sending us the Supply Bill, which is usually the last measure to come to us.

With these few remarks, I suggest that we call it six o'clock.

Right Hon. ARTHUR MEIGHEN: Honourable senators, the honourable member from Winnipeg South-Centre (Hon. Mr. Haig) has just asked, certainly for the third time if not the fourth or fifth time, about the regulations under the Mobilization Act. I have been trying to find in the Senate Debates the first discussion which occurred here after that Act was passed. It will be recalled that on its passing I took the strongest exception to, and levelled the most definite protest against, the general authorization provision contained in that Act. It really was not legislation; it was just authority given to the Government to legislate in respect to that most sacred matter, the rights of the subject. I do not recall in precise words the final answer of the leader of the Government, but it certainly was such as to lead everyone to expect that the regulations under the Act would shortly be laid on the Table. He mentioned the following Monday, but I do not think he stated definitely that it would be done on that day.

Subsequently the matter was brought up again. I took part in the discussion, and again a promise to answer the inquiry, and so forth, was made. To-day the most indefinite of all replies has been given, and it is as clear to me as anything can be that the Government has no intention whatever of submitting these regulations to Parliament. I feared that such was the case when the Bill was before us. Evidently this is to be entirely a matter for the secret conclave of the Government. Parliament is to be shut out from all consideration of these regulations, in which, from their very nature, every subject of this country is vitally concerned. If the regulations permit, that Act can be operated in such a way that under it the Government can direct who is to be summoned and who is not. What is in the mind of the Government I do not know.

Hon. Mr. DANDURAND: Has my right honourable friend read the statement of the Minister?

Right Hon. Mr. MEIGHEN: Yes. There is no indication there of what the regulations are to be. What the intention of the Government is, I do not know. All we know is that we have been promised that after registration is complete, and no doubt after it is sifted, analysed and reported on—which will be I know not when—a call will be made, and then there will be a system of postponement. The "call" means mobilization, or conscription; "postponement" is a new word for exemption. Those words can have no other meaning. This House is entitled to know, and to insist upon knowing before we prorogue, what will be the system of calling, and on what principle or system postponement or exemption will be allowed.

Hon. Mr. DANDURAND: Not necessarily.

Right Hon. Mr. MEIGHEN: Oh, yes. I have never seen anything about which there has been a more evident desire to keep away from unpleasant facts and unpleasant factors

After men are called they are going to be trained for a month. When they are called, unless they are "postponed," they are liable. We have been given that information. They are then conscripted for the purposes of the Act; therefore "postponement" is exemption.

Hon. Mr. DANDURAND: For the time being only.

Right Hon. Mr. MEIGHEN: Oh, yes, for the time being only. So it was under the old Act.

Hon. Mr. DANDURAND: But in this case it is to enable them to handle the crops.

Right Hon. Mr. MEIGHEN: The old exemption was just the same; it never was permanent. "Postponement" is only another name, which seems to sound better to the people.

Now, here we are. We do not know how the "call" is to be exercised, or on what principle "postponement" is to be granted. We do not know how the tribunal which will determine the exemption is to be constituted. We know nothing about it. We are asked to go home and leave that to the Government. We are told that after the men are called and after exemptions are granted —call them postponements, or whatever you like—the men are to be trained for a month, and that three hundred thousand can be trained within a year. That information comes from the other House. I want to know what is the value of a month's training—

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: —especially a month's training without equipment. Unless the exemptions are to be all sifted and cleaned up thoroughly before the training starts, we are going to train three, four or five men for every one we use for war purposes. Have we the money for that? Have we the equipment? Have we the clothing? Even to-day we have not equipment necessary for the training of the Second Division. In fact, although I cannot speak of the situation up to to-day, I know that until a comparatively few days ago the First Division was not fully equipped, much less was the Second, and still less the Third. Now all these other men are to be called, and they will be trained for thirty days—without equipment. Does this really mean anything for war purposes? We do not know what is to be done with them afterwards. We do not know when the postponing, the exempting, is to be done. If it is not all done first—and it will take a long time to do it properly—we are going to train two, three, four or five men for every one who will be used.

I have said many times since the beginning of the session, or near it, that I place very little value upon this registration. The more I hear about it and the more I think about it the less value I place upon it. I cannot imagine how it will be of any value for military purposes. True, it will give a more accurate fund of information to the Government as to the number of married and the number of unmarried persons between certain ages. Beyond that I cannot see that it has any value. Perhaps it will give the Government more accurate information than it now has on the number of persons engaged in farming, or in this occupation or that; but the extent to which the proportions will differ from what is shown by the last census returns will necessarily be so small that it cannot at all affect any judgment of the Government in respect of the Mobilization Act. Suppose the number of persons between the ages of twenty-one and twenty-three amounted to 2 per cent in 1931, and is now 2·03 per cent—it could not change more than that—what difference would it make? It would make no difference at all. We cannot take nearly all of them anyway. The compilation of all this other data about whether one can milk a cow, or can do this, that or the other thing, is just so much waste of money so far as the war is concerned.

When the most crucial Act Parliament has ever passed is to be put into effect and operation, does the Government expect the members of Parliament to go home without one word having been said on the regulations under the Act, or without one particle of light shed on this important measure? If it does, it is guilty of an act of autocracy unparalleled in the history of any democratic land. Imagine doing such a thing, first of all, without specific authority, and, worse still, without Parliament being given even a chance to see and review the regulations, much less a chance to discuss them and make suggestions with respect to them. We come here from all parts of the country. Presumably we are in touch with the people of all parts of the nation. Yet we are told to go home—that we shall hear about these matters through the Press.

Only to-day the Government has laid on the Table certain Orders in Council. I strongly protest against delay in submitting such documents. What use can we make of them now, when we are expecting to prorogue to-morrow? This country has been kept entirely

in the dark about every feature of the war. We have no information about what is or ought to be going on, or what is not or ought not to be going on. The control of propaganda is such that the country is just blacked out, and so is unaware of the condition it is in and the way it is being governed.

Hon. Mr. DANDURAND: It just happens that my right honourable friend is not administering the country. If he were, he would be posted from A to Z on all these details. He rises in this Chamber and starts criticizing the Government for what it has or has not done, and suggests that something is being hidden from the two branches of Parliament. Well, I have just laid on the Table a formidable array of Orders in Council, bearing for the most part on the war.

Right Hon. Mr. MEIGHEN: But they have not to do with the Mobilization Act, which is what we want to know about.

Hon. Mr. DANDURAND: My right honourable friend knows the Minister of Finance presented a well-prepared statement to the other House—

Right Hon. Mr. MEIGHEN: Even if the documents laid on the Table to-day did have to do with the Mobilization Act, no human being could read one-tenth of them before prorogation, if it should come to-morrow.

Hon. Mr. DANDURAND: They indicate that somebody is working on the matters in which the country is most interested.

Right Hon. Mr. MEIGHEN: But we cannot find out what is being done.

Hon. Mr. DANDURAND: I could have risen in my place here and read the statements that were made in the Commons by the Minister of National Defence, the Minister for Air, the Minister of National War Services and the Minister of Munitions and Supply.

Right Hon. Mr. MEIGHEN: I do not want them.

Hon. Mr. DANDURAND: These were official statements. But I felt that my right honourable friend was following everything that occurred in the House of Commons.

Right Hon. Mr. MEIGHEN: Yes.

Hon. Mr. DANDURAND: However, he may say that we are entitled to have the statements presented here. If he had asked to have that done, I should have been glad to comply with his request.

Right Hon. Mr. MEIGHEN: The honourable leader knows I have not asked for those statements at all. What I want is the law which the other House and this House authorized the Governor in Council to pass under the Mobilization Act. I have a right to see that law, and to review it, but I am forbidden to do so.

Hon. Mr. DANDURAND: I will read from now until 9 o'clock the statement by the Minister of National Defence and—

Right Hon. Mr. MEIGHEN: That would only bore me. That is not the law of the land at all, and it is the law I want.

Hon. Mr. DANDURAND: I do not understand what my right honourable friend means by the law.

Right Hon. Mr. MEIGHEN: The regulations passed under the Mobilization Act. They are what we want, and we should have them.

Hon. Mr. DANDURAND: Authority for making these regulations has been delegated to the Governor in Council.

Right Hon. Mr. MEIGHEN: The regulations should have been presented to Parliament long before this. There is no reason why we should not have had them weeks ago.

Hon. Mr. DANDURAND: I do not know why something is done or not done at a certain time.

Right Hon. Mr. MEIGHEN: We have been asking for the regulations for weeks.

Hon. Mr. DANDURAND: If the question were put to the Minister of National Defence in the other House, an answer would be made right away. But my right honourable friend fires out his questions here to one who has nothing to do with the department concerned, and he indicts the Government and the Minister because the information is not given to him at once.

Right Hon. Mr. MEIGHEN: If my memory is correct, it must be at least a month ago that the honourable junior senator from Winnipeg (Hon. Mr. Haig) first asked for these regulations. The request has been repeated several times since, and is being made again to-day. I was told by a man who was present in the other House that the same information was asked for there, but was not given.

Hon. Mr. DANDURAND: It is the Governor in Council who prepares these regulations.

Right Hon. Mr. MEIGHEN: And keeps them hidden.

Hon. Mr. DANDURAND: I understand the Minister of National Defence has given a

fairly full outline of these regulations. That information has been made available to the public, of which my right honourable friend is a member. I am not sure just what has been given out, but between now and 9 o'clock I shall see what has been done up to the present, and inquire why it was not done earlier. That is all I can say.

Hon Mr. BALLANTYNE: There is one point on which I should like to receive a little more enlightenment. I am concerned about the slow progress being made in recruiting units authorized for overseas. In the long statement that he presented in another place, the Minister of National Defence said the recruiting for overseas was proceeding satisfactorily, and previously the Prime Minister had made a similar statement. In my own city there are certain units with which I am very familiar, and, speaking as to them, I can say that recruiting for overseas has been bad indeed. The commanding officers are so exercised about it that they have called on private citizens for financial aid in order that posters may be printed and erected on billboards, that advertisements may be published in the newspapers, and so on. As to Ontario, also, I have accurate knowledge that overseas recruiting is far from satisfactory.

I recall that in the last war the recruiting under the voluntary system, especially when we got along to 1916, was very difficult. Sir Wilfrid Laurier addressed many large recruiting meetings, enthused the citizens and encouraged them to enlist for overseas. Sir Robert Borden did the same thing, as did other Ministers of the Crown and prominent citizens. In fact, great recruiting meetings were held all over this country, the bands were playing, flags were flying and the people were really aroused. But to-day, as one walks through the streets of any large city, one feels depressed. There appears to be no keen enthusiasm or desire to join the overseas forces.

I should like to ask my honourable friend the leader (Hon. Mr. Dandurand) if he does not think this is an opportune time for the Prime Minister, the Minister of National Defence and other members of the Cabinet to address the youth of this country over a national radio hook-up, to tell them about the seriousness of the war and urge them to rally to the colours in much larger numbers than they are now doing. Our people are rather confused about the enlistment question. It has been said over and over again by those in authority that the Non-Permanent Force, the militia units, are being rapidly filled up. Of course they are. But there is a reason for that. Young men are joining the Non-Permanent Force in such large numbers because they do not want to be taken into the draft. And I know the forestry unit is being rapidly filled up. But when you come to look at the infantry, the artillery and machine-gun units, you find a great lack of recruits for overseas.

The First Division has been authorized and sent overseas. The Second Division has been sent to certain places—I need not specify where—instead of going to England as an unbroken unit. Third and Fourth Divisions have been authorized. Well, you can ask any honourable member of this House what he thinks about recruiting, and, no matter what part of the country he comes from, he will have to report to about the same effect as I am doing now.

My only object in rising is to urge that the Prime Minister and those associated with him in the Government give the lead in a movement to speed up recruiting for overseas units. I hope that in the near future we shall see much more vigorous action along this line than there has been in past months.

Hon. Mr. MURDOCK: My honourable friend has probably not seen the Evening Journal, which reports that the Second Canadian Division has landed in England.

Right Hon. Mr. MEIGHEN: Most of it has, I hope. However, landing in England is one thing, and being in shape is another.

Hon. Mr. DANDURAND: My right honourable friend is not suggesting that he should be put at the head of the Second Division? Somebody is at the head of it and has the responsibility for deciding what work it shall do.

Right Hon. Mr. MEIGHEN: And that somebody is all right. But he cannot equip the division.

Hon. Mr. LITTLE: Honourable senators, may I be allowed to correct the right honourable leader on the other side (Right Hon. Mr. Meighen)? In his enthusiasm for despair he stated that we had been waiting for details of the regulations for weeks, and I am not sure that he did not say for months.

Right Hon. Mr. MEIGHEN: No; I said for a month.

Hon. Mr. LITTLE: The notice of motion for the establishment of a department to conduct national registration was given in the other House on the 9th of July, and the first inquiry about registration and mobilization by the honourable junior senator from Winnipeg (Hon. Mr. Haig) was made in this House on the 12th of July.

Hon. JAMES MURDOCK: Honourable senators, I am sure we are all very much interested in this question of enlistments.

Everybody knows that the conditions in this war are much different from those in the last war. Then the great need was for more and more man-power, and men were encouraged to enlist. As a Canadian, a much interested Canadian, I do not know as much about existing conditions as I should like to know, but I have in mind a couple of striking incidents. A friend of our family, a young man who has been employed for many years in a Canadian bank at New York, came here two or three weeks ago on his holidays. He enlisted, passed A-1, and was told just a few days ago to return to New York, to carry on, and he would be advised when wanted. Another, a son of a distinguished clergyman in Toronto, passed his examinations there and came here, and is working in the Bank of Canada until he is called up. To me this indicates there is not the same necessity in this war as in the last for man-power. Rather it is a question of munitions and mechanized equipment to carry on the war, particularly in the air. I am just as much interested as any honourable gentleman opposite in this very question, and, with what information I have been able to secure, I have come to the conclusion that even though young men are not being required to enlist as they were in the last war, everything is being carried on to the best possible advantage for Canada.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): I should like to ask the honourable member from Parkdale (Hon. Mr. Murdock) this question. If, as he says, conditions are such that we do not require more men, why are we conscripting men in Canada?

Hon. Mr. DANDURAND: I will answer my honourable friend. Let me remind him of what the Minister of National Defence said last week, that he did not intend just now to organize a Third Division for Great Britain, because Great Britain did not need it.

Hon. Mr. BALLANTYNE: What about the Near East?

Hon. Mr. DANDURAND: This is a statement of considerable importance. "We have sent a completely equipped Second Division to Great Britain, and now we are attending to matters that Great Britain deems essential, more especially air training and naval units." My honourable friend from Alma (Hon. Mr. Ballantyne) says, "Let us have bands playing in every town and city to stimulate recruiting." We do not need to do so, for Great Britain does not need the men. The Minister of National Defence has said that Great Britain has all the men she needs. But we have sent over two divisions under a Canadian commander to form a corps that will stand on the front line. Though I doubt whether Great Britain needs those two divisions, yet they are there. We must attend to what will help win the war; that is, in the air and on the sea. Canada is doing wonderfully well in those spheres. But all this brings not a word of commendation from my right honourable friend and his neighbours; no, nothing but dissatisfaction. They say that everybody is attending to his own business and there is no recruiting. The Minister of National Defence says that recruiting is very satisfactory and we have all the men we need responding to the call to service; but that does not satisfy my right honourable friend.

Right Hon. Mr. MEIGHEN: Certainly not.

Hon. Mr. DANDURAND: He is pessimistic and says the Government is not doing its duty. The Government is certainly doing a job that takes eighteen hours of work a day, and is doing it with first-class men. When I think of the organization of national defence under the late Sam Hughes and the men with whom he surrounded himself, in contrast with the men at the helm to-day, I ask: Is there any comparison between them?

Right Hon. Mr. MEIGHEN: Oh, oh.

An Hon. SENATOR: Shame!

Hon. Mr. DANDURAND: My right honourable friend has not the direction of affairs. From 1914 to 1918 he had such responsibility to a certain extent. To-day he is not at the helm, and he thinks everything is going to the dogs.

An Hon. SENATOR: Nonsense.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. DANDURAND: Of course, it is a source of great strength for a man to believe in himself, to think he can do that which others cannot do. I have considerable admiration for my right honourable friend's talents, but I say that to-day we have as fine a group of men at the helm as can be found anywhere, and they are doing what is needed. Now my right honourable friend says: "I want to see those regulations. Parliament is entitled to see them. I want to see work done first that will help carry the war to a successful conclusion." I confess I am somewhat tired of hearing only recriminations when Canada is doing its job splendidly.

Right Hon. Mr. MEIGHEN: I do not know what idea the honourable leader of the House has of recriminations. "Recrimination" is harking back to the conduct of someone else as being worse than your own. Really

it is he who is guilty of recrimination. I am criticizing. Am I to be held up as unworthy of my place if I offer criticism?

Hon. Mr. DANDURAND: There is the question of the spirit behind it.

Right Hon. Mr. MEIGHEN: Is it laudable conduct on my part merely to sit in silent admiration, or to stand up and wave my hands in glorification of a Government that already glorifies itself?

Hon. Mr. DANDURAND: That is the complaint of my right honourable friend.

Right Hon. Mr. MEIGHEN: So far as the management of the last war is concerned, I am going to say something that I have not said before: I ask the leader of the House and the leader of the Government and all those who keep harking back to the past, just keep in your minds that the last war was won.

Hon. Mr. DANDURAND: Yes, but under other conditions.

Right Hon. Mr. MEIGHEN: Do not forget that, please. I do not intend to make comparisons. I could do so. We should never get anywhere by reviewing the conduct of the last war. Just keep in mind the ultimate result.

Hon. Mr. DANDURAND: After the United States came in.

Right Hon. Mr. MEIGHEN: I shall not say anything further on regulations. We have had a promise from the Minister again to-day, and I stop there for the time being. But the gist of the reply of the honourable leader of the House to my friend on the left (Hon. Mr. Ballantyne) is that Britain does not want men. Of course we all know, as the honourable senator from Parkdale (Hon. Mr. Murdock) has said, this is quite a different war from the last, and men without equipment are not of great value. But let it not be stated in bald terms, "Britain does not want men." I ask the leader of the House and honourable members generally to keep in mind in days more crucial, which, I fear, are not very far ahead, the words we heard this afternoon: "Britain does not want men."

Hon. Mr. DANDURAND: I was repeating the words of Hon. Mr. Ralston, Minister of National Defence.

Hon. J. A. CALDER: Honourable members, after the honourable member from Parkdale (Hon. Mr. Murdock) had spoken I had intended to say a word as to the necessity of having men ready. I do not care what representations were made by the Minister of National Defence himself or by the British Government so far as the necessity for men is concerned. Is there anywhere in the world to-day anyone who can say with any authority whatever what man-power may be required? Nobody can. Let me for a moment draw a possible picture. Suppose that in a blitzkrieg the Germans get a safe landing-place in Great Britain. How many millions of men could they pour into that country in a comparatively short time, as they have done elsewhere, most effectively, in days or at most in weeks? Great Britain at the present time has a strong, capable defence force of one and a half million men. We all hope it will succeed in frustrating any attempt at invasion; but again I ask, Who at this time can say what the result of a blitzkrieg would be? What was Winston Churchill's picture of it? He said: "We will fight on our sands, we will fight on our shores, we will fight in our streets, we will fight on our hills, we will fight in our valleys, until every man is dead; and from England we will go to the shores of our colonies and continue the fight there."

Hon. Mr. COPP: If necessary.

Hon. Mr. CALDER: Yes, if necessary. And will my honourable friend say it will not be necessary?

Hon. Mr. COPP: No, nor will I say at this time that it will be necessary.

Hon. Mr. CALDER: Exactly. The only point I wish to make is this, that Canada should exert every effort to prepare as many men as she can for any struggle there may be in the future—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: —and not simply rest content with the getting together and equipping of two divisions.

Hon. Mr. COPP: What evidence has my honourable friend that the Government is not making that very preparation?

Right Hon. Mr. MEIGHEN: Look around.

Hon. Mr. CALDER: Where is the evidence? We have just had a statement that the First and Second Divisions are overseas and that the British Government wants no more men.

Hon. Mr. DANDURAND: And yet we are recruiting and preparing to train three hundred thousand more men.

Right Hon. Mr. MEIGHEN: Giving them a month's training, starting in March.

Hon. Mr. CALDER: My only point is this: we must not get into our heads the idea that in this struggle which the British Commonwealth faces men will not be needed, or

that men are not needed now. I fear the struggle will be very much harder than we are anticipating.

Hon. Mr. COPP: Why try to give the public the impression that we are going to lose this war, as the honourable gentleman is trying to do to-day?

Hon. Mr. CALDER: What is my honourable friend referring to?

Hon. Mr. COPP: To the statement my honourable friend has just made.

Hon. Mr. CALDER: I have only stated what the head of the British Government stated in the House of Commons.

Hon. Mr. COPP: I say to my honourable friend, instead of having doubts about the future, have confidence in what we are doing. We are doing the best we can to assist the Mother Country and also to protect and defend ourselves if the war comes here.

Hon. Mr. CALDER: I am afraid my honourable friend is getting a little excited.

Hon. Mr. COPP: I am not getting excited.

Hon. Mr. CALDER: I ask my honourable friend and every other member of this House whether it is not legitimate to inquire as to the number of men who may be needed in this life-and-death struggle which is going on at the present time. Because I do so, my honourable friend suggests I am intimating to the public of Canada that we are defeated, or about to be defeated.

Hon. Mr. COPP: The honourable gentleman has said he is afraid of it.

Hon. Mr. CALDER: I have never said I am afraid of it at all.

Hon. Mr. COPP: And he has also been intimating to the public that those in charge of the affairs of this country are not carrying on as best they can to make proper preparations.

Hon. Mr. CALDER: I did not say that.

Hon. Mr. COPP: That is the very thing the honourable gentleman has been talking about.

Hon. Mr. LACASSE: It is a mild inference.

Hon. Mr. CALDER: I did not. I was replying to a statement made by the honourable member from Parkdale (Hon. Mr. Murdock) and by the honourable leader of the House as well.

Hon. Mr. MURDOCK: May I ask the honourable gentleman, does he think the Germans can land two or three million men in a blitzkrieg invasion of England?

Hon. Mr. CALDER: I do not know.

Hon. Mr. MURDOCK: Do you think so for a moment?

Hon. Mr. CALDER: I should think not. But we know what they have done elsewhere, and done in a comparatively short time.

Hon. Mr. LACASSE: By land.

Hon. Mr. CALDER: Whether or not they can do so in this situation I do not know, and nobody else knows. I wish to make reference to only one part of what the honourable member from Parkdale (Hon. Mr. Murdock) said, and that is about the necessity of preparation of men for the conflict ahead. In my view, no matter what statements are made by anybody, nobody knows what men will be required if we are eventually to win out. Nobody at the present time can possibly know what form this struggle will take. If we are to exert our full effort in the struggle which is bound to come, then Canada must have the preliminary work done in order to supply what men we think should be supplied.

Hon. Mr. COPP: That is just what is being done and has been done right along.

Hon. Mr. DANDURAND: Has my honourable friend any doubt as to the Minister of National Defence and his department doing the very thing which he suggests?

Hon. Mr. CALDER: I simply took the statements that the First Division has been in England for some months and that the Second Division has landed.

Hon. Mr. BALLANTYNE: No.

Hon. Mr. MURDOCK: Both papers this afternoon, the Evening Journal and the Evening Citizen, say yes.

Hon. Mr. CALDER: And a Third and a Fourth Division are in sight.

Right Hon. Mr. MEIGHEN: On paper.

Hon. Mr. CALDER: On paper. Yes, I presume that is what it means. At the same time the intimation was given that the British Government did not require any more men. That is what I was answering.

Hon. Mr. DUFFUS: At the present moment.

Hon. Mr. CALDER: Just at this minute. But what may be required two weeks or three weeks from now?

Hon. Mr. DUFFUS: Preparations are being made for it.

Hon. Mr. CALDER: All right. God speed the man who is making the preparations.

Hon. G. LACASSE: Honourable senators, may I be permitted to speak once, and very briefly, when so many honourable senators have been allowed to speak at length and repeatedly? I do not want to say much; I do not need to, because there is very little new in what we have heard to-day as compared with what we have been listening to since the beginning of this session. This kind of "oratory"—and I emphasize the "Tory" end of it—will never dislodge the Germans from Poland, which, after all, was one of the primary aims of this war.

I am surprised, and almost amused, to note the lack of confidence in and admiration for the present Minister of National Defence on the part of our honourable friends opposite, who were so generous in their eulogies of him when he was Minister of Finance. That a man who was so efficient a few weeks ago should become of so little use to his country now is amazing. I am more consistent than my honourable friends. I trust the Minister of National Defence to-day as I trusted the Minister of Finance yesterday. He is still in the service of his country and is giving of his best efforts to win the war.

So far as information from the Government is concerned, I do not know why there is so much complaint in this House—on one side particularly, if not exclusively—about the people at large and members of Parliament not being informed. As I stated before, I happen to be in the publishing business, and I may say that not one day elapses that we publishers do not receive some information and documentation as to the progress of the present Administration in fighting the war. I hold in my hand at this moment—

Right Hon. Mr. MEIGHEN: Just because the Public Information Bureau—

Hon. Mr. LACASSE: I did not interrupt the right honourable gentleman when he was speaking, and I hope he is not going to interrupt me now. I hold in my hand a long document which was sent to the daily and weekly Press of Canada a few days ago for immediate publication. Believe it or not, even this slow-moving Government is one step ahead of the impetuous leader of the present Opposition in the Senate. Believe it or not, we have here in this document all the information which my right honourable friend is so eager to get, and for which he has been asking ever since the beginning of this session. I cannot read the whole document. It would take too long, and it is in French. I had an English copy, but I cannot lay my hand on it just now. I shall not therefore undertake to translate the French version as I speak. I would gladly do so, though, were we not at so late a stage in this session.

May I be permitted to declare here, in passing, that no force in the world, not even Hitlerian tyranny, will ever silence the resounding echoes of the "verbe de France." The French language will continue to be heard in Canada, where it is official, and it will remain universal throughout the world.

As I say, this comprehensive document is in French, and because of its length I will not attempt to translate it. But I have all the information here, and I beg my right honourable friend to believe me.

Hon. A. L. BEAUBIEN: He should learn French.

Hon. Mr. LACASSE: He made a very laudable effort to do so in the past, and I compliment him on it.

I ask my right honourable friend to believe that there is no man who is more interested in the youth of the country than I am. I do not say more. I do not wish to be more personal than necessary. I ask him to believe that I have an interest in these things at this time as a true citizen of Canada and as the father of a family. I ask him to believe that I have read this document with the greatest interest possible, and that after having done so I am fully satisfied that I have been given all the information that is necessary or desirable. This is the only opportunity left me to speak on this subject in the Senate, and I believe I am using it legitimately.

Everything is here. I will read it if the right honourable gentleman wants it.

Right Hon. Mr. MEIGHEN: What is it?

Hon. Mr. LACASSE: Complete information—

Right Hon. Mr. MEIGHEN: The regulations?

Hon. Mr. LACASSE: Complete information from the department as to the means which will be adopted to carry out the intention of the Government as far as military training is concerned.

Right Hon. Mr. MEIGHEN: I want the regulations, and nothing else.

Hon. Mr. LACASSE: This is the explanation of the regulations, the explanation in

toto of the intention of the Government. If it were in English, I would read it at length—

Hon. Mr. DANDURAND: I will get the English version for nine o'clock.

Right Hon. Mr. MEIGHEN: If the English version has been summarized and has not been laid on the Table before being given to the Press, the offence is worse than ever. We have a right to receive, contemporaneously with the Commons, all the regulations; and nothing else will answer me, no matter what it is.

Hon. Mr. LACASSE: You have here in detail a statement of what will take place—

Right Hon. Mr. MEIGHEN: I want the regulations.

Hon. Mr. LACASSE: Of course, I am only the father of a family, and I cannot claim, when I do speak on such sacred matters, to have the same authority as the vituperative leader of a vituperative party.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. LACASSE: Ever since the beginning of this session we have been listening to an egging-on programme of: "Go on. You never do enough in whatever you undertake. More men are needed to be sent abroad," etc. I may remind my right honourable friend that there is still a country in the world by the name of Canada, and that it happens to be much larger and more difficult to protect than England. It also happens to be the largest Dominion in the British Empire, and I do not think England's situation would be much improved should this country go under first. We have to think of ourselves and protect our coasts. I do not think I am less loyal than anyone when I make this statement.

Hon. Mr. CALDER: May I be permitted a word?

Right Hon. Mr. MEIGHEN: He is not through.

Hon. Mr. CALDER: Oh, I beg pardon.

Hon. Mr. LACASSE: I could say much more, but I have exhausted what I intended to say to-day. In concluding I promise honourable gentlemen not to rise again and make ten speeches in one debate, contrary to the rules of the House.

Hon. Mr. CALDER: I do not intend to contravene the rules of the House, but I think I may be permitted a word of personal explanation arising out of the remarks of the honourable senator from Westmorland (Hon. Mr. Copp).

I have no intention whatever of criticizing the efforts made by the Government in connection with the war. I have not done so, and I do not intend to do so. As a matter of fact—and I shall be brief—I think we are very fortunate in having a man like the Hon. Mr. Ralston at the head of the Department of National Defence at the present time.

Some Hon. SENATORS: Louder!

Hon. Mr. CALDER: I say I think we are very fortunate in having a man like the Hon. Mr. Ralston at the head of the Department of National Defence at the present time. He is a very capable man, a man in whom I have great confidence. I am sure he will do splendid work in connection with the war.

To pass along to the gentleman who is in charge of the Department of Munitions and Supply, we all admit, without exception, that if any man has worked hard and effectively it is the Hon. Mr. Howe. He deserves the greatest credit. In the first period of the war, as we know now, he was hampered in many ways; but when he has had a chance to do something really worth while he has done it, and done it splendidly. I say that without any hesitation at all.

At the head of the Air Ministry is my old friend whom we used to call "Chubby" Power. He is a man we all respect. He is very popular and very able, and I am quite sure he is doing splendid work.

These are the three key men in our war effort. I do not criticize them or their work; I have not done so during this entire session; and when an honourable gentleman on the other side accuses me of doing that kind of thing it arouses my resentment. All I did was to speak on the question of the necessity for men in the future, and some honourable gentlemen have endeavoured to twist and turn my words into a criticism of what the Government has been doing. I had no intention of making any such criticism.

Hon. Mr. COPP: Honourable senators, my honourable friend says he resents the remarks I directed across the floor of the House. I understood as clearly as I understand the English language that he, along with the leader of the other side, was criticizing the Government for not making sufficient progress in carrying on the war.

Hon Mr. CALDER: No.

Right Hon. Mr. MEIGHEN: I was. I accept the charge.

Hon. Mr. COPP: I was glad indeed to hear the honourable gentleman from Saltcoats (Hon. Mr. Calder) express his admiration

for and confidence in not only the Minister of National Defence, but other Ministers as well. In this I agree with him.

My idea in relation to this war is the same as it was in relation to the last one. During that war I had the opportunity of sitting in the other House and listening to a great deal of criticism of the Government, and a great many explanations by the Government of what it was doing. I realized then that it was impossible to give to the people all the information they were asking for. You cannot make public all that the Government is doing in time of war.

I should have every confidence in the loyalty and ability of my right honourable friend if he were in a position to help in carrying on the war. Unfortunately for the country, perhaps, he is not. I have an outstanding respect for the present members of the Government and all who are assisting them. I believe they are doing their very best, and are capable of carrying on. I believe they are loyal. Some of us, just because we are not closely allied with them, think that something may be wrong, or that we should do differently. I believe that the Minister of National Defence, the Minister of Defence for Air, the Minister of Munitions and Supply, and all the others, with the assistance of the advisers they have about them, are doing the very best they can. In the Department of Defence, which is largely responsible for the conduct of Canada's war efforts, there are generals, colonels and other leaders advising the Government, and they are largely responsible for directing the work which is being carried on.

I did not intend to offer any affront to the honourable senator from Saltcoats (Hon. Mr. Calder), but I say that the least we can do is to have confidence in those who are carrying on, and to refrain from criticizing little things, and asking for information to which we are not entitled, and which would do us no good if we had it. Instead of instilling into the public mind a sort of despondency, I say we should be optimistic. I believe we can win this war; but we can do that only if we work together and avoid indulging in carping criticism because some little things that we think should be done have not been done.

Hon. Mr. HORNER: Honourable senators, I do not think it is proper that whenever our leader on this side (Right Hon. Mr. Meighen) criticizes the Government for what is or is not being done he should be told that he is critical only because he is not in power. We all have a perfect right to urge upon the Government that more men be trained and sent overseas as speedily as possible, regardless of what we are told the British Government says. It should be obvious to every honourable senator that there is no other reply England could make than that she has men enough. If I were conducting a battle out here and hollered for help immediately it started, that certainly would not make a good impression. I repeat it is perfectly obvious that England could not say anything but that she has enough men. And we, as a partner, ought to be proceeding with our war efforts faster than we are.

Hon. Mr. HAIG: Honourable senators, early this afternoon I asked a question which apparently stirred up a good deal of criticism. However, I still have no answer to the question. When I return to the part of the country in which I live, I want to be able to say that such and such are the regulations under the Mobilization Act, and that the policy of the Government is this and that. I think that my people out there would consider me a very stupid fellow if, when I went home, I said: "I do not know anything about the regulations. You read the papers; so you know more than I do."

Hon. Mr. DANDURAND: Has my honourable friend not read the statement of the Minister of National Defence?

Hon. Mr. HAIG: Yes.

Hon. Mr. DANDURAND: I put that question to my honourable friend.

Hon. Mr. HAIG: Yes, I have. But the trouble is that the Minister's statement does not give the details about the regulations, and that is the information I want. I saw in one newspaper that single men from 21 to 24 would be called up first. I believe that statement was made on the authority of Hon. Mr. Gardiner, the Minister of National War Services. But somebody else said the call would be limited this year to single men of 21 and 22, and that no married men would be called until a year hence.

Hon. Mr. DANDURAND: Is my honourable friend familiar with all the information given in the speech by Hon. Mr. Ralston, the Minister of National Defence?

Hon. Mr. HAIG: I heard most of it myself from the gallery of the other House. The greater part of what he said dealt with what the Government has been doing. The thing I am interested in is what it is going to do in future.

Hon. Mr. DANDURAND: He told about that.

Hon. Mr. HAIG: Let me make it clear that I am not criticizing. I simply want some information. The people of France were told by their Government that the country was ready to defend itself against Germany. The fact was, as we now know, that France was not ready at all. Holland was advised by outsiders that it should join with Great Britain and France in a policy of offence and defence, but the Government of the country thought it was safer to remain neutral. Mr. Chamberlain said that Hitler missed the bus in going to Norway. Missed the bus! He was the driver of the bus! I am not questioning the sincerity of my honourable friend's beliefs or of the Government's beliefs, but there is a question in my mind as to whether the Government may not be wrong in the policy it is pursuing. In my humble opinion, which I admit is not worth much, the war ultimately will be won, not on the sea nor in the air, but as all wars since the beginning of Christendom have been won, on the land, by men behind guns. It is they who have always won wars and who, I think, always will win them. We are told that Britain does not need men. Then why has she called up one million men this month?

Hon. Mr. DANDURAND: They are at home.

Hon. Mr. HAIG: All right, but they must be needed in the army there. Ultimately, in a year or two years, whenever it may be, we shall have to go to Europe and defeat the Germans by talking to them in the only language they understand.

Hon. Mr. KING: The Minister said that in his speech the other night.

Hon. Mr. HAIG: I know, but that is not what has been said in this House to-day. I know the honourable gentleman from Parkdale (Hon. Mr. Murdock) was speaking with good intentions, but I disagree with his view that men are not needed. We ought to let the people know that men are needed.

Hon. Mr. KING: The Minister said so.

Hon. Mr. HAIG: The impression I have gathered from official statements is that Britain has told us she does not require more men from us. I must say quite candidly that recruiting in Canada at present indicates the public do not realize the fact that we do need men. The calling up of 300,000 men for one month's training will not have very far-reaching results. Six or nine months must be the minimum of time in which a man could acquire any familiarity with mechanized methods of modern warfare.

I repeat that I am not criticizing the Government. My point is that I want the Government to tell Parliament, of which this House is a part, what the regulations are. I want to know, for instance, what are the age groups to be called up, what are to be the grounds for exemption, and how the tribunals are to be constituted.

Right Hon. Mr. MEIGHEN: And who will select them.

Hon. Mr. HAIG: Exactly—who will select them. In short, what is the set-up? I want to be able to say to the young men of Manitoba that the set-up is so-and-so; that, let us say, those from 21 to 24 will be called first, that farmers are exempt or not, as the case may be, and that lawyers are exempt or not. I believe I am entitled to that information. If the Government says, "Parliament is not entitled to that information," I shall be satisfied with that answer.

Right Hon. Mr. MEIGHEN: I shall not.

Hon. Mr. HAIG: I shall not be satisfied permanently, and I do not think the country will be. You will not get the best effort out of Canada in that way. You can get Canadians to do their best only by telling them the facts. Even if the facts were unfavourable, I should make them known. I think Canadians can stand up to the truth. If the fact is that ultimately we shall have to raise half a million men or more to go to Europe and fight, the Government should state that to the people. There would be no fainting. There is more fear in Canada over what people do not know than there would be if they knew everything.

On the 12th of July I first asked for details of the regulations under the Mobilization Act, and every few days since then I have pressed for an answer. If the honourable leader (Hon. Mr. Dandurand) will say that no answer can be given, I shall be through. But I submit the question should be answered, and I do ask him now to see that the rules and regulations are presented to us, if possible, before prorogation, which it now appears will take place to-morrow. If he says they will not be ready then, I shall be satisfied—for I am not pressing as hard as my right honourable leader (Right Hon. Mr. Meighen) is—to be told that a copy of them will be sent out to every senator next Monday or Tuesday.

Right Hon. Mr. MEIGHEN: Then you would not be able to say anything about them.

Hon. Mr. HAIG: I am not so concerned about that. I think it is detrimental to our greatest possible war effort that we, members

of Parliament, have not all the information we should have. If it were given to us the people all over the country would feel confident that we at least knew what was going on and were doing our best to help make a success of the Government's war policy. I plead with the honourable leader to let us have the rules and regulations by nine o'clock to-night, or, should that not be possible, to-morrow. If the Government finds later on that some changes are necessary, I shall not criticize it for that. It is only human to make errors. In the event that the regulations cannot be made public, then give them to us in private, so that when we go home we shall have basic information upon which to advise our people.

Right Hon. Mr. MEIGHEN: If the regulations are given to us in private, how shall we be able to tell our people about them?

Hon. Mr. DANDURAND: I think my honourable friend from Winnipeg South-Centre (Hon. Mr. Haig) already has obtained considerable information from the statement made in the other House by the Minister of National Defence.

Right Hon. Mr. MEIGHEN: That has nothing at all to do with the regulations. I will tell the honourable leader what I have in mind. I have information to the effect that the tribunals, which last time were chosen in the fairest way the human mind could devise, are to be selected this time solely by the Minister on the authority of the Governor in Council. In every case where a judge can be found, one member will be a judge, and the other two will be nominated by the Minister. I know what will happen if that is the fact, and I should like to be told whether it is or not.

Hon. Mr. COPP: Do I understand the statement is that two members will be selected by the Minister?

Right Hon. Mr. MEIGHEN: By the Governor in Council. Just imagine!

May I make a little remark on the side? I am not at all questioning the intentions of the honourable member from Parkdale (Hon. Mr. Murdock). One person very close to me is mobilized, and the best information I can get from the Department of Defence is that his regiment is to be in the Second Division. He is still here. So they are not all over in England yet.

Hon. Mr. DANDURAND: I am not in charge of the organization of these regiments. The Minister of National Defence is advised by military men of high standing, with whose records we are familiar. He is not new to his post, for he occupied it before, some years ago, and is well qualified to study the advice given to him and to make decisions. Because of my knowledge of the men who are directing our military efforts I have a feeling of security, and am confident that the right things are being done.

My right honourable friend is asking about the organization of tribunals?

Right Hon. Mr. MEIGHEN: That is one of the items.

Hon. Mr. DANDURAND: He suggests that each tribunal, though headed by a judge, will have two other members, appointed by a Minister whom he does not like very much, and he says, "Just imagine!" Well, the organization that will be set up all over this country, from the Atlantic to the Pacific, will be a pretty large affair, no merely parochial body, and I take it for granted that the men having the responsibility for that organization will naturally keep the standard up to a high level. How does my right honourable friend want these tribunals organized, if not under the supervision of the Governor in Council?

Right Hon. Mr. MEIGHEN: How was it done last time? A joint resolution was passed by the Senate and the House of Commons appointing a committee of selection, on which the parties were equally represented, and whose duty it was to name one member of each tribunal. The other member was chosen by the local judge. In that way any possibility of partisan influence was done away with. If the Government had attempted to nominate the tribunals, Parliament would not have been prorogued until the war ended.

Hon. Mr. DANDURAND: I am not making any comparison between what was done in 1917 and what is to be done now. I have no doubt whatever that the work will be conducted in such a way as to meet with general approval in each district where a tribunal functions.

My right honourable friend has been speaking of two things. First, of the registration which will be in progress from the 19th to the 21st of this month. That registration is for the manhood of the country.

Right Hon. Mr. MEIGHEN: And the womanhood.

Hon. Mr. DANDURAND: Yes. But it will have very little to do with the levies which will be made for military purposes. From that registration will be rapidly gathered information as to how many men aged 20, 21, and so forth, are available. From those men the Minister of National Defence will

have to make his selection. I cannot see that there will be anything objectionable in the manner in which the work will be carried on. It will be done by the Minister of National Defence, and, I am quite sure, in such an orthodox and regular manner as to meet with the approbation of my right honourable friend when he sees it.

Right Hon. Mr. MEIGHEN: Simply trusting every day.

Hon. Mr. DANDURAND: The country has selected the men to administer its national affairs during this war. So we have simply to accept the inevitable.

I direct the attention of His Honour the Speaker to the fact that it is now 6 o'clock. We are to resume at 9 o'clock.

At 6 o'clock the Senate took recess.

The Senate resumed at 9 p.m.

COMPENSATION (DEFENCE) BILL

FIRST READING

A message was received from the House of Commons with Bill 123, an Act respecting the payment of compensation for the taking of certain property for war purposes.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of the Bill.

He said: I would refer honourable members to the explanatory note contained in the Bill. It reads:

The purpose of the proposed Bill is to lay down rules for the fixing of compensation and the payment thereof in respect of the taking of ships and aircraft for war purposes under section seven of the War Measures Act and the application by Order in Council, if so desired, to any other Act of Parliament.

The Bill is substantially the same as corresponding sections in the Compensation (Defence) Act, 1939, passed by Parliament in the United Kingdom, except that it is limited to the two classes of property above mentioned. The Act of the United Kingdom is, for obvious reasons, much broader in scope and applies to certain classes of property in addition to those above mentioned.

As regards the basis upon which compensation is to be payable, the Bill adopts the principle of the Act of the United Kingdom, namely, that compensation is payable on pre-war values. The reason for the selection of pre-war values as the basis of compensation for the taking of ships is that, as a result of the disappearance of practically all European shipping other than British, the requisitioning of all British shipping, the partial requisition of Canadian shipping and the elimination of American shipping from the European trade, values now existing are purely artificial. The same reasoning applies to the taking of aircraft. The only real ascertainable values are those which ships or aircraft had before the war.

The legislation is of necessity very detailed. Owing to the fact that at the time of the requisitioning of a vessel or aircraft the period of the requisition is uncertain, it is impossible to fix a lump sum by way of compensation at the outset. Such a lump sum could be fixed at the end of the period, but in the meantime the parties interested in the vessel would receive no payment. The Bill is, therefore, drafted to provide that compensation by way of rent or charter of hire will be payable periodically, that any expenses will be immediately repaid and that any damage in excess of fair wear and tear or due to special war risk will be paid for at the end of the period. Further, as different persons may be interested in the vessel at different times during the period of requisition, provision is made to ensure that payment is made to the proper person.

The proposed Bill, in its substantive provisions, follows very closely the wording of corresponding sections in the Act of the United Kingdom. The only changes other than the limitation in its scope—

—that is, the limitation to aircraft and vessels—

—mentioned above, have been made to fit the legislation of the United Kingdom into the Canadian scheme of legislation contained in the War Measures Act and the Orders in Council, including the Defence of Canada Regulations, made thereunder.

I think this gives a fair summary of the scope of the Bill.

I have this statement from our Law Clerk:

I have no amendments to propose to this Bill as introduced in the House of Commons, and unless a further memo is presented after the Bill is passed in that House, it may be taken that I have no amendments to propose to the Bill as so passed.

Right Hon. ARTHUR MEIGHEN: Honourable senators, none of us has had time to read this measure, and certainly it is one of some importance. At first I was rather puzzled as to why a Bill should be necessary now to enable the Government to pay for such things as aircraft and ships. It certainly can take them and leave the matter of payment to adjustment or to the ordinary process of law. But I presume where compulsory taking is necessary, that is to say, where it is impossible to arrive at terms with the sellers, there may be some requirement in the way of a basis of value on expropriation.

Hon. Mr. DANDURAND: And a provisional payment made.

Right Hon. Mr. MEIGHEN: The Bill provides not only for taking ownership, but also for taking a sort of easement on the property during the term of the war, if the Government wants the property. That is to

say, the Government is not always taking it as an asset, but may be taking only the use of it for a time.

The Bill, as I am informed, follows in the main the British Act passed last year.

Hon. Mr. DANDURAND: Yes.

Right Hon. Mr. MEIGHEN: If so, it is probably all right. The Minister says the basis of expropriation—which, no doubt, means the basis of taking the property, not of taking the use of it—is the value prior to the war. Would that apply where you take the use of a vessel or a plane?

It is quite fair to say that values of ships and aircraft are higher now. Ships are certainly higher in value. It is hardly fair to say the value is artificially higher. It is higher for a reason very well known. A company would find it exceedingly difficult to replace its ships at this time. I have no objection to the measure, but I can see that its provisions might be exercised very oppressively.

In this connection, I have more than once had a complaint as to the passing of vessels to Government use. I do not know whether they actually pass to the Government or to a board. The complaint comes from the employees. I am informed that it is not the British Government which is concerned, but just what the set-up is I do not know. The complaint is that vessels passed over to the Government or to this governmental board are almost invariably old hulks which have been laid aside, and that the Government is undertaking to put them in shape, at a cost of many thousands of dollars, and give them back in improved condition. I am not assuming responsibility for this statement at all; I am not even saying the Government itself is actually doing the purchasing, or is responsible for the board; but it is said these old hulks are being passed off for war purposes at fantastic prices, and that better vessels command no more than the old hulks.

Hon. N. M. PATERSON: Honourable senators, as I am in the shipping business and have had some of my vessels requisitioned by the Government, I may be able to give some information with respect to this matter.

Right Hon. Mr. MEIGHEN: Requisitioned by the Government?

Hon. Mr. PATERSON: By the Canadian Government, acting for the Ministry of Shipping of the United Kingdom, as represented by Sir Edward Beatty.

Right Hon. Mr. MEIGHEN: As I understand it, the complaint refers, not to that case at all, but to ships going to others.

Hon. Mr. PATERSON: May I explain this in any case?

The British Ministry of Shipping asked for some Canadian ships. The only ships we could give them were of the inland water type, suitable for canal work—two hundred and forty-two feet long, and having a depth of fourteen feet. They carry about three thousand tons.

Right Hon. Mr. MEIGHEN: That refers to the Welland Canal.

Hon. Mr. PATERSON: The Welland Canal. The older type of ships has become obsolete. I think I can give it better in terms of bushels. The older type of vessel was built heavy, with the engine aft, and carried about sixty-six thousand bushels through the canal. As these vessels did not pay very well, we devised a type—what is called the Calderwood design—which carries up to ninety-seven thousand bushels on fourteen feet draught. It is built differently, and comes from England loaded with coal or clay, goes through the canal, and does not go out again on the ocean. Great Britain required coast-wise shipping. She wanted to replace ships running to France and release another type of ship for other duties.

Certain ship owners met the British Ministry of Shipping, and while they had already made a deal for eight obsolete ships, they agreed that our ships could be requisitioned. Some owners were willing to give a proportion of their ships; others were not. Under these circumstances the only thing to do was to force the owners, on a percentage basis, and the Canadian Government requisitioned those ships on a percentage basis and turned them over.

Right Hon. Mr. MEIGHEN: What is meant by a percentage basis?

Hon. Mr. PATERSON: I own twenty ships; they took three.

Right Hon. Mr. MEIGHEN: Oh, a percentage of ships.

Hon. Mr. PATERSON: A man who owned ten ships—

Right Hon. Mr. MEIGHEN: Would give one and a half.

Hon. Mr. PATERSON: They did not do it in that way. As there were mortgages on most of the ships, it was necessary to give some undertaking that the ships would be insured; so the British Ministry of Shipping entered into such an undertaking for a certain sum.

The question of the value of these ships before the war, or after, is a very difficult one.

If you wanted to find the value of a ship, you would practically have to go into the details of a dry-dock contract, and that takes time. Furthermore, to-day it might take three years to build a ship. The value of a ship might have been 32,000 pounds before the war, and it might be 45,000 or 50,000 pounds to-day. But you would have to wait three or four years to get delivery. So the British Ministry of Shipping gave an undertaking to the Canadian Director of Shipping to insure these ships at a certain sum, and took them on a basis of $125 a day, bare boat, for the time they are in commission.

As these ships are now on the way out, they have had to be altered considerably to make them suitable for ocean work. For instance, the hatches, which in fresh water are about eight inches high, were increased to twenty-four inches for salt water. The strong-backs, which are the steel beams across the ship, and which for fresh water are of a certain size, were more than doubled. As the vessels were built for fresh water and short trips, they were not as strong in the bow and the stern as they would be for ocean traffic, and had to be reinforced. As no ships had been built for Canada for ten years, they all required overhauling, and had to be placed in docks such as those at Halifax, Quebec, Port Dalhousie and other places.

My first ship, the Collingdoc, has now arrived on the other side loaded with timber. One vessel, I think, has been lost in Zeebrugge harbour with a load of cement. It must give Canadians a feeling of pride to know that Canada has been able to contribute some twenty-nine ships, I think it is, towards the cause of Great Britain. These were not old ships. Most of them were in the canal business, carrying grain, pulpwood and coal, and the sending of them to Britain has meant a considerable sacrifice to the trade and to Canada; but the owners, recognizing the necessity and the exigencies of the case, have contributed their ships readily.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. PATERSON: The rental of $125 a day is very small when one considers what these vessels have to earn in seven months in the canals. Fortunately for us—and yet unfortunately—they will not be badly needed in the grain business this fall, because of the lack of movement of grain. On the other hand, by reason of the shutting off of Norwegian business, the ground wood-pulp business and the coal business have probably doubled or trebled, and a great deal of commerce is going by the railways because of the lack of water transportation. I feel that the vessel men have made a considerable contribution.

Right Hon. Mr. MEIGHEN: That is entirely a British Government operation?

Hon. Mr. PATERSON: Oh, yes, through the Canadian Government.

Right Hon. Mr. MEIGHEN: Through the Canadian Government?

Hon. Mr. PATERSON: The Canadian Government had to do the requisitioning. The British Government had no authority to requisition Canadian property.

Right Hon. Mr. MEIGHEN: But the terms are all made with the British commission?

Hon. Mr. PATERSON: Yes.

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

THIRD READING POSTPONED

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

Hon. Mr. DANDURAND: Now.

Right Hon. Mr. MEIGHEN: I do not think we should read it now. I have not had a chance to look through it at all. I do not think it need go to committee, though I should be very glad if the Minister would send it there, but at least it should wait until to-morrow.

Hon. Mr. DANDURAND: Third reading at the next sitting of the House.

NATIONAL WAR SERVICES—REGISTRATION AND MOBILIZATION

INQUIRY AND DISCUSSION

Hon. RAOUL DANDURAND: Honourable senators, I was queried somewhat sharply this afternoon by my honourable friend from Winnipeg South-Centre (Hon. Mr. Haig) and by the right honourable gentleman who faces me just now, and who has been facing me for some time (Right Hon. Mr. Meighen), on the question of the regulations emanating from the Minister of National War Services as to registration and the calling up of various classes for training. I now have a statement of the basis of these regulations. They are at present in the hands of Colonel George H. Cassels (of Blake, Lash, Anglin and Cassels), Brigadier Orde and Maurice Boisvert, Crown Attorney of Quebec, who have been for some time and are now working on them. I have been in contact with Colonel Cassels and have asked him if the regulations

which he has prepared, and which we have been in hopes of bringing to Parliament before prorogation, were in reality based on the statement made on the 30th of July by the Honourable Minister of National War Services. Colonel Cassels tells me: "That is exactly so. These are the figures and the enactments that we are now whipping into shape." He added that if the Senate wanted him to come before one of its committees, he would explain what he and his associates are doing, and how far they are advanced in their work.

I shall read the statement which is the basis of the work they are carrying on. This is the statement that was made in the other House on July 30:

At the expense of repeating some things already contained in the regulations tabled in the House, and statements already made in this House, I propose to review the whole procedure to be adopted by the department in registering our human resources, so that it can be found in one place in Hansard.

The national registration takes place on Monday, Tuesday and Wednesday, August 19, 20 and 21. The geographical units for the registration are the electoral federal constituencies, which are, in turn, subdivided into polling subdivisions, the boundaries of which are the same as the polling subdivisions in connection with the Dominion election of March last.

Right Hon. Mr. MEIGHEN: Will the honourable gentleman permit me? That is the procedure for the registration, and is of very little importance. What we want are the regulations for the calling up of men, and the exemptions.

Hon. Mr. DANDURAND: Then I will omit some of the statement and come to that point. After stating that there will be twelve boards, namely, one for each of the eleven military districts and one for the province of Prince Edward Island, the Minister went on:

Each board will be headed by a judge of a superior court, or where deemed advisable, by a judge of a lesser court, of the province in which the appropriate military district is situate.

The Chief Justice of the province will be asked to nominate this judge, and he will be appointed by Order in Council. As a matter of fact, these judges have practically all been nominated in this manner already.

Each board will consist of three members and, as I have said, a judge shall be the chairman of each board. The other two members of each board will be representative citizens of the district in which the board will have jurisdiction.

Right Hon. Mr. MEIGHEN: Who will choose them?

Hon. Mr. DANDURAND: I can assure my right honourable friend that the citizens selected will be high-class men, and no attention will be paid to their political views.

Right Hon. Mr. MEIGHEN: I am only asking who will select them.

Hon. Mr. DANDURAND: I suppose they will be selected by the Governor in Council.

Right Hon. Mr. MEIGHEN: That is the whole point.

Hon. Mr. DANDURAND: My right honourable friend apparently thinks that somehow it may be possible through these boards to have preference given to supporters of the party in power. As I proceed he will find the boards are to have only two simple functions, in the exercise of which there could be no political bias; so I hope his suspicions will disappear. The fact is that no individual will be entitled to appear before the boards.

Hon. Mr. CALDER: The boards will not deal with individuals?

Hon. Mr. DANDURAND: No.

Hon. Mr. CALDER: Only with classes?

Hon. Mr. DANDURAND: Yes.

Right Hon. Mr. MEIGHEN: Somebody will have to deal with individuals.

Hon. Mr. DANDURAND: Will my right honourable friend bear with me? The statement is not very long.

It will be impossible, with a board of three, to have all the various phases of the economic life of the country represented on the board, but this will be kept in mind in the appointments, so that the members of the board will be fully conversant with the predominant industries of the district in which the board has jurisdiction.

These boards will be located at the same point as the headquarters of the military districts, except in the case of Prince Edward Island, where the headquarters will be in Charlottetown.

Each board will have a district registrar whose duty it will be to look after the administrative end of the organization and who will be answerable to the Department of National War Services.

The registrars for the constituencies, after they have classified the cards of all the single men, 19 to 45, into age groups, will then send these copies of cards in to the district registrar.

It will be his duty to direct the tabulation and indexing of these cards, so that he will have in his office a complete record of all single men between the said ages for the whole territory under the jurisdiction of the board.

As stated by the Minister of National Defence, the military authorities will indicate the number of single men they propose to train within a year in Canada, and the Department

of National Defence will advise this department of the number of men it wishes to call up for training at any one time.

All training of classes called up is to be completed within a year, and it is the intention to make eight calls within the year and to space these calls equally as nearly as possible.

As soon as the national registration is over, the registrar for each constituency will indicate to the Department of National War Services the number of single men in each of the age groups in the electoral district over which he is registrar, and thus we shall know at once the number of single men in each group between 19 and 45 in Canada.

The Department of National Defence, with this information, will advise the Department of National War Services as soon as possible after this information is available, as to the number of men it wants called up on the first call.

As soon as possible after it is ascertained what year classes will have to be called to meet the first demand of the Department of National Defence, a proclamation will be issued, warning all persons within such classes, commencing with the 21-year-old class, that they will be called for service within a certain designated time.

This will be done to give them a chance of arranging their own affairs.

Every single person, male, who is medically fit, between the ages of 21 and 45, in Canada, may be compelled to take military training within one year.

It is possible that the requirements of the Department of National Defence will be satisfied by the calling up of single men from 21 to 35, and it may not have to go beyond this in the first year.

This factor depends on the result of the national registration and the number of men the Department of National Defence can train within the year. The only exceptions not subject to call will be as follows:

(a) Judges of superior, district or county courts of justice;

(b) Regular clergymen or ministers of religious denominations, members of the clergy or religious orders;

(c) Members of the naval, military, or air forces of Canada on active service;

(d) Those who, in the opinion of the Minister of National Defence, have already received military training, within the previous twelve months, at least equivalent to that to be given to men being called up under these regulations;

(e) Members of the Royal Canadian Mounted Police or provincial police forces;

(f) Members of the police forces and fire brigades permanently employed in any incorporated city;

(g) Wardens and officers of all penitentiaries, prisons, and lunatic asylums or mental hospitals.

Under an Order in Council passed in 1873, certain privileges with respect to military service were given to a sect of persons known as Mennonites, and under Order in Council passed in 1898 certain privileges with respect to military service were granted to the sect known as Dukhobors.

It is the intention of the Government to recognize these Orders in Council, and a method of dealing with the individuals who feel they are entitled to the benefits of these Orders in Council will be worked out and duly announced.

Every employer of labour in the district, under the jurisdiction of the board, shall be required forthwith to furnish the board with a list of all single male employees between the ages of 21 and 45.

Any industry shall be entitled to submit a plan to the district registrar for the calling up for military training, within the said period of one year, of its single male employees from the ages of 21 to 45.

The plan so submitted must provide for the training of all their employees within the year, but can be adjusted by the industries in such a way as to enable all to be trained within the year in a manner which will interfere in the least possible way with the conduct of the business of the industry. The men subject to call from any industry shall be divided into equal groups, so that the same number of men will come up for training on each call.

The district registrar, on receiving this, shall submit it to the board, and the board shall fix a date for hearing, and shall hear a representative of the industry submit the plan, and the board will have the right to either approve, reject or vary the plan.

That is one of the two functions of the boards.

After it is approved, either in the form submitted, or as varied, then the men therein listed shall be called as therein provided.

Now I come to the boards' second function. It will be seen they are to deal with groups only.

The Department of National War Services will submit to the board in each military district a list of the main seasonal industries within the jurisdiction of such board, and the periods during which it is inadvisable to call men for training from such industries, and it shall be the duty of the board so to adjust the call of men within its jurisdiction as to interfere as little as possible with the conduct of such seasonal industry.

The board will also have the right, in the case of a student at a recognized college or university, to postpone his call until the end of the scholastic year, provided the college or university has a system of compulsory military training in effect in the institution.

The Department of National War Services will be charged with the responsibility of having all men called up for training medically examined, and will arrange for qualified medical men to be located at points throughout the district, under the jurisdiction of the board, convenient to those to be called.

All men called up will have to pass the same type of examination as they would have to pass if they were volunteering for service in the non-permanent militia.

The medical examiners will place all persons examined in their proper medical categories in accordance with the practice of the Department of National Defence. It is intended to call up all men in the category of C-1 and above that, in the classes from time to time called.

After each call is made, the person to be called up will receive a notice in writing telling him where to submit to his medical examination, and where to go for his period of military training.

He will, therefore, first be examined. If he is rejected as medically unfit, then he returns home, and this fact will be noted in the record. If he is medically fit, he will proceed to the point where he is to be trained.

These men will be furnished with transportation to the doctor who is going to make the examination and to the military training point.

All medical examinations will be subject to review by the medical branch of the Department of National Defence.

Severe penalties will be provided for the failure of any person called up to submit to the medical examination and to take his period of training, if medically fit.

Severe penalties will be provided for the medical man who fails to make a proper examination or fails to report the true facts of the state of health of the individual.

All employers of labour will be required, under penalty, to put the employee back in his job at the conclusion of his period of training, or into a job the equivalent of the one he had.

A representative of the Department of National Defence may attend at sittings of the board and make such representations thereto, with respect to any matter being considered, as he may see fit, but such representative is not a member of the board.

The whole scheme, in broad terms, means this:

(a) As a result of the national registration, we know the numbers of single men between the ages of 21 and 45 throughout Canada, and we know the number in each age class.

(b) The military authorities decide the number of men they propose to train within the next year.

(c) Every medically fit male Canadian, subject to above exceptions, between the said ages, up to the number the Department of National Defence can train, will be called up during the year for a period of thirty days' training.

(d) This will apply to every person, regardless of his occupation or any other consideration, save the small excepted list that I have enumerated.

(e) There will likely be eight calls within a year, and the age classes will be called up in consecutive order, and all must be trained within the year.

All arrangements are made by the Department of National War Services, and the only connection with the Department of National Defence is the furnishing by that department to the Department of National War Services of the total number of men they can train and the number to be called up in each group.

The Department of National War Services will deliver the men to the Department of National Defence for training purposes and then our duties in this regard are completed.

There is considerable anxiety as to what effect this registration and proposed training of men will have upon production of primary products and industry in Canada.

This forms the very basis of the regulations upon which Mr. Cassels, Brigadier Orde and Mr. Boisvert are working.

It is impossible to say how many men will be called in the age groups of 21, 22, 23, or 24 years. It will depend upon the returns giving the total in each of these classes. The single men only will be called in turn, first at 21, 22 and 23 years of age, and so forth, until the figure is reached. At the present time the figure calls for 300,000 men.

I think it will be seen that the work will be carried on in a very satisfactory way. The boards to be appointed will be composed of a judge of the local district, assisted by two prominent men in whom all members of the community have full confidence. I think when those boards are constituted they will have also the full confidence and endorsation of my right honourable friend.

If the regulations based upon the statement I have read are not completed in time to lay before both Houses of Parliament, Mr. Cassels and Brigadier Orde, and probably Mr. Boisvert, their assistant, will be only too happy to appear before one of our committees tomorrow and state how far they have proceeded with their drafting of the regulations, and the basis upon which they are working.

Right Hon. ARTHUR MEIGHEN: Honourable members, one hardly knows where to begin in commenting on this information. Maybe I should not hope the House will give me credit for knowing a little about this problem of getting men for an army.

An Hon. SENATOR: "No more men required."

Right Hon. Mr. MEIGHEN: We are not getting any this way. When we faced this problem in the last war I was given the task of trying to frame a plan, with the examples before me of what had been worked out in England and of our own Militia Act. Working in conjunction with General Mewburn, I did this work, giving about two or three weeks to it, and prepared the entire Bill so far as the matter of drafting was concerned, and watched throughout the drafting as it proceeded, though I was not Minister of the department. Since that time I have had no contact with military matters at all.

The reason I am bewildered is this. The Minister started by assuring the senator to my right (Hon. Mr. Calder) that each of these tribunals—twelve in all throughout the Dominion—headed by a judge, would not have anything to do with the individual; that is to say, the individual could not appear personally, nor could anybody appear for him to make representations as to whether he was entitled to exemption or postponement, or whatever you may call it. That was fairly carried out in what was read, except that students may be excused until they get through their school term, and so forth. How they are going to adopt one course as to students, another as to farmers' sons, another as to some other class, I do not know.

Hon. Mr. DANDURAND: These are treated as seasonal classes, not as individuals.

Right Hon. Mr. MEIGHEN: Here is the joke: the men called up are not joining the army at all.

Hon. Mr. KING: Yes, many of them.

Right Hon. Mr. MEIGHEN: No. They are going home as soon as their thirty days' training is over. They have to be taken back by their employers. They are not sworn to be servants of the Crown from that time on.

Hon. Mr. DANDURAND: They are when called upon.

Right Hon. Mr. MEIGHEN: It is only an outing. To give the impression that under compulsion of law these men we are to train will be soldiers in the army from the day they are called up, is to my mind absurd. In the first place you could no more train 300,000 soldiers than fly to the moon. I happen to know this—and there is no one who does not: we cannot train the men we have now authorized to be trained. It is impossible to equip them even to the extent the First Division was equipped when it went over; and that division was not trained at that time, but only starting to be trained. We cannot provide training and equipment to-day for the Second Division; we cannot for the Third.

Hon. Mr. DANDURAND: This is for the militia.

Right Hon. Mr. MEIGHEN: Very good. If there is no serious purpose, those fellows will be no further ahead than when they started; their mobilization will be only an outing. I know a man in a city in Canada whose whole heart and soul are in the war. He has begged the Minister, of whom he is a personal friend, to permit some of the officers of the First Division to come back and help train one of the regiments which are represented in that division, because otherwise the regiment cannot get training even with the paltry equipment we have here. He cannot get that done. I do not think the Minister's reasons are sound, but they are perfectly understandable. The Minister says: "We cannot take these men out. It is not fair to them, nor to those over there." The other man takes the ground: "That may be, but this training is vital; we have to reinforce those boys over there." But the training is not being given.

Hon. Mr. DANDURAND: Reinforcements are being trained and quite a number have been sent across.

Right Hon. Mr. MEIGHEN: I will show my honourable friend a copy of the correspondence. A mere thousand men out there, and we cannot get them trained! The fact is the men of the Permanent Force were taken into the First Division, and now we cannot train the men who are determined to go over and join their brothers in the same regiment in England. In face of that, what moonshine it is to talk of training 300,000 men and calling up so many in this or that division! We have nobody to train men.

Hon. Mr. DANDURAND: What would you do?

Right Hon. Mr. MEIGHEN: I would get so many men into the army, and keep them there, and train them as fast as we can, and not attempt to train 300,000 men. The expense of training that number, even for three months, will be terrific, and then you will not have a fraction of those men permanently. You should get your men into training to fight. I do not know how you are going to clothe them. With the thermometer at 90 and over in Toronto, the soldiers were in their winter uniforms. We talk about training. Are you going to have the men in mufti while training them? I do not know that it would be so very terrible, but it would not be creditable to the country. The point is, there are not facilities here for adequate training. Why partly train 300,000 when you do not know whether you can get 10,000 of them in shape to fight? To my mind it is a paper proposition. On that basis it does not matter who compose the tribunal, for the men called will realize they are being taken, not for war training, but for an outing.

Hon. Mr. LACASSE: I would respectfully make this suggestion to the Government. A large number of veterans who fought in the last war have passed the age when they can be enlisted or considered A-1 risks. They are not physically fit, but I think they would serve the purpose as fairly experienced trainers, having themselves learned what war is. It seems to me that the Department of National Defence should give favourable consideration to these veterans when they offer their services.

Hon. Mr. DANDURAND: I think my right honourable friend has never served as a soldier.

Right Hon. Mr. MEIGHEN: No.

Hon. Mr. DANDURAND: I am on an equal footing with him. I want to ask him whether he or I would dare tell the Department of National Defence, with its staff of men who

have grown up in the army, that our judgment as to what they should do is superior to their own.

Right Hon. Mr. MEIGHEN: That is not what I am doing.

Hon. Mr. DANDURAND: I think it would be fairer to him and to the Senate that when we meet again—and we may meet much sooner than we expect—we should have before us, in one of our large committee rooms, the Minister of National Defence, surrounded by the men whose advice he seeks and accepts, to explain to us the work they are carrying on. We should be face to face with men of experience who could speak with authority. Surely my right honourable friend cannot expect me to join him in saying that the scheme which is being developed is all wrong. I confess I should feel somewhat ridiculous in making such a statement over the heads of men in the department upon whom we rely for administration of the military affairs of this country.

I have presented the statement which will form the basis of the regulations, and if my right honourable friend desires I can have Mr. Cassels, Brigadier Orde and his assistant explain how far they are advanced in their work, and how they are adhering to what I have just read.

Right Hon. Mr. MEIGHEN: Mr. Cassels is a lawyer. He is drafting what he is told to draft.

Hon. Mr. DANDURAND: Yes, as to the form of the regulations to be issued.

Right Hon. Mr. MEIGHEN: Brigadier Orde is Judge-Advocate-General. I do not believe it would be of much value to have him and Mr. Cassels before us. In view of the condition we are in, taking 300,000 men and giving them a little bit of training to fight in a war like this would indicate to me that the Government is not following the advice of its Defence Council.

Hon. Mr. DANDURAND: Why does my right honourable friend surmise that?

Right Hon. Mr. MEIGHEN: If it is, we should get another Defence Council.

Hon. Mr. CALDER: I know nothing about military matters.

Hon. Mr. DANDURAND: So we are on an equal footing.

Hon. Mr. CALDER: Exactly. But my common sense tells me that the training of 300,000 men within a year, giving them only one month's training, will not get us very far forward. According to all I have read in connection with the situation, it takes anywhere from six months to a year to train a man to go into battle. Our First Division went overseas after fairly intensive training here, but it took months of training in Great Britain before it was fully developed as a fighting force. I cannot but feel that the effort is not being made in the right direction. As I see it, the thing to do is to give thorough training to as many men as those in authority think will be required for this situation, and not to give a multitude of men only partial training. I admit I may be entirely wrong. We should have an opportunity of questioning, not the lawyers who are preparing the regulations, but the men who will be carrying them out in the way of training.

Hon. Mr. DANDURAND: When those regulations are drawn up and the men have been selected by classes, they will be turned over to the Department of National Defence, which does the training.

Hon. Mr. CALDER: Of course I can quite understand the probable basis for this policy upon the part of the Government. I listened with great interest last night or the night before to what Priestley, I think it was, or one of the other commentators, called the "broomstickers." It seems that at the present time thousands of men—middle-aged men, old men, crippled men—are training in the Old Country. They are neither uniformed nor armed, but they are preparing for home-defence service, and they go out on the football fields and train with broomsticks instead of rifles. That is perfectly correct in England, because there thousands of Germans may come from the clouds any day. But we have not reached such a stage in Canada. It would be all right to train men here for a few weeks if we were looking for an attack: then we should have to train hundreds of thousands of men to resist. But the necessity for Canada at the present time is to get ready as quickly as possible as many thoroughly trained men as are needed for the job they have to do. That preparation cannot be made in a month.

Hon. Mr. DANDURAND: Perhaps my honourable friend forgets that this is a scheme in preparation for the defence of Canada.

Hon. Mr. CALDER: So far so good.

ADJOURNMENT—BUSINESS OF THE SENATE

Hon. RAOUL DANDURAND: Honourable senators, the important Bill I was expecting this evening is still lingering in Committee of the Whole elsewhere. I have already moved that when the Senate adjourns this evening it do stand adjourned until to-morrow at eleven o'clock. This motion has been carried. I now move the adjournment of the Senate.

Right Hon. Mr. MEIGHEN: From what I hear, the Commons cannot be expected to get through to-morrow. If that is so, we may as well come back on Monday.

Hon. Mr. DANDURAND: I have inquired of one who follows the movements of the House of Commons fairly well, and I am informed that it is hoped the Bill will be passed before midnight. I think that is the only piece of legislation that would come to us.

Hon. Mr. CALDER: Midnight to-night?

Hon. Mr. DANDURAND: Midnight to-night. The House of Commons sat past midnight last night. If we had the Bill at eleven o'clock to-morrow morning, the hopes of those who think we may prorogue to-morrow would be somewhat strengthened. At all events, we shall meet at eleven o'clock.

The Senate adjourned until to-morrow at 11 a.m.

THE SENATE

Saturday, August 3, 1940.

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

ADJOURNMENT OF PARLIAMENT

NOTICE OF MOTION

Hon. RAOUL DANDURAND: Honourable senators, before we enter upon any discussion which may last for some time, I hasten to inform the Senate of a notice of motion by the Prime Minister, which is now in the hands of the Honourable Speaker of the other House, reading as follows:

That this House, on the completion of the business for which it was specially summoned, do adjourn till Tuesday, November 5, 1940, at three o'clock p.m., provided always that if it appears to the satisfaction of Mr. Speaker, after consultation with His Majesty's Government, that the public interest requires that the House should meet at any earlier time during the adjournment, Mr. Speaker may give notice that he is so satisfied, and thereupon the House shall meet at such time as the Speaker may give in such notice, and shall transact its business as if it had been duly adjourned to that time.

Honourable members will see that this motion is along the line of one passed by the Senate on June 5, providing that in case of emergency arising during any adjournment this session His Honour the Speaker may call senators to meet in advance of the date set. If the motion I have just read is adopted by the House of Commons, I shall move at the conclusion of our business that we adjourn until November 5, subject to recall at an earlier date under the authorization in our motion of June 5.

COMPENSATION (DEFENCE) BILL

THIRD READING

Hon. Mr. DANDURAND moved the third reading of Bill 123, an Act respecting the payment of compensation for the taking of certain property for war purposes.

Right Hon. Mr. MEIGHEN: I have gone through the Bill and am quite content that it should pass. Its variations from the British Act are very slight.

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

SUDETEN GERMAN SETTLERS

STATEMENT

Hon. Mr. DANDURAND: Honourable senators, as there is no further business, I move that the Senate adjourn during pleasure, to re-convene at three o'clock this afternoon.

Before the motion is put, I should like to refer to a statement the honourable gentleman from Saskatchewan North (Hon. Mr. Horner) made yesterday concerning the Sudeten German community near St. Walburg.

The Minister at the head of the Immigration Department, Hon. Mr. Crerar, has informed me that two groups of Sudeten immigrants, numbering about fifteen hundred persons, reached Canada fifteen or eighteen months ago. One group settled at Tupper, in British Columbia, and the other near St. Walburg, in Saskatchewan. Transportation and settlement of these people were arranged by the Colonization Departments of the Canadian National and Canadian Pacific Railways, whose officers are still keeping in touch with them.

Reports received so far by the Immigration Department indicate that the two groups are making satisfactory progress, but Mr. Crerar suggests that if the honourable senator has any direct information to the contrary in respect to the St. Walburg settlement, he might, before leaving Ottawa, see Mr. Blair, the Superintendent of Immigration. Mr. Blair will be happy to act on any such information and later communicate with the honourable senator.

The Senate adjourned during pleasure.

The sitting of the Senate was resumed at 3 p.m.

WAR MEASURES ACT

PROCLAMATIONS AND ORDERS IN COUNCIL TABLED

Hon. RAOUL DANDURAND: Honourable senators, I desire to lay on the Table two copies in French and two in English, of Proclamations and Orders in Council passed between January 1, 1940, and June 30, 1940, under the authority of the War Measures Act. This is the printed volume to which I referred yesterday when copies of the Orders in Council were laid on the Table.

BUSINESS OF THE SENATE

Hon. RAOUL DANDURAND: Honourable senators, we have nothing on the Order Paper, and are waiting for legislation to come to us from the House of Commons. I have been following the debate in that House and am informed that the Wheat Bill—I may as well name the Bill, because everybody knows it is being discussed there—may be sent to us about four o'clock. I have thought, therefore, that we should suspend our sitting until after five o'clock, and then if the Bill has reached us we might give it first reading and place the second reading of it on the Orders of the Day for Monday.

Opinion is divided as to whether we shall be able to prorogue or adjourn on Monday evening or on Tuesday. As I must prefer the most prudent course, I would ask that the Senate suspend its sitting till a quarter past five this afternoon. Then I should be in a better position to state what is the situation in the other House. In the meantime, we may turn over in our minds the question whether our adjournment shall be until Monday noon, Monday afternoon or Monday evening.

Right Hon. Mr. MEIGHEN: Or Tuesday.

Hon. Mr. DANDURAND: I stressed the idea, and tried to obtain support for it, that the House of Commons might spend the whole of Monday on supply or the estimates, for then, if the Wheat Bill had come here, there would be a fair chance that both houses would finish by Monday evening if they sat from Monday at noon and in the afternoon and evening. I am facing a difficulty such as confronted my right honourable friend when he was in the place I occupy here. Just now I should like to be allowed a couple of hours' delay in reaching a conclusion, and I move that the Senate adjourn during pleasure, to be called back at, say, a quarter past five.

Right Hon. ARTHUR MEIGHEN: Honourable members, as it is possible that an important measure may be sent over to the Senate later this afternoon, it is of course quite right that we should meet again then. The estimates are still before the other House, a very long list of them, and I should think it very unlikely that that business would be concluded before late on Monday. In such event, there would not be much advantage in our adjourning this afternoon until earlier than Tuesday. However, at this stage of the session, we should place ourselves almost unreservedly in the hands of the leader of the Government (Hon. Mr. Dandurand). If it is thought best that we should meet on Monday, I shall be here.

I again urge, as I did a year ago, that we ought to revert to the rule requiring attendance of senators at the latter part of a session in particular. While it is always a duty for honourable members to be present when the Senate is sitting, that duty becomes more important as we approach the final stages of our work. The effect of a slim attendance towards the end is not good, and I hope that next year the honourable leader will move to bring back, either in its original form or modified, the rule which imposed penalties upon honourable senators not present in the closing days of a session.

Just now this House is under attack on two grounds. One is that we defeat Government measures. That is an old form of attack, which occurs as regularly as the sessions and will continue as long as partisanship lives. The other ground is a new one, namely, that we do not defeat Government measures. That is considered a capital offence, justifying capital punishment for this House. Perhaps if one member of Parliament were more sympathetic than any other towards that criticism, it would be myself. I think there is some reason for it. Nevertheless the general situa-

tion does demand utmost attention to duty on our part, especially at this late hour in the session.

While I am on my feet, may I say that this demand that Government measures be defeated is made probably without calculation of the strength of those on this side of the House. Certainly, with defections we could defeat nothing. For those I am not responsible. But on account of the absence of one senator on military service, and of others, not less than four, all on this side, wholly incapable of attending because of illness, we no longer have a majority here. It may be well sometimes to consider simple arithmetic, even in these complicated days.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: I do not know to what extent I should follow my right honourable friend in discussing the effect of our actions on the public. It is very hard to estimate the judgment of public opinion on what is done by either House of Parliament. When someone differs strongly with the Government concerning a certain measure he naturally expects to obtain support for his views in one of the two Chambers. I recall comments from divers sources that were not always laudatory with respect to actions of the Senate. Occasionally an editor of a newspaper remarks that something done by the Commons or the Senate has "outraged public opinion." Though that article is written by one man, yet he presumes to speak for all the people of Canada. It is not the first time I have heard of such an extravagant presumption. Honourable senators are familiar with the story of the three tailors of Tooley street who addressed a petition to the British House of Commons beginning, "We, the people of England." It is most amusing at times to see an article stating that outraged public opinion resents a certain action of the Senate or the Commons. Often, if the writer's name were at the bottom of the article, his readers would be unable to restrain a smile. Unsigned articles in newspapers carry considerable weight because of the reputation of the men directing the opinions and policy of those newspapers. Once or twice it was feared that the London Times might lose influence when directors of outstanding political acumen and unquestioned integrity departed from this life and were succeeded by men of less repute. Undoubtedly it is the reputation of the man directing the policy of a newspaper that gives authority to its editorials. The ownership of newspapers changes hands. In the present case we have the Montreal Gazette editorially censuring the Senate and warning us that our failure to heed the editor's views has "outraged public opinion." Well, it suffices to say that were the article signed "John Bassett," it would bring a broad smile from every reader of the Montreal Gazette.

Some Hon. SENATORS: Hear, hear.

Hon. JOHN T. HAIG: Honourable members, as a junior senator in such distinguished company as that of the two leaders of the House, I may be permitted to say a word. At this very moment I have in my room a copy of one of the leading newspapers of Western Canada, containing an article criticizing this Chamber because we made certain amendments to the Farmers' Creditors Arrangement Bill. It goes on to suggest that the leader on this side of the House and his majority—which it says he has—will be able to put the Unemployment Insurance Bill to sleep in the committee or to chloroform it in some way. When I was a member of an elective body I was criticized, as many others are, for being partisan and speaking on behalf of party, but I have always understood that in the Senate men and women could express their opinions freely if they wished. True, there are caucuses, and I have had the pleasure of attending some of them, but I have never been asked to follow the caucus either for or against a measure. I do not know how members are to act if they are not allowed to vote as they think best. On the Farmers' Creditors Arrangement Bill I voted as I thought best for the interests of the people of Canada, and I very strongly resent the attack of the Montreal Gazette at this time. It is true that its view is contrary to mine, and it may be right; but the senators here come from and represent different parts of Canada, and they have a right to express their opinions as to what is best for the country. I say that in the matter of the Farmers' Creditors Arrangement Bill we were not playing politics, and I was not playing politics so far as the Unemployment Insurance Bill was concerned. Therefore I resent the criticism directed at us by the Press of Canada simply because we happen to hold ideas which differ from their own. They have a perfect right to hold a particular view, but they should not attack others who do not agree with them.

Right Hon. Mr. MEIGHEN: I cannot understand the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig) at this hour resenting anything in the Manitoba Free Press, which has its root in the Farmers' Creditors Arrangement Act. I do not know whether the honourable gentleman was in the House or not—if he was not, he should

have been—when the honourable senator from Provencher (Hon. Mr. Molloy) completely explained the situation.

Hon. Mr. HAIG: I was here.

Right Hon. Mr. MEIGHEN: He explained that there was shortly to be a provincial election in Manitoba.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. LITTLE: Just as there was when the original Act was introduced in 1935.

Right Hon. Mr. MEIGHEN: We have to keep that in mind when we are thinking of the Manitoba Free Fress.

As to the other newspaper article, I feel no resentment; and perhaps that is only natural; but there is one thing I should say in fairness to the leader of the House. It is stated by the Gazette that the examination given to the Unemployment Insurance Bill in committee was perfunctory. That is untrue. I was afraid at first, from a statement made by the leader of the House in the same committee before that Bill came to it, that there was going to be an attempt to curtail the presentation of evidence. But indications proved incorrect. There was no attempt on the part of the leader of the House to curtail the evidence in the slightest degree. Everyone who intimated an intention to be present was heard at whatever length he desired.

Speaking for myself, I have never, either as leader of the Government in the House or as leader of this side, taken any other course than that of encouraging the interests of this Dominion, of every class, to come to our committees, and of giving them the fullest and most impartial hearing. I have never failed at any time. In this case, particularly, I got into touch with all I could reach, and urged them to come, and promised a fair hearing without any curtailment of any kind.

If there was anything perfunctory, it was the failure of those opposed to this measure to present their views.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: One man who appeared, and who had not quite finished his case, although we sat on towards midnight, would not remain until the following morning. I think the only company represented as such was the Bell Telephone Company. The representatives of the Canadian Chamber of Commerce and the Canadian Manufacturers' Association were heard. There were only about two witnesses from each. Not one of the financial interests even appeared. No representative of the insurance companies or of the bankers was present, although both interests were strongly represented five years ago and both were urged to come this time. The same remark would apply to a considerable range of interests in this Dominion which are vitally affected by the Bill. I do not think the strength of the opposition to it throughout the country was even approximately represented by the witnesses who appeared before the committee. That is where the perfunctoriness was; and perhaps there is some consequence therefrom.

Hon. Mr. MURDOCK: I wonder if I may ask the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig) about this caucus business. I have been a member of the Senate for ten years and nobody has ever advised me of any caucus to be held.

Hon. Mr. HAIG: The honourable gentleman is on the wrong side of the House.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HAIG: You do not need a caucus. We do, because if we did not consult one another we might vote in various ways.

Hon. A. L. BEAUBIEN: Honourable senators, I should not like any injustice to be done any honourable member of this House. The right honourable senator opposite (Right Hon. Mr. Meighen) said this afternoon that the member from Provencher had stated the reason why the Farmers' Creditors Arrangement Bill was requested by the Legislature of the province of Manitoba. In the list of senators in the Minutes of the Proceedings of the Senate I find the following: "Beaubien (Provencher)." I hope that Hansard will not attribute to me the statement of Honourable Senator Molloy as to the reason why the Farmers' Creditors Arrangement Bill was being asked for.

Right Hon. Mr. MEIGHEN: It was Dr. Molloy who gave the reason. I remember that.

Hon. Mr. BEAUBIEN: While I am on my feet, I may say to my right honourable friend that those who made representations to this House in favour of that Act were not confined to any political party in the province of Manitoba, but included the leaders of both parties in that province.

Right Hon. Mr. MEIGHEN: Correct, and with similar political motives in the case of both. I sincerely hope that time and the gentle influences of maturity will have their effect on the honourable senator (Hon. Mr. Beaubien) and that he will become as frank as Dr. Molloy.

Hon. Mr. BEAUBIEN: I may say to my right honourable friend that he has always attributed political motives to those who are not of his own party.

Right Hon. Mr. MEIGHEN: I was attributing them to my own party this time. The honourable senator's logic is not improving with the years.

Hon. J. W. de B. FARRIS: Honourable senators, I should like to say a word with particular reference to the suggestion of the right honourable the leader opposite about imposing penalties during the last days of the session; and I hope the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig) will again voice his views, as he has so often done, about the difficulties which confront senators from the West, especially those from the far West. I came down here, and on one occasion I waited from a Thursday, all through the next week and until Tuesday of the following week, without having anything to do. I am not used to idleness of that kind in working days. It is very disturbing, particularly when one realizes that in other places there is work to be done.

I do not know what the solution of the problem may be. We must face the fact that the public do not realize the true situation. Often we see in the papers, "The Senate did not sit to-day." The fact is overlooked that there are 96 senators and 245 members of the House of Commons, and we must in some way put in enough time to allow those 245 to talk not only about the merits of bills, but sometimes, a listener might feel, for other reasons as well. From my experience in this Chamber I am sure that honourable senators as a whole are capable of discussing public questions on their merits. I think some system ought to be devised whereby, when they have accomplished that task, which is all the public have a right to expect of them, they would not be required to spend indeterminate hours kicking their heels while discussion is going on in the other House.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. FARRIS: I suggest these points should be taken into consideration if the right honourable leader on the other side (Right Hon. Mr. Meighen) consults with the honourable leader of the House (Hon. Mr. Dandurand) about providing for penalties.

Right Hon. Mr. MEIGHEN: I am thoroughly conscious of the fact that attendance, especially at the end of a session, weighs more heavily upon honourable members who come from a distance than upon those who live nearby, as I do. But the consequences of leaving the important work of the final days to a few senators are equal for us all, and I earnestly urge that whatever is necessary to assure attendance at the end of a session should be done. I do not know of anything which looks worse than a slim Senate dealing with big affairs at a time when the whole interest of the country is concentrated on this Parliament.

The motion was agreed to.

The Senate adjourned during pleasure.

The Senate resumed at 5.15 p.m.

CANADIAN WHEAT BOARD BILL

FIRST READING

A message was received from the House of Commons with Bill 118, an Act to amend the Canadian Wheat Board Act, 1935.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND: Honourable senators, I cannot say what principle or principles are involved in this measure, and I would suggest that before expressing our views on the Bill itself we give it second reading and refer it to the Committee on Banking and Commerce for Monday afternoon. I shall have in attendance the experts and, if necessary, one of my colleagues, who may be examined and give us some explanations, so that when the Bill is reported from committee many points not clear to us now will have been clarified. Then we could discuss the Bill on the motion for third reading. If that is satisfactory, I will move second reading now.

Right Hon. ARTHUR MEIGHEN: Honourable members, I have no objection at all to the proposal, but it might be worth while to offer a few comments on the Bill, directing attention to the feature that to my mind needs explanation.

As everyone knows, under the Canadian Wheat Board Act of 1935 control of wheat marketing is virtually taken by the Canadian Wheat Board, a Government organization. The wheat covered by the Act has been the wheat of Manitoba, Saskatchewan, Alberta and British Columbia. As everyone also knows, the purchase price set by the board, doubtless with Government approval, was 70 cents, on the basis of No. 1 Northern wheat. There was an advisory committee to advise the board, the committee consisting of seven mem-

bers, four being wheat producers. There was also a limitation of 5,000 bushels as the amount to be purchased from any single farmer.

All these three features are altered. Under this Bill "wheat" is wheat produced not only in those four Western Provinces, but also in Ontario. The advisory board is now appointed, not to advise, but to assist—whatever the difference may be—and is to consist, not of seven, but of eleven members, of whom six, instead of four, will represent wheat products. And the limitation of 5,000 bushels is abandoned. There is also some alteration in the law so far as the Fort William-Port Arthur basis is concerned.

Hon. Mr. HAIG: That has been withdrawn.

Right Hon. Mr. MEIGHEN: I see. Then I have not the Bill in its last form.

I am not commenting on any of the features I have mentioned, save this. We have come for the first time into Central Canada in respect of wheat control. As this Bill defines "wheat" to include all wheat produced in the four Western Provinces and as well in this province, and makes that wheat subject to marketing through the board, and subject to the processing tax, which is now imposed for the first time, I am wondering what will be the result of leaving out Quebec and the Maritime Provinces. I suppose only an expert can answer that question. At least, I am not expert enough to answer it.

The processing tax is fifteen cents a bushel (if the Bill has not been amended in this respect as well), and is to be paid when the miller who has bought wheat from the board for processing in Canada processes it and sells the product. When he sells any product, whether it be bran, shorts or flour, he has to collect the tax from the purchaser, and remit it, as detailed in the Bill, to the Wheat Board. The Bill does not say how much he has to collect from the purchaser of bran and shorts, and how much from the purchaser of flour. The tax of fifteen cents is on the basis of the bushel of wheat which he processes. There is, however, a clause which provides that the Governor in Council shall have power to make regulations, and I think it is wide enough to enable the Governor in Council to say what portion of the tax shall be assessable against by-products and what against flour.

A substantial quantity of wheat is produced in Quebec and in the Maritime Provinces. That wheat, so far as I know, is of the same character as the wheat of Ontario. but not the same as that of the West. While the quantity of Quebec and Maritime wheat is substantial, it is not at all comparable with the quantity produced in the West, and is scarcely comparable with the quantity grown in Ontario. Nevertheless it is there. I am not certain whether it would be to the disadvantage of the farmers of Quebec and the Maritimes not to come under the board. I am not certain, but I presume that the miller, wherever he buys the wheat, will have to pay the board's price for it. Others may think differently. But what is to be the result of milling in Quebec and in the Maritimes without a processing tax—for, if I read the Bill aright, the tax does not apply there—and with the consequent reduction, corresponding to fifteen cents a bushel, in the price of wheat? What is to be the result of competition between the miller east of the Ottawa river and the miller west of the Ottawa river? I should think the eastern millers would be able to invade the whole Ontario market very easily. On the other hand, this may be to the disadvantage of the farmers of Quebec and of the Maritime Provinces, and I should certainly like some light on that particular phase of the Bill when it goes before committee.

Hon. Mr. DANDURAND: My right honourable friend's remarks will be transmitted to the officials to appear before the committee, and they may be able to give him the information he requires.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. Dandurand, the Bill was referred to the Standing Committee on Banking and Commerce.

The Senate adjourned until Monday, August 5, at 3 p.m.

THE SENATE

Monday, August 5, 1940.

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

Prayers and routine proceedings.

WAR CO-OPERATION

REPORT OF SPECIAL COMMITTEE

Hon. C. P. BEAUBIEN: Honourable senators, the Special Committee on War Co-operation beg leave to make their second report, as follows:

Since the first report to the Senate, made on the 25th of June last, the committee have held five meetings, at which were heard the following gentlemen:

Colonel Wilfrid Bovey, of McGill University, Head of the Department of Extra-mural Relations of that institution;

Colonel Mess, President of the Association of Canadian Clubs of Canada;

Commissioner S. T. Wood, of the Royal Canadian Mounted Police;

Mr. Gladstone Murray, Director and General Manager of the Canadian Broadcasting Commission.

Valuable information and suggestions were obtained from these witnesses.

As a result it was decided to request the Association of Canadian Clubs to collaborate in the holding of a series of meetings through its ninety-three member clubs. These meetings are to be held in the immediate weeks ahead, and their object is precisely that outlined in your committee's first report, namely, the bringing of the Canadian public to a clear view of the dominating world facts and dangers by which we are surrounded, and to a firmer realization of the immediate and paramount interest and duty of Canadians in the present titanic struggle, and the stimulation of their zeal to support the efforts of this nation and to co-operate in maintaining its integrity and freedom from subversive influences until final and complete victory. The arrangement of these meetings will be under the direction of the President of the Association of Canadian Clubs, Colonel James Mess, and we are glad to be able to advise that other service clubs throughout the country have, with very creditable unselfishness, agreed to co-operate.

Your committee would respectfully urge upon the Government the consideration of the erection, without delay, in this country of a powerful short-wave radio station of 50,000 kilowatts. It is considered that such a course is distinctly advisable to supplement the present British Broadcasting station, and to make more secure the facilities now used from that station, which are so vital to Empire co-operation and to the general transmission of truth throughout the world. It is believed that the expenditure, which is estimated at $350,000 to $400,000, and the cost of maintenance, can be used to advantage in any event after the war for advertising and for trade purposes, especially throughout this continent and Europe.

In making this recommendation, your committee have in mind an opportunity to secure a most important section of the construction material which is now, fortunately, available, and which will enable construction to be completed in a fraction of the time which otherwise would be necessary.

Your committee would further recommend the organization of a series of broadcasts throughout Canada in certain foreign languages for the purpose of removing the influence of false and unfounded broadcasts through foreign-speaking sections of Canada by enemy countries.

We are pleased to report that, owing to the activities of your committee, a considerable number of broadcasts have already been delivered by people of standing, which it is believed have been of substantial benefit. It is earnestly hoped and urged upon the honourable members of this House that they will utilize every opportunity, whether by platform speaking or by broadcasting, to contribute their very best at all times to the objective set out in this report.

Hon. Mr. MURDOCK: Did the honourable gentleman and the committee consider the advisability of calling the Mayor of Montreal before the committee, to get his advice?

Hon. C. P. BEAUBIEN: As chairman of the committee I may inform my honourable friend that the incident with respect to the Mayor of Montreal occurred after our meeting. If it had occurred earlier, perhaps the committee would have been tempted, as my honourable friend has been, to refer to the matter.

DEBTS DUE TO THE CROWN BILL

MESSAGE FROM THE COMMONS

The Hon. the SPEAKER: Honourable senators, a message has been received from the House of Commons reading as follows:

Resolved, that a message be sent to the Senate to acquaint Their Honours that this House

(a) agrees to amendment No. 1 to Bill No. 99, an Act to amend an Act respecting Debts due to the Crown;

(b) disagrees with amendment No. 2 for the reason that it is desirable that Bill No. 99 should come into force on assent being given; and

(c) disagrees with amendment No. 3 for the following reasons.

These reasons, honourable senators, are lengthy. I may say to honourable senators that the reasons are given in No. 57 of the Votes and Proceedings of the House of Commons, and it might be more advantageous to read them than to hear them read by me. Shall I dispense with the reading?

Some Hon. SENATORS: Dispense.

The Hon. the SPEAKER: When shall this message be taken into consideration?

Hon. Mr. DANDURAND: Now.

Right Hon. ARTHUR MEIGHEN: Honourable members, I do not know what the motion of the Government will be, as respects rejection by the House of Commons of the third of the Senate amendments to this Bill; but whatever be its motion, and whatever be the stand of this House, I think it well that the reasons which the Commons present for rejection of the amendment should be reviewed here and such reasons given in answer as may seem appropriate.

Hon. Mr. DANDURAND: In order that honourable senators may understand the scope of the third amendment, perhaps my right honourable friend would give the Senate

the reasons which actuated the committee in preparing the amendment, and the effect the committee thought it would have on the Bill.

Right Hon. Mr. MEIGHEN: I shall try to do that. What first led the Senate to think of turning the Bill into the form into which the third amendment turns it, namely, into a measure which enabled the Crown to be impleaded in garnishment proceedings as a third party where the claim was against a civil servant or was such as to sound otherwise than in damages, was that, first of all, our Parliamentary Counsel assailed the Bill as ultra vires in the form in which it came to us.

The reasons which he gave seemed to me very difficult to answer, and I do not think I am overstating the fact in adding that they were similarly regarded by all other members of the committee. I cannot recall that any member of the committee undertook in any way to question those reasons. The Bill as drafted seemed very vulnerable in its constitutional aspect and likely to be the starting-point of another entourage of litigation on the part of those people who love litigation so much better than the paying of their debts.

Then to honourable members there appeared no good reason why ordinary garnishment proceedings should not be the natural remedy, rather than erecting the Minister of Finance into a quasi-Minister of Justice and, as such, enabling him, by legislation, to determine the merits of claims on the part of the Crown in the right of Manitoba against certain Dominion civil servants. The enabling of the Minister to decide on the merits of the claims seemed implicit in the Bill. Such legislation is extremely difficult to defend, whether from the standpoint of the Constitution or any other standpoint. Therefore the members of the committee felt that the legislation should be in this form: first, leave the main clause as it was, except for the provision that the Minister of Finance, after deciding on the merits of any claim by the province of Manitoba against a civil servant, should take into consideration the exemptions allowed by the province, or such exemptions as in his judgment would enable the civil servant in question, whose salary was being reduced month by month, to give efficient services to the Crown in the right of Canada. We thought it well to leave that clause and only added that it should come into effect on proclamation of the Governor in Council. The idea in the mind of the committee was that the legislation in that form might have the effect of bringing those in question to a realization of their position and of what was impending over them in the second part of the Bill as we would amend it, and the purpose might thus be served without the necessity of bringing the second part into effect. The committee took this rather moderate view because of the late stage of the session.

We then proceeded in amendment No. 3, what I call the second part of the Bill, to provide, in terms which we thought were defensible from the constitutional standpoint as well as every other, for garnishment proceedings against the Crown in the same way as against any other party, except in cases sounding in damages.

Now, the House of Commons has accepted the first two amendments. The first authorizes the Minister of Finance to deduct what he deems necessary to enable the civil servant to do his work—call it an exemption or what you will; and the second brings that section into operation only by proclamation.

The second part of the Bill, which is amendment No. 3, the Commons totally reject. For this they give reasons which, I am sorry to say, I am compelled to read in order that I may place on Hansard as briefly as possible what I conceive to be the answer to each.

The first reason is:

> 1. Because the proposed amendment is of doubtful constitutional validity. The province has exclusive authority in relation to the jurisdiction and procedure in civil matters in provincial courts. By the provincial statutes the garnishee must be "within the jurisdiction of the court" or "within" the province, or "resident in" the county. It is doubtful if Parliament can in effect extend the jurisdiction of the provincial courts to include the Minister of Finance as a garnishee.

My answer is this. This measure interferes not at all with provincial jurisdiction, nor does it seek to extend provincial constitutional authority. Amendment No. 3 is assisting legislation, in the nature of the Doherty Act of years gone by, under which the Parliament of Canada, while it did not invade provincial jurisdiction in respect of the liquor traffic, acted in aid of provincial legislation by prohibiting liquor from being shipped to a province for use contrary to the law of that province. Correspondingly, in this case we aid provincial legislation by enabling a writ to be served on the Dominion of Canada. We alone can do that. No other jurisdiction can authorize a writ of garnishment to be served on a Dominion Minister or a Dominion department. It is something the province cannot do, because the Minister is outside the jurisdiction of the province. In a word, this is aiding legislation and nothing else.

2. Because under the present state of the law the Crown cannot be impleaded in the courts without a fiat. This principle constitutes the main impediment in the way of garnishee proceedings. The proposed amendment would in effect amount to the abandonment of this prerogative of the Crown in a limited class of cases. It is most important that the position of the Crown in relation to the courts should not be altered in this respect without full consideration being given to the whole problem of proceedings against the Crown.

As to everything there stated, with the exception of the last sentence, I have no word of dispute to express. Without doubt the three first sentences are correct. The last sentence merely says that if we are going to abandon the prerogative of the Crown in a limited class of cases, it is important that there should be full consideration given to the whole problem. Strictly speaking, I have no objection to that either. Of course we should be careful. In our third amendment we are so extremely careful that we do not give an absolute and final right to anybody. In the ultimate, the Governor in Council is in control. While this is a partial invasion of the historic right of the Crown to refuse to be impleaded, it seemed to the committee, and I am satisfied that it seems to this House, a very advisable invasion; otherwise a section of our population is privileged to do what should be forbidden with the utmost finality—privileged to defy its creditors and refuse to pay its debts. That alone is the reason of the limitation. That distinct reason for this section of the territory of the Crown's prerogative being invaded does not apply to the remainder; and in invading this section of territory the amendment exercises the extremest care.

3. Because the question of recognition by the Crown of voluntary assignments of debts due from the Crown is allied to the subject-matter of the amendment and it is not clear why it should not also be dealt with.

It is clear to me, and I admit, that the question whether the subject who has a debt due him from the Crown in the right of Canada can assign that debt, and thus compel the Crown to pay to somebody else, is allied to the question of the right of garnishment; but it is only allied and does not need to be considered immediately with that question. Even if it did have to be considered soon after, I could see nothing in the consideration to cause terror. I do not know of any great difficulty that this consideration would entail. The third reason, while no doubt truthfully expressed, is very weak.

4. Because the proposed amendment only permits garnishee proceedings to be taken in respect of any judgment for or on account of any tax or other debt not sounding in damages. The justification for excluding other judgments is not clear.

Well, if the justification is not clear, my answer to No. 4 is, include the other judgments. We thought that debts sounding in damages against the Crown were somewhat different from simple contract debts, and so included only the one class. If it is going to simplify matters to include debts sounding in damages, I for one should have no objection at all to our doing so.

5. Because the grounds for making a distinction between officers, servants or employees of His Majesty in the right of Canada on the one hand and other persons to whom amounts may from time to time be due from the Crown on the other are not apparent from the proposed legislation, will not be apparent to the public, and require consideration.

At this point I interject the remark that there is no distinction. What is in the mind of the Commons appears in the next sentence.

In particular, it is not clear why such persons as senators, members of the House of Commons, judges, and persons entering into contracts with His Majesty in the right of Canada are excluded from the provisions of the amendment.

I know of no reason for saying that persons entering into contracts with His Majesty in the right of Canada are excluded. If they became creditors, they would be subject to garnishment under amendment No. 3. Now, it is pointed out that if the debts are due from the Crown to senators, members of the House of Commons and judges, they would be garnishable also. It is only fair to add that in my opinion, as respects the indemnity payable to senators and members of the Commons, there is no debt due from the Crown to them; they are not in a position at all analogous, legally, to that of the civil servants; consequently the phrasing of the Bill as it came to us would not include them anyway. I am not expressing the same opinion as to the judges; I think that in this matter they are in just the same class as civil servants. In this respect we are just adopting the language of the Bill itself. If it is the desire to include senators and members of the Commons there would have to be a new Bill to attack the subject in an entirely different way. I have not the least objection to that. I do not know why they should not be subject to garnishment the same as any other persons; but you could not do it along the lines of that measure.

6. Because under the proposed amendment a creditor is put to the expense of obtaining a judgment and garnishee order and forwarding them to the Minister of Finance, but the Min-

ister of Finance is not under any obligation to make deductions from the sums payable to the debtor of such person.

That is true, but I do not think the province of Manitoba or any other authority will hesitate to go to the expense of getting a judgment if this Bill passes. It is known that the Minister will carry out the spirit of the measure. Furthermore, the recalcitrant debtor will become liable for costs as well.

7. Because in form the proposed amendment is open to the following objections—

Then comes an alphabetical list.

(a) The expression "third party" is well understood to mean a person made a party by a defendant who claims to be entitled to contributions or indemnity from such person. A garnishee is not a third party.

To paragraph (a) I take specific exception. Usually a third party is brought in by a defendant, but a garnishee is none the less a third party. There is no error in form there. If he is not a third party, what is he? He is not a first, nor a second. Is he a fourth? No. He is a third party, the same as any other person brought in by the two principal contenders.

(b) This proposal is to extend to claims by the provinces for taxes. Where the Crown seeks to recover its taxes from third persons such remedies as the writ of extent are ordinarily employed rather than garnishee proceedings. It may even be doubted whether the Crown is entitled to proceed by way of garnishee—

That is the Crown in the right of Manitoba they have in mind there.

—since such expressions as "person" and "judgment creditor" used in the provincial statutes relating to garnishee proceedings are not apt to describe His Majesty. The municipality, too, has special remedies to enforce payment of taxes.

The last sentence has no application. As to the preceding part of the paragraph, that would be powerful were it not that Bill 99, if passed, would change the whole situation, so that the conditions objected to would no longer exist. The Crown would then be garnishable. That is the complete answer.

(c) The expression "garnishment" implies compulsion and is an inappropriate term to use with reference to His Majesty even though the statute provides merely for voluntary and not compulsory payments.

Well, I suppose garnishment involves compulsion. I presume that is why when we sue the Crown we proceed by petition of right instead of by the ordinary writ of summons. But is there any weight to such objections? There is no affront to the Crown in the word "garnishment," and there is no affront in the legislation, because the discretion, the whole control of the situation, is left by the Bill in the hands of the representatives of the Crown.

(d) The Exchequer Court has by statute exclusive jurisdiction over claims against the Dominion Crown and it should be made clear that the Senate proposal is to apply notwithstanding anything contained in the Exchequer Court Act.

The answer to that is very plain. This Bill 99 would be special and subsequent legislation, whereas the Echequer Court Act is general and precedent legislation. Consequently, a non obstante clause is not needed. If such a clause were needed in respect of the proposed amendment 3, there should have been one in the old legislation, for exactly the same reason. There was none, because, as is the case here, special and subsequent legislation, when affected only by a precedent general statute, does not require it.

(e) The Minister of Finance has no "representative capacity" to represent His Majesty in the courts; that representative capacity is vested in the Attorney-General of Canada.

These words are true. But we did not give the Minister a representative capacity to represent His Majesty in the courts. We distinctly said it was not necessary for him, on anyone on his behalf, to appear at all.

I now come to the final reason stated by the Commons:

8. There has been no demand from the public for this legislation and it is an inappropriate stage of the session at which to open up a matter of such extent and importance.

Well, that is a matter of opinion. I can only say that since, as a mere accident, I took part in the debate when the subject-matter came up first in this Chamber, I have received a series of letters, and exactly 100 per cent of them have favoured the legislation.

Hon. A. MARCOTTE: Honourable senators, before we proceed any further with this I should like to ask the honourable leader of the House if in his opinion we are likely to adjourn to-night or not before to-morrow. If we are to be sitting to-morrow, I will move to adjourn this debate until then. On some aspects of this question I am not in agreement at all with the right honourable leader on this side (Right Hon. Mr. Meighen), and I should like to ask him if before making his comments on the reasons sent over from the House of Commons he had an opportunity to get the opinion of our Parliamentary Counsel.

Right Hon. Mr. MEIGHEN: Yes, I have discussed them with him.

Hon. Mr. MARCOTTE: This occurs to me to be one more instance where some of us are not treated quite fairly. When legal points are involved, the honourable leader of the House (Hon. Mr. Dandurand), who represents the Government here, can get the opinion

of the Minister of Justice, and the right honourable leader on this side (Right Hon. Mr. Meighen) is likely able to obtain the opinion of our Parliamentary Counsel. But what about the other members? It is probably true that some of us who are lawyers are very humble members of our profession, but we too have ideas about legal points that arise in connection with bills, and we should be only too pleased to have a chance of reading any opinions given by Parliamentary Counsel. We should like a chance to ponder them for a few minutes, at least, to see if they agree with our own views. In this particular instance the only information I have had is that given this morning in a newspaper article setting out the reasons why the other House disagreed with the Senate amendments.

Those who were fellow members of the special committee appointed by the Senate to consider this Bill know that I objected strenuously to the proposed amendments. I am not in favour of them, and I am not in favour of the Bill. Our Parliamentary Counsel expressed the opinion that the Bill was entirely ultra vires. That defect was not cured by the Senate's amendments; the Bill was just as ultra vires after those amendments were made as before. The reasons sent over from the House of Commons, which I presume come from the Department of Justice, support my view that the measure is absolutely ultra vires. I do not at all agree with the amendment—

Hon. Mr. DANDURAND: With which amendment?

Hon. Mr. MARCOTTE: I do not agree with the Senate's third amendment, and I am opposed to the Bill itself. And I do not agree with the reasons given by the House of Commons; I would challenge them in any court.

Hon. Mr. MURDOCK: Honourable senators, the right honourable gentleman opposite (Right Hon. Mr. Meighen) has discussed the reasons stated in another place for disagreeing with the amendments proposed here.

Hon. Mr. MARCOTTE: Would the honourable gentleman kindly pardon me? I should like an answer to the question I asked of the honourable leader (Hon. Mr. Dandurand).

Hon. Mr. DANDURAND: What is the question?

Hon. Mr. MARCOTTE: Are we likely to adjourn to-day, or not until to-morrow? If we are going to adjourn to-day, I should like to speak on this matter. But if we are to sit to-morrow, I want to adjourn the debate.

Hon. Mr. DANDURAND: As the adjournment situation is very uncertain, I would suggest that my honourable friend speak now.

Hon. Mr. MURDOCK: I would make a motion, in a moment or two—

Hon. Mr. DANDURAND: Perhaps it would be better to allow the honourable member from Ponteix (Hon. Mr. Marcotte) to speak first.

Hon. Mr. MARCOTTE: No; I prefer my honourable friend from Parkdale (Hon. Mr. Murdock) to speak now. In the meantime, I shall have a few minutes more to study the matter.

Hon. Mr. MURDOCK: The right honourable gentleman opposite (Right Hon. Mr. Meighen) has recited the objections stated in another place to the amendments which we made to this Bill 99. I do not know whether I am too touchy or not, but in my judgment the intelligence of members of the Senate has been insulted by a statement made by the honourable gentleman who in that other place took exception to our amendment. Let me read—

Hon. Mr. DANDURAND: I doubt if my honourable friend can cross swords in this Chamber with an honourable member of another place.

Hon. Mr. MURDOCK: Possibly I have not got it right, but I will undertake to cross swords at any time with any Canadian who undertakes to tell me something that I know to be absolute nonsense.

Hon. Mr. DANDURAND: My honourable friend need simply cite the statement and answer it.

Hon. Mr. MURDOCK: After quoting the eighth and last objection made to our amendment, the distinguished gentleman who was handling this matter in another place said:

> Those are the reasons I would suggest why the House, at this stage of the session, should not accept the Senate amendment. I have left out of account any consideration of any practical matters which may or may not be of great importance. The ones that occur to me are the inconvenience and expense to the Crown of acting in these garnishee proceedings, as well as the doubt as to need for any further remedies to creditors of civil servants, or, in other words, the whole question of the adequacy of present remedies.

Unquestionably that is not a true statement of fact. The honourable gentleman must have known, as everyone here knows, that present remedies were insufficient or Bill 99 would not have come to us for the purpose of making possible the collection from 1,400 Dominion civil servants in Manitoba of a tax imposed

upon them by the Government of that province. I repeat, our intelligence is insulted when it is suggested that present remedies are sufficient. There are no present remedies for the creditor of a civil servant who fails to pay his bills. If I am incorrect, will somebody put me right? I think we could unearth hundreds of cases—yes, in this city of Ottawa—where present remedies have been of no avail. There were no remedies. All that a civil servant debtor had to do was to fail to pay his bill, and his creditor had no redress. I could mention two or three very serious concrete cases, but maybe I had better not.

We are given to understand that we are to have a three-month lay-off and must mark time until the close of the session. It seems to me that the interval should be sufficient for the Department of Justice and any other department of Government responsible for these matters to go thoroughly into the whole question and ascertain whether civil servants pay promptly, and, if not, whether they should not be required to pay their bills the same as any other citizens. Therefore I move:

That in this the greatest period of war stress the world has ever known, when Canada stands ready, with other portions of the British Empire, to sacrifice its all in blood and treasure, to conserve democracy, the Senate is firmly convinced that the civil servants of Canada should now, and for the future, be accorded the same full measure of rights, privileges and obligations devolving on and controlling other Canadian citizens. Thus we insist on Senate amendments.

Hon. A. MARCOTTE: Honourable senators, since we are not sure of sitting to-morrow, this may be my only opportunity of saying a few further words on this matter.

According to the honourable gentleman who has just spoken (Hon. Mr. Murdock), we should, in the terms of his motion, consider whether civil servants should not be accorded the same rights, privileges and obligations as devolve on and control other Canadian citizens. May I point out to him that what he proposes has absolutely nothing to do with what we are now discussing. This is a question, not of civil servants paying or not paying their debts, but of the Crown being forced to appear in certain proceedings, irrespective of whether or not civil servants are connected therewith.

When the Bill came before us our Parliamentary Counsel expressed the opinion that it was ultra vires because it sought to encroach on civil rights. With that opinion I agree absolutely. That is one of the reasons why I objected to the Bill in the first place. I objected to it also because it was in effect an attempt to authorize the garnishment of civil servants.

According to the newspaper which I have before me, the message from the House of Commons contends that no voluntary assignments of debts owing to the Crown should be considered. How can this stand be reconciled with the purpose of this Bill, that any debts owing to the Crown by civil servants in one of the provinces, for example, Manitoba —the province specially concerned in this proposed legislation—may be assigned? In any garnishee proceedings there is a summons directed to the garnishee, and he has to declare whether or not he owes the debt and will pay it at some future time. By this very amendment to the Act neither the Minister of Justice nor the Minister of Finance would in any way be obligated to ascertain whether the debt was due. The section reads that if "in the opinion of the Minister of Justice" there is indebtedness by a federal civil servant to a province, such indebtedness may be deducted from his salary. No garnishee proceedings are necessary. In my view, this is nothing less than confiscation. I say that under the procedure proposed you are precluding residents of Manitoba or of any other province from resorting to the courts, because you cannot get the Minister of Finance or the Minister of Justice to appear in court. Your only satisfaction is that you get the Minister of Justice to say, "In my opinion there is a debt, and I will take that money from the Minister of Finance." If this is not confiscation pure and simple, and an encroachment on the civil rights of the citizens of a province, I do not know what other interpretation can be placed upon the Bill.

According to the newspaper report to which I have referred, damages are not included in the proposed amendment. There is a very good reason for this omission. It is against equity, and in no court is it permissible, to garnishee a debt in respect of damages until you have obtained judgment. It would be a crime to say you will tie up a contract with the Crown or with anybody else by and under the terms of any garnishment proceedings.

We made three amendments to the Bill. First is the amendment limiting the amount of deduction each month, proposed by the honourable senator from Ottawa East (Hon. Mr. Coté). This amendment was accepted by the Commons. The second amendment proposes that the measure shall come into force only upon proclamation. To this the Commons disagreed. The third is the important amendment, and in my opinion the reasons urged in disagreement by the Commons have no bearing on it if you consider the principles of the Bill. If I were practising in Manitoba, and a

civil servant came to me for advice on his position with respect to this proposed legislation, supposing it were enacted, I should have no hesitation in advising him to protect himself in the courts, because first a fiat would have to be secured to proceed against the Crown. This would mean that the litigation would be taken from the trial court to the appellate courts and eventually to the Privy Council.

But surely we have no right to doubt the ability and willingness of civil servants to pay their debts. We know that as a class civil servants are hard-working and honest. Just because a provincial Legislature passed certain legislation, the constitutionality of which was doubtful, the Federal Government apparently is willing to go to all the trouble of collecting provincial taxation, when there is no evidence before either the Senate or any other body that the provincial authorities have exhausted other means of collection. It would be making it too easy altogether to allow any province to be in a position to say: "Mr. So and So owes us a certain debt. He is a federal civil servant. We do not know whether he has any property, but he is taxable, since he is a resident of this province. Now, Mr. Minister of Finance, you must deduct out of his salary whatever taxation he owes to the province, because the Minister of Justice has said so." Surely if the alleged debtor is a resident of the province the provincial authorities must have a remedy. The only action they would have to take in order to be in a position to collect the debt would be simply to cancel every possible exemption under their own provincial laws. Why the Minister of Finance should be constituted a collector for Manitoba, Quebec, Prince Edward Island or any other province, I should like to know.

Hon. Mr. MURDOCK: Would my honourable friend say why a civil servant should have special privileges in the matter of paying his debts?

Hon. Mr. MARCOTTE: I think I made myself clear in the first instance. We are concerned, not with civil servants, but with the prerogative of the Crown. You cannot sue the Crown unless you get a fiat permitting you to do so.

For the reasons I have stated, in my view the remedy which the province of Manitoba seeks under the Bill is not worth a snap of the fingers.

Hon. Mr. DANDURAND: Honourable senators, it will be remembered that when this Bill came before the House for second reading the opinion was expressed that all civil servants should be brought under the general law and made subject to garnishee proceedings. The special committee to which this Bill was referred discussed the matter thoroughly, and a tentative amendment was ultimately drafted, which is now known as amendment No. 3.

I draw the attention of the Senate to the fact that at present the Crown can be sued only under a petition of right, founded on a fiat issued by the Minister of Justice. If, under such proceedings, the plaintiff succeeds in obtaining judgment, the Crown is obliged to pay. I know cases have arisen where the Crown's dilatoriness in meeting a judgment raised the question whether the Crown could be pressed for payment.

Right Hon. Mr. MEIGHEN: Under this amendment the Crown is not compellable at all.

Hon. Mr. DANDURAND: I am coming to that point. We have studied the question as fully as was possible in the time at our disposal. As we are aware, in this Chamber there is a pronounced sentiment in favour of some legislation by which civil servants can be made to pay their debts. When the amendment was presented to us we felt it was not altogether satisfactory, and I may indicate just one weakness, to which my right honourable friend has alluded. The amendment proposes:

> The Minister of Finance shall not be subject or required to answer in or to attend at any garnishment proceedings; he shall be liable as a third party garnishee in his representative capacity only, and he shall be subject in matters to which this Act extends to orders and directions, specific or general, of the Governor in Council.

This nullifies clause 3. However, it was decided to return the Bill as amended to the House of Commons, to indicate to that House our trend of thought and our desire that some legislation should be drafted which would attain the object we had in view. I for one thought that this action would go a long way towards directing the minds of the legislators of the two Chambers towards a solution. I knew quite well that the matter was too vast and too complex to be taken up at this late date in the session, but I felt that it was a good idea to have the Commons know the feelings of the Senate in this respect. I have good reason to believe that a considerable number of members of the other House, as well as a portion of the public, are in favour of some solution which will satisfy the public conscience.

I do not know what proportion of civil servants have been negligent in meeting their obligations. I have been told by civil

servants, of whom there are thousands in Ottawa, that in honourably meeting their obligations they compare favourably with any similar number of men anywhere. More than one civil servant has told me that less than five per cent of the whole civil service is delinquent in this matter, and that the ninety-five per cent suffer in reputation by reason of the negligence of the few. There are many reasons why some civil servants may not be able to pay their debts. All kinds of accidents befall them, as they befall the rest of the community.

However, I believe we have fairly attained our object. I was glad to hear my right honourable friend (Right Hon. Mr. Meighen) answer from the legal point of view the reasons given by the Minister of Finance. The right honourable gentleman's remarks will form part of the record, and the House of Commons will know the views of this Chamber.

In these circumstances I hope that my honourable friend (Hon. Mr. Murdock), knowing, as he does now, that nothing can be accomplished by the proposed amendment No. 3 if the Government is not ready to allow a creditor to collect from a civil servant's salary, will withdraw his motion. Then I shall move:

That a message be sent to the House of Commons to acquaint that House that the Senate doth not insist on its second and third amendments made to Bill 99, an Act to amend an Act respecting debts due to the Crown, with which amendments the House of Commons has disagreed.

Right Hon. Mr. MEIGHEN: Is not that wrong? The House of Commons does not disagree with the second amendment.

Hon. Mr. DANDURAND: Yes, it does, because the Minister said he desired the legislation to come into force as soon as it was sanctioned.

Right Hon. Mr. MEIGHEN: I thought the Commons had agreed to the second amendment. The honourable gentleman is right.

Hon. Mr. DANDURAND: I know my honourable friend from Ponteix (Hon. Mr. Marcotte) contends that not only is the third amendment weak constitutionally, but the Bill also is weak. As it may be taken for granted, however, that the opinion of the Department of Finance, which I read, supported by the Department of Justice, entitles us to exercise a preference, we should prefer the interpretation which maintains our jurisdiction. As I have often said in this House, when there is a fair doubt as between federal and provincial jurisdiction, it is not for us to question our own jurisdiction and we should stand up for our constitutional rights. Therefore I would suggest to my right honourable friend that a way should be left clear for this legislation next session, when we shall be able to cope with the subject and perhaps reach a conclusion acceptable to the Department of Finance and the Government. The Senate must know that if the Government says, "We will not accept it," the amendment is of no avail. That is why I think we should not insist.

Hon. Mr. HORNER: May I ask what hardship will be suffered by the ninety-five per cent of the civil servants that is not suffered by any other wage-earners in Canada? The honourable gentleman has said that the ninety-five per cent suffer for the five per cent.

Hon. Mr. DANDURAND: Then I did not clearly express my thought and develop it. They suffer in reputation with the public at large if it is thought they are not the honest men they are. I think that is a consideration.

Another assertion has been made to me, and is a second reason, which I think my honourable friend will understand. It is asserted —I do not know how true it is—that the trade in Ottawa is inclined to charge civil servants a little more in order to cover bad debts.

Hon. Mr. MURDOCK: Because, they say, in many cases they will not be paid.

Hon. Mr. DANDURAND: Because in some instances they will not be paid.

Right Hon. Mr. MEIGHEN: That is a very grave injustice to the ninety-five per cent.

Hon. Mr. MARCOTTE: I do not wish to make another speech, but may I say just a word with respect to one point raised by the honourable leader. He says that in the opinion of the honourable senator from Ponteix this legislation is ultra vires, but at the same time he has the opinion of the Minister of Justice, who says it is not. I shall refer to just one paragraph in the statement of the Minister of Justice. He says that if there is any doubt as to validity of this Bill, it is going to be cured by legislation to be passed by the Manitoba Legislature. I just leave it to the honourable gentleman to answer that.

Hon. Mr. DANDURAND: Does my honourable friend want an answer?

Hon. Mr. MARCOTTE: No. I am just referring to it.

Hon. Mr. MURDOCK: I wonder if the leader of the Government would give us a word of advice on the statement which emanated from another place as to the adequacy of present remedies. What are they?

Hon. Mr. DANDURAND: The situation, as I understand it from two or three members of the Bar practising in Ottawa, is this. If I am wrong I stand to be corrected. A civil servant who is in debt is brought before the court. I thought I had heard of such a case coming before the Recorder's Court, but I was corrected by one of the members of the Bar in the Senate, who says it is the Superior Court. The judge, after examining into the case and into the ability of the civil servant to pay, condemns him to pay by monthly instalments, and if he fails to do this he is cited before a judge for contempt of court and sent to gaol. This may apply to others as well, but we are speaking of civil servants. I know that during the forty years I have been in the Senate I have heard of more than one pressing demand for payment of debts.

Hon. C. P. BEAUBIEN: There was a penalty of imprisonment for debt.

Hon. Mr. DANDURAND: Yes. We had it in the province of Quebec.

Hon. C. P. BEAUBIEN: In the time of our forefathers.

Hon. Mr. DANDURAND: I had an action by a plaintiff against his wife for separation in bed and board. The court found that the suit should have been taken against the husband, and dismissed his claim, and there was a counter-action, in which the wife obtained separation. Although her husband had money in England, she had to earn her own living. Every Saturday between eleven and twelve she was obliged to go to the gaol and deposit a dollar. This she did for three years to keep him there.

Hon. Mr. MURDOCK: May I ask the honourable the leader what would be the objection to letting this particular question stand for the next three months in order to see if the Department of Justice and the Government cannot devise something which will do what I believe we all want done?

Hon. Mr. DANDURAND: The Minister of Finance, who is a lawyer, has suggested that if something has to be done, it could be done in an effective manner by a Bill along other lines, which would come up after a survey of the whole ground. I hope the honourable gentleman will not press his motion.

Hon. Mr. MURDOCK: I accept that as a promise, and will withdraw my amendment, feeling confident that something will be done at the next session.

Hon. Mr. ASELTINE: It has been suggested to me that the ninety-five per cent who pay their debts would like to see the amendment passed, because their credit is hurt by the action of the five per cent.

Hon. Mr. DANDURAND: We have no one before us to speak for them. But, I may say, surely they would like something effective to be done, and this would not be effective.

Hon. Mr. ASELTINE: I cannot see why it would not be. It is effective in the various provinces. For instance, if a civil servant in the province of Saskatchewan owes money and will not pay, I have no difficulty in securing a garnishee summons and serving it on the Provincial Secretary or the Provincial Treasurer and getting the money. The Government pays it into court, subject to the exemption.

Hon. Mr. MURDOCK: Would that apply to a federal civil servant?

Hon. Mr. ASELTINE: I do not see why it would not. The provincial Government acts in the name of the Crown, just as the Federal Government does.

Hon. Mr. DANDURAND: As the question of waiving the petition of right and the Crown saying who may issue a fiat is of such importance in the eyes of the men in the various departments who have the responsibility of advising the Minister, I would suggest that the amendment should come from the Crown, or the Government, which has the responsibility of the administration of the country. My right honourable friend has been a Minister for a number of years. It may be that this question never arose in his time, but since 1867 it has been the law—

Hon. Mr. ASELTINE: This is not a case of taking action against the Crown. I understand that you issue a writ, get a judgment, and then garnishee the Crown. It is not at all a case of issuing a writ against the Crown. The judgment summons business which the honourable Minister has been speaking of has been done away with in most of the provinces. We had it in Saskatchewan. We cannot bring up a federal employee on judgment summons and have him committed for contempt of court if he does not carry out the order made against him, and we are unable to collect anything at all from him.

Right Hon. Mr. MEIGHEN: Before the motion is put, I want to clear up one or two points and state my own position. As respects the views of the Law Clerk of the Senate, the practice has grown up of having these transmitted to the two leaders. But we have no more rights than other honourable members of the House, and I suggest that the reason why other senators do not receive a statement of the Law Clerk's opinion is the difficulty of reaching them all. If the honourable member from Ponteix (Hon. Mr. Marcotte) wants an adjournment of the debate, in order to give further study to the matter, he ought to have it.

Secondly, I do not think it is fair to say that the remedy in the proposed new section 3 would not be effective. In my opinion it would be thoroughly effective. Nothing has been adduced to convince me that if it became law it would not do just what is intended, that is, to render the civil servant's salary liable to the same garnishment proceedings as the salary of anybody else is. Naturally, with deference to the right of the Crown, nothing would be compulsorily assessed against the Crown. But that would not detract from the amendment's effectiveness. The right to sue the Crown exists now. That a fiat is necessary, in deference to the Crown's exalted and peculiar position, does not leave the subject without his remedies.

Nor is it right to say that there are other remedies, and that judgment summons is one. I agree with the statement of the honourable senator from Parkdale (Hon. Mr. Murdock) that the creditor of a civil servant has virtually no remedy. It was shown in the committee that in Manitoba, at least, although judgment summons still exists as a means of enforcement, it is without effect at all, because while default in the first of the monthly payments ordered at the hearing would render the debtor liable to some penalty, whatever it might be, as a matter of fact he never goes to gaol; he gets around the difficulty by making the first payment and defaulting on the second. That is not considered contempt of court. He has to be brought up again, with the result that the cost to the applicant is more than he gets out of it. Therefore the judgment summons is nullified and is merely a nominal, not an effective remedy. You can put the debtor to some trouble, but you cannot collect your debt.

As was pointed out by the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine), it is not correct to say that garnishment against a civil servant is equivalent to a suit against the Crown. You cannot sue the Crown in the right of Saskatchewan, but you can garnishee the Crown while it is acting in the capacity of a holder of money due a citizen. It was stated, and, I do not doubt, correctly, that the same is true in British Columbia. Of what other provinces it may be true, I do not know. The Crown in the right of some of the provinces has seen the distinction and removed its civil servants from a protection to which they are not entitled. It only remains for the Crown in the right of the Dominion to do so.

While I am in agreement with the honourable senator from Parkdale (Hon. Mr. Murdock) and should have supported a motion, if the honourable leader of the Government (Hon. Mr. Dandurand) had moved it, that this House insist on its amendments, I cannot feel that this is a case where we should so insist against the honourable leader's will. I take that stand mainly because this big subject has just come before us for the first time, and only at the end of the session. But, like the honourable senator from Parkdale (Hon. Mr. Murdock), I feel we should regard the statement of the honourable leader (Hon. Mr. Dandurand) as a promise that next session there shall be some Government legislation dealing with the entire problem.

Hon. Mr. DANDURAND: I do not desire to be misunderstood as binding the Government. I may say the Minister of Finance told me, for the Department of Justice, that the matter was of sufficient importance to be examined separately and dealt with in a separate bill. I would only add that we ourselves have power to examine into the whole situation, and there is no reason why we should not do so in the event of delay in the bringing down of Government legislation.

I move that a message be sent to the House of Commons to acquaint that House that the Senate doth not insist upon its second and third amendments to Bill 99, an Act to amend an Act respecting Debts Due to the Crown, to which said amendments the House of Commons has disagreed.

The motion was agreed to.

SUSPENSION OF THE RULES

MOTION DROPPED

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

That from and inclusive of to-day until the end of the session Rules 23 (f), 24 (a), (b), (d), (e) and (h), 63, 119, 129, 130 and 131 be suspended.

Hon. Mr. DANDURAND: If my right honourable friend (Right Hon. Mr. Meighen) has no objection, I will ask that the motion be dropped.

The Hon. the SPEAKER: Dropped.

IMMIGRATION AND CARE OF REFUGEES

INQUIRY

On the Orders of the Day:

Right Hon. Mr. MEIGHEN: Honourable senators, I should like to refer to a subject I have mentioned before, the care of those whom, for want of a better term, we describe as refugees from the two great formerly allied countries. I presume that because of the disastrous turn of events in France there are unfortunately not many persons, if any at all, who are able to leave that country now. Such, however, is not true of Britain.

I cannot find any systematization of the work of taking care of these people. That a great many Canadians are interested in it, I am aware. And I know it is a fact that most, though I feel sure not all, of the refugees who have arrived have obtained some place at which to stay in the meantime. But certainly there is no scheme, even under advisement, for looking after the educational interests of children who come. Undoubtedly the difficulties are pretty serious. The British Government will not permit the parents of these children, even where the parents are financially able, to send out money for educational purposes. A limit of ten pounds has, I think, been set by the British Government in this connection. With that no one can find fault, for every pound sent out of Britain for such purposes subtracts from the country's financial ability to purchase materials essential for winning the war.

Then, I presume, the British Government is anxious that the whole plan of removal of children and, where necessary, of women, should work out with the greatest possible degree of equity and fairness as between persons who are capable of paying and those who are not. However, the fact with which I am now concerned is that a considerable number of children are coming over, and what I should like to see is some central organization charged with the placing and supervising of these children in Canada. The United States is organizing to render material assistance, which will be very welcome, but it does seem to me that the Dominions are the natural homes for these children. Canada is the closest Dominion and therefore the one to which they look first. It would be a tragedy, for which we should never forgive ourselves, that we should fail to provide adequate care for the people who arrive under the distressful circumstances of these times.

Little can be said by those in authority on the other side of the ocean. Naturally they would not wish to complain, no matter what were done. And they will praise; no matter what is done. It is for us to see that an organization to look after the children is established, and that the whole problem is adequately dealt with. I am not going to say that the cost of a proper scheme should be wholly borne by the Dominion treasury. The work is something in the nature of that taken care of by the old Patriotic Fund in the last war. It might be necessary to have financial assistance given by the treasury, but the work is not an inappropriate one for support by interested people in this country. And I do not think a call for assistance would go long unanswered by our citizens.

When I am asked where these children may be looked after, I do not know what to say. There is no central place. This church here, another church there, and a ladies' college somewhere else are doing what they can, and some people are trying to arrange for the use of a large building, and so on, but there is no one organization in charge of the work as a whole. That is the report brought to me by those who have come out with these people. Sometimes refugees arrive without anyone at all being present to meet them.

Hon. Mr. DANDURAND: And without any notification being sent here from the other side.

Right Hon. Mr. MEIGHEN: Without notification, perhaps; I do not know. But they all could be taken care of if there were a proper system. That seems to me something which falls peculiarly within the new Department of National War Services. One gets that impression upon reading the Bill creating the new ministry. Some organization should be set up which has the department's blessing and to which those who are eager to assist as best they can might apply. I do not think the work should be done directly under the department, though if it were I should not find fault, but at least the department could give a lead to the setting up of a central organization and see to the establishment of subsidiaries throughout the country, so that this great service in which we are now privileged to take part may be done properly. Besides, it will ultimately redound to the advantage of Canada. Of course, not all the people who come here will remain here as citizens, but some will, and we ought to see that they all get a good impression of the country.

There should be no further delay in looking after this matter, and I suggest that it be drawn to the attention of the Minister of National War Services. Perhaps he already has it in hand. I hope he has, for nothing

would please me better than to be told I am late with my suggestion—that the matter is in charge of that Minister or of another, and that some system is being applied to the working out of the whole problem. Let us not fail in this.

Hon. Mr DANDURAND: There is seldom a meeting of the Cabinet when its attention is not directed to one angle or another of this subject. I think I could get Hon. Mr. Crerar, whose department embraces the Immigration Branch, which has supervision of the entry of these refugees, to come before the Committee on Banking and Commerce and tell us what has been done up to date and what is projected for the future.

Right Hon. Mr. MEIGHEN: I shall be glad to hear him.

Hon. Mr. DANDURAND: I shall try to arrange for him to attend after the committee has disposed of the Wheat Bill.

I move that the Senate adjourn during pleasure, to resume at 5.45.

The Senate adjourned during pleasure.

The Senate resumed at 5.45 p.m.

CANADIAN WHEAT BOARD BILL

THIRD READING

Hon. Mr. DANDURAND moved the third reading of Bill 118, An Act to amend the Canadian Wheat Board Act, 1935.

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

FARMERS' CREDITORS ARRANGEMENT BILL

On the motion to adjourn:

Hon. W. H. SHARPE: Honourable members, before the House adjourns, I should like to ask the honourable leader of the Government (Hon. Mr. Dandurand) what happened to the Farmers' Creditors Arrangement Bill.

Hon. Mr. DANDURAND: The last time I heard of it, it was in the hands of the three managers of the Senate.

Hon. Mr. SHARPE: They reported to us.

Hon. Mr. DANDURAND: I do not know what the managers of the House of Commons reported. They may still be deliberating over the Bill.

Right Hon. Mr. MEIGHEN: I understand the House of Commons decided to defeat the Bill rather than accept the amendment regarding appeal. They defeated the measure.

The Senate adjourned until to-morrow at 11.30 a.m.

THE SENATE

Tuesday, August 6, 1940.

The Senate met at 11.30 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

BUSINESS OF THE SENATE

On the Orders of the Day:

Hon. Mr. DANDURAND: Honourable senators, I realize that we could have adjourned the Senate on Saturday until Tuesday afternoon.

Right Hon. Mr. MEIGHEN: Hear, hear.

Hon. Mr. DANDURAND: But opinions in another place were divided as to the rapidity with which the estimates could be disposed of there. As we are not having separate sittings to-day, I would suggest that we adjourn during pleasure, and on the information I have I think we should perhaps reconvene at 8 o'clock this evening.

Right Hon. Mr. MEIGHEN: Is that an intimation that we may be here to-morrow?

Hon. Mr. LITTLE: It is a little stronger than "may," I think.

Hon. Mr. DANDURAND: When it was suggested to me that we adjourn until 8 o'clock to await the last Bill to come to us, there was implied the expectation that the Bill would be here by that time, and that after the Royal Assent was given to it and other measures we should be able to adjourn this evening until the 5th of November.

Right Hon. Mr. MEIGHEN: I cannot, of course, foresee what may happen in the other Chamber, but it occurred to me that we might do as we did yesterday—adjourn until half past five or a quarter to six. If we reassembled then we should know what the evening has in store for us.

Hon. Mr. DANDURAND: That suggestion is quite agreeable to me, and I would move that the Senate adjourn during pleasure, to reconvene at half past five this afternoon.

The motion was agreed to.

IMMIGRATION AND CARE OF REFUGEES

On the motion to adjourn:

Hon. Mr. DANDURAND: I draw attention of honourable members to the fact that I have asked the Minister of Mines and Resources, Honourable Mr. Crerar, whether he would kindly meet us at noon in a committee room and discuss the immigration and care of refugees, about which subject an inquiry was made last night by my right honourable friend opposite (Right Hon. Mr. Meighen). If the Minister's estimates are before the other House this morning, it may be impossible for him to come here, but in that event Mr. Blair, who is directly in charge of the matter, will be with us.

The Senate adjourned during pleasure.

The Senate resumed at 5.30 p.m.

Hon. Mr. DANDURAND: Honourable senators. I move that when the Senate adjourns this evening it stand adjourned until to-morrow at 12 o'clock.

The motion was agreed to.

The Senate adjourned until to-morrow at 12 noon.

THE SENATE

Wednesday, August 7, 1940.

The Senate met at 12 noon, the Speaker in the Chair.

Prayers and routine proceedings.

APPROPRIATION BILL No. 3

FIRST READING

A message was received from the House of Commons with Bill 124, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending March the 31st, 1941.

The Bill was read the first time.

SECOND READING

Hon. RAOUL DANDURAND moved the second reading of the Bill.

He said: Honourable members will observe that as to the first figure of $178,176,682, the Bill provides that

From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole one hundred and seventy-eight million, one hundred and seventy-six thousand, six hundred and eighty-two dollars and sixty-five cents towards defraying the several charges and expenses of the public service, from the first day of April, one thousand nine hundred and forty, to the thirty-first day of March, one thousand nine hundred and forty-one, not otherwise provided for, and being the amount of each of the items voted, less deduction, set forth in Schedule A to this Act, and less the amounts voted on account of the said items in the Appropriation Act, No. 1, 1940, and the Appropriation Act, No. 2, 1940, passed at the present session of Parliament, for the fiscal year ending the thirty-first day of March, one thousand nine hundred and forty-one, as laid before the House of Commons at the present session of Parliament: Provided the amount hereby authorized to be paid and applied in respect to each item, set forth in said Schedule A, shall be deemed to include and not to be in addition to, the amount authorized for each such item by Governor General's warrants issued during the fiscal year 1940-41 prior to the 16th day of May, 1940.

It is also provided that the Governor in Council may

In addition to the sums now remaining unborrowed and negotiable of the loans authorized by Parliament, by any Act heretofore passed, raise by way of loan, under the provisions of The Consolidated Revenue and Audit Act, 1931, by the issue and sale or pledge of securities of Canada, in such form, for such separate sums, at such rate of interest and upon such other terms and conditions as the Governor in Council may approve, such sum or sums of money, not to exceed in the whole the sum of two hundred million dollars, as may be required for public works and general purposes, and in addition such sum or sums of money as may be required to pay and redeem treasury bills maturing from time to time.

The principal raised by way of loan under this Act and the interest thereon shall be a charge upon and payable out of the Consolidated Revenue Fund.

All borrowing powers authorized by section five of chapter fifty-three of the statutes of 1939 which are outstanding and unused shall expire on the date of the coming into force of this Act.

A detailed account of the sums expended under the authority of this Act shall be laid before the House of Commons of Canada during the first fifteen days of the then next session of Parliament.

Schedule A is

Based on the Main Estimates, 1940-41. The amount hereby granted is $178,176,682.65, being the amount of each of the items in the Estimates as contained in this schedule, less deduction of $2,081.97 in resolution No. 38; and less the amount voted on account of the said items in the Appropriation Act No. 1, 1940, and the Appropriation Act No. 2, 1940, of the present session.

Schedule B is

Based on the Supplementary Estimates, 1940-41. The amount hereby granted is $3,197,488, being the amount of each of the items in the said Estimates as contained in this schedule.

I need not go into further details. To do so would necessitate my surveying all the activities of the various departments of the public service. The members of the other House have, I conceive, examined these minutely, as it is their duty to do. With these very short remarks, I move, seconded by the Right Hon. Mr. Graham, the second reading of this Bill, and shall hand the Bill over to my right honourable friend opposite.

Right Hon. ARTHUR MEIGHEN: Honourable members, I make no pretence of having studied the individual items of this Bill, as it has just reached me this very second. I have, however, seen the Bill in the form in which it was presented to the other House, and would comment with some severity on certain features of it were it not the tradition of the Senate to leave money bills entirely to the wisdom and judgment of the other Chamber.

I would comment particularly on the inclusion in war expenditures of certain large amounts which, it seems to me, have no right to be in that category; such, for example, as the many millions advanced for railway equipment. It looks as if this item were placed there just for the purpose of avoiding what otherwise would be the inevitable effect upon the railway capital structure.

If it were our function to do so, I would also criticize a certain item, not that it is important in its magnitude, but because I think it will be a source of perennial trouble and a precedent which will embarrass governments as long as Canada lasts. Sometimes I think it would be better if an understanding were arrived at whereby the Senate might reduce estimates. Certainly we should never impose a tax upon the people or initiate any legislation to that end. However, the custom is so well established I see no hope at all of its being altered, and this House will doubtless pass this measure as it stands.

While I am on my feet I may say, in anticipation of an early adjournment, which in effect is probably a prorogation, that congratulations are due to honourable members who have stayed throughout these rather trying days, the more trying because our work was virtually finished and we had nothing more to do. I am sure the gratitude of those on both sides who feel special responsibility is due to honourable members who have remained, and I mention particularly the three oldest members in our Chamber, the revered senator for Gloucester (Hon. Mr. Turgeon), the honourable senator from Winona (Hon. E. D. Smith)—

Hon. Mr. DANDURAND: Hear, hear.

Right Hon. Mr. MEIGHEN: —and the right honourable senator from Eganville (Right Hon. Mr. Graham).

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: These men are to be congratulated on their long service, and particularly on their fidelity in "sticking it out" to the end of this session.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: We should try to have our younger colleagues who happen to be absent made aware of the presence of their seniors in this Chamber at this time, and should hold it up to them as an example of how the seniors regard their duty to Parliament.

Hon. J. E. SINCLAIR: Honourable members, on the point raised by the right honourable gentleman (Right Hon. Mr. Meighen) in regard to the railway expenditure, I should like to ask the leader of the Government whether the expenditure mentioned in the Bill as a war expenditure includes a grant to both railways or only to the Canadian National.

Hon. Mr. DANDURAND: I beg your pardon.

Hon. Mr. SINCLAIR: In the Supply Bill there is an item of war expenditure for railways. Does that vote go wholly to the Canadian National Railways, or is it divided between the two railways?

Hon. Mr. DANDURAND: It covers both railways, the Canadian Pacific and the Canadian National.

Hon. Mr. SINCLAIR: That is why it is under war expenditure?

Right Hon. Mr. MEIGHEN: I suppose that is as good a reason as any.

Hon. Mr. LACASSE: My right honourable friend (Right Hon. Mr. Meighen) said there was an item which, although not of great importance, he would like to criticize, but he failed to mention what it was. I should like to know to what item he referred.

Right Hon. Mr. MEIGHEN: I have said all I intend to say about it.

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

THIRD READING

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

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

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Right Honourable Sir Lyman P. Duff, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 12.30 p.m. for the purpose of giving the Royal Assent to certain Bills.

NATIONAL RESOURCES MOBILIZATION ACT AND WAR MEASURES ACT

ORDERS IN COUNCIL TABLED

Hon. Mr. DANDURAND: Honourable senators, I desire to lay on the Table two Orders in Council amending National Registration Regulations tabled in the Senate. One bears on the postage to be paid on all mail matter, including supplies.

Whereas section 35 of the National Registration Regulations, 1940, established by Order in Council of the 12th July, 1940, under and in virtue of the National Resources Mobilization Act, 1940, and the War Measures Act, provides for the transmission in the mails free of Canada postage, of all mail matter, including supplies;

And whereas this section conflicts with section 160 of the Canada Official Postal Guide, which stipulates that supplies (stationery, etc.) are only to be accepted when fully prepaid by means of postage stamps at the ordinary postage rates;

Therefore His Excellency the Governor General in Council, on the recommendation of the Minister of National War Services and with the concurrence of the Postmaster General, is pleased to amend the National Registration Regulations, 1940, established by Order in Council of 12th July, 1940 (P.C. 3156), and they are hereby amended by adding the following words to section 35 thereof:

provided postage shall be fully prepaid on supplies (stationery, etc.) at the regular third class matter rate.

this proviso to be effective on and from the 25th day of July, 1940.

The second Order in Council amends certain directions to the Chief Registrar for Canada.

Right Hon. Mr. MEIGHEN: Are these regulations under the Mobilization Act?

Hon. Mr. DANDURAND: No. They are instructions to the Chief Registrar.

Right Hon. Mr. MEIGHEN: In respect only of registration?

Hon. Mr. DANDURAND: Yes.

Right Hon. Mr. MEIGHEN: The other regulations are not ready yet?

Hon. Mr. DANDURAND: If it will not alarm my right honourable friend, I may say I am always thinking of him, and of the requests he occasionally makes for various information. I asked yesterday if these regulations would reach us in time to be laid on the Table, and was told that was improbable, but they would be issued soon and announced to the public. They are based on the statement which I read here a few days ago.

Right Hon. Mr. MEIGHEN: I could have told my honourable friend long ago—in fact I did tell him—that it was improbable they would be laid on the Table in time for the House to discuss them. This just makes a monkey of Parliament.

Hon. Mr. DANDURAND: My right honourable friend has no right to say that, because not only did I read the whole basis of the regulations, but I said that if my right honourable friend so desired I would call before one of our committees the gentlemen who are drafting the regulations, so that honourable members would know just what was being done and how it was being done. These gentlemen are: Mr. Cassels, a prominent Toronto lawyer, who, I think, is a son of the late Judge Cassels; Brigadier Orde, the Judge-Advocate-General, and Mr. Boisvert, of Quebec. I think my right honourable friend will find everything done to his satisfaction.

Right Hon. Mr. MEIGHEN: I did not see very much value in cross-examining two lawyers on regulations which had not yet been drafted.

Hon. Mr. DANDURAND: But they have their instructions and are following them faithfully.

ADJOURNMENT

Hon. RAOUL DANDURAND: Honourable members, I move that when the Senate adjourns this day it stand adjourned until Tuesday, November 5, at 3 o'clock in the afternoon.

Hon. Mr. SINCLAIR: Is there any provision for the Speaker calling senators to meet in advance of the date mentioned?

Hon. Mr. DANDURAND: That is provided for in our resolution covering the whole of this session.

The motion was agreed to.

Hon. Mr. DANDURAND: Honourable members, I desire to thank our senior colleagues for their attendance this morning. And may I draw attention to the presence of the honourable senator from Peterborough (Hon. Mrs. Fallis) by asking her to second the motion I am about to make. I move that the Senate adjourn during pleasure.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

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

An Act to amend the Salaries Act.

An Act respecting the Ottawa Electric Company and the Ottawa Gas Company.

An Act respecting the Cedars Rapids Manufacturing and Power Company.

An Act to amend the Yukon Act.

An Act to amend the Northwest Territories Act.

An Act respecting the Detroit and Windsor Subway Company.

An Act to amend the Naval Service Act.

An Act to amend the Civil Service Superannuation Act, 1924.

An Act to amend the Department of Munitions and Supply Act.

An Act to incorporate Pool Insurance Company.

An Act to amend the Customs Tariff.

An Act to amend the Income War Tax Act.

An Act to incorporate the Stanstead & Sherbrooke Insurance Company.

An Act respecting a certain wharf of Saguenay Terminals Limited.

An Act to incorporate Sisters Servants of Mary Immaculate.

An Act to amend the Cheese and Cheese Factory Improvement Act.

An Act to amend the Penitentiary Act and the Penitentiary Act, 1939.

An Act to amend the Tariff Board Act.

The Excess Profits Tax Act, 1940.

An Act respecting Treachery.

An Act to amend the Excise Act, 1934.

An Act to amend the Special War Revenue Act.

An Act to amend the Royal Canadian Mounted Police Act.

An Act to authorize the provision of moneys to meet certain capital expenditures made and capital indebtedness incurred by the Canadian National Railways System during the calendar year 1940, to provide for the refunding of financial obligations and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

An Act to establish an Unemployment Insurance Commission, to provide for Insurance against Unemployment, to establish an Employment Service, and for other purposes related thereto.

An Act respecting the payment of compensation for the taking of certain property for war purposes.

An Act to amend the Prairie Farm Assistance Act, 1939.

An Act to amend an Act respecting debts due to the Crown.

An Act to amend the Canadian Wheat Board Act, 1935.

An Act for the relief of Elizabeth Pauline Tingley Kidd.

An Act for the relief of Nancy Patricia Lytle Rowat.

An Act for the relief of Henry Carl Mayhew.

An Act for the relief of Laura Lucrezia Green Stinson.

An Act for the relief of Irene Nellie Kon Simpson.

An Act for the relief of Elma Jane Harris Aspell.

An Act for the relief of Edith Leanora Holland Bonet.

An Act for the relief of Dorothy Lavinia Worsley Baker.

An Act for the relief of Eugene Belanger.

An Act for the relief of Rebecca Cohen.

An Act for the relief of Ethel Cahan Naihouse.

An Act for the relief of John Roy Fumerton.

An Act for the relief of Paul Edouard Tardif.

An Act for the relief of Pearl Aizanman Morris.

An Act for the relief of Molly Goldfarb Goldberg.

An Act for the relief of Muriel Agnes Martin Beech.

An Act for the relief of Alfred Reinhold Roller.

An Act for the relief of Sarah Kerzner Spilberg.

An Act for the relief of Christina Smith Dunlop Andrique.

An Act for the relief of Anna Shepherd.

An Act for the relief of Margaret Somerville Sickinger.

An Act for the relief of Romain Cléophas Moreau.

An Act for the relief of Dorothy Florence Donn Martin.

An Act for the relief of Phoebe Doris Edge Pott.

An Act for the relief of Filomena Grego Sauro.

An Act for the relief of Kathleen Irene Mae Stephens Morrissey.

An Act for the relief of Dorothy Frances Poyser MacDermid.

An Act for the relief of Sheila Alice Dolly Young Dodge.

An Act for the relief of Margaret Louise MacDonald Russell.

An Act for the relief of Edward James Holt.

An Act for the relief of Peter Logush.

An Act for the relief of Goldie Wolfe Goldberg.

An Act for the relief of Ethel Witkov Myers.

An Act for the relief of Tilly Fishman Constantine.

An Act for the relief of Rachel Ruth Levenstein Schwartz.

An Act for the relief of Eleanor Mabel Campbell Townsend.

An Act for the relief of Isabel Margaret Gill Bacon.

An Act for the relief of Michele Fiorilli.

An Act for the relief of Gertie Schwartz Simak.

An Act for the relief of Geneva Clementine Hurley Picard.

An Act for the relief of René Gaudry.

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An Act for the relief of Robert Tester Gordon.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1941.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1941.

The House of Commons withdrew.

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

The sitting of the Senate was resumed.

Hon. Mr. DANDURAND: Honourable senators, before we adjourn I desire to express my appreciation to honourable members who have remained in attendance until this closing hour. I was surprised to find so many here—indeed, I had wondered whether there would be a quorum—since we had virtually finished our work a couple of days ago. But there appears to be at least a quorum on each side, and this, I think, is a fact from which we may well draw satisfaction.

The Senate adjourned until Tuesday, November 5, 1940, at 3 p.m.

THE SENATE

Tuesday, November 5, 1940.

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

Prayers and routine proceedings.

PROROGATION OF PARLIAMENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General acquainting him that the Right Honourable Sir Lyman P. Duff, G.C.M.G., acting as Deputy Governor General, would proceed to the Senate Chamber at three o'clock for the purpose of proroguing the session of Parliament.

TRIBUTES TO DECEASED SENATORS

Hon. RAOUL DANDURAND: Honourable senators, it is my sorrowful duty to inform this Chamber of the demise of two of our colleagues, Senator Laird and Senator Fauteux, since we separated in August last.

The Honourable Senator Laird had been with us since 1917. Coming from the capital of the province of Saskatchewan, he brought to us a large store of experience and information. As he had been a journalist, he was able to extend his thoughts to all the questions of the day and was well prepared for the task of enlarging the information of his readers. He was public-spirited and occupied a number of offices in his home city of Regina, where he was chief magistrate for a couple of years. Like many citizens of the Northwest, he had been brought up in the old province of Ontario. He not only interested himself in the public affairs of the country, but took part in its industrial development. He was president of important companies and had acquired a practical knowledge of business affairs at first hand.

The late senator had a notable career in the military field. He served for four years with the Queen's Own Rifles of Toronto, for seven years as a captain in the 40th Northumberland Battalion, and for three years as a major with the Army Service Corps, and was with the Canadian Expeditionary Force during the war. In 1916, as lieutenant-colonel, he organized the 3rd Divisional Train, C.E.F., and proceeded to England and France in command. Unfortunately, in 1917 he lost his son, who was with the Royal Flying Corps in France.

Such was his record when he reached this Chamber in 1917. We were pleased to find in him one perfectly equipped for his task. He had a general and profound knowledge of the affairs of the West, and discussed numerous questions appertaining generally to the welfare of this country. Senator Laird was not very often heard in this Chamber, although before disease afflicted him we used to hear from him when occasion demanded, and up to the last day of last session he gave us the benefit of his advice in various committees when they were reviewing legislation. We always found that he had a clear mind on those questions, and we felt the wiser for listening to him. I think the judgment that I pass on him will be shared by all who sat in committees with him, even in the last days, when he was in poor health. He endeared himself through his qualities of mind and heart, and we shall

all miss him. I always found him one of the most courteous and friendly members of this Chamber, and it was a real pleasure to meet him, in or out of the Senate.

The Honourable Senator Fauteux had been with us but a few years. When he was appointed he gave promise of a very brilliant career in this Chamber. He had a high reputation as a barrister in his own province, and became the head of the Montreal Bar, or, to use the French term, the Bâtonnier. It goes without saying that he enjoyed the esteem and confidence of all members of his profession. He was inclined towards political activities and, through his eloquent voice, gave his party all the help he could. As a matter of fact, he was one of the Conservative party's brilliant speakers in the province of Quebec, and no one was surprised when the Right Honourable Mr. Meighen selected him as Solicitor-General for the Dominion. In this House he was not heard very often, because, as we were surprised to learn last session, he was in very delicate health. That fact was not evident from his appearance, but all those who knew him felt it was the reason why he did not rise oftener to give us his advice on questions that were being debated here.

To the families of our departed colleagues I offer the heartfelt sympathy of all members of this Chamber. I am quite sure my honourable friend who is leading the other side to-day (Hon. Mr. Ballantyne) will associate himself with these condolences.

Hon. C. C. BALLANTYNE: Honourable senators, I did not have the privilege of being acquainted with Senator Laird until I became a member of this Chamber, some nine years ago. At that time he was in his full vigour. I was attracted by the clearness of mind which, so long as he retained his health, he brought to bear on all the subjects that one would discuss with him or that came up for consideration in the Senate. My honourable friend the leader of the House (Hon. Mr. Dandurand) has, in his customary eloquent and sympathetic manner, traced Senator Laird's active life. It was not only an active life, but also a most useful one. The West particularly and Canada as a whole are poorer because of the passing of Senator Laird.

Senator Fauteux I knew for more than twenty years. He was a gentleman of great qualities and of a kind disposition, and was very modest and reticent. When you got to know him as a friend you found he was one of the most jovial and likeable persons that anyone could meet in public or private life. He was possessed of unusual talents as an orator, and I doubt very much if he had any superior in the province of Quebec. To me it was always a matter of regret that we did not hear from him oftener in the Senate. As my honourable friend opposite has already stated, Senator Fauteux had a distinguished career as a barrister, and became Bâtonnier of the Montreal Bar. He offered his services to the public freely, and no doubt that is one reason why in later years his health was not as robust as it should have been, and why he passed away at a rather early age.

I know I am expressing the views of everyone on this side of the Senate when I say we associate ourselves with the honourable leader and members on the other side in conveying our most sincere sympathy to the families of the late Senators Laird and Fauteaux.

Hon. ARTHUR SAUVÉ (Translation): Honourable senators, there are few places where life follows its course on such a striking tempo as it does in this House. There are few if any sessions during which the death-knell is not sounded for some one of our colleagues, fallen a victim to the Grim Reaper, who strikes right and left, with no consideration for age or for human tasks to be performed. I should have nothing to add to the tribute so eloquently paid by the leaders of this House to the memory of those who were the last to be called by death, were not the ties of friendship that have bound me for fifty years to the late lamented senator from Salaberry (Hon. Mr. Fauteux) enjoining me to render him a last tribute in this House.

André Fauteux was a man endowed with a natural distinction, which was heightened by a sound intellectual culture, and marked by an eloquence full of charm, elegance and spiritual elevation, which bespoke a mind nurtured with beautiful things and noble ideas. André Fauteux was quite fond of politics as a means of upholding principles and ideas; consequently, under our democratic system he frequently had to suffer in this regard. He was not a politician; he confessed to a lack of psychological precision. To serve his country through his party, he ignored danger or peril; he could fight to the last ditch and accept unhesitatingly the most threatening risk, the heaviest sacrifice and the bitterest political struggle.

However, the nobleness of his feelings, the sincerity of his heart and the dignity of his conduct ensured him the admiration of his fiercest opponents.

As he came to Ottawa too late to become sufficiently accustomed to the federal atmosphere, his colleagues had but too seldom the opportunity of appreciating his talents, but all could admire in him a perfect gentleman.

May his soul rest in peace, and may the memory of his life be a lesson and an example to the younger Canadian generation.

Hon. H. H. HORSEY: Honourable senators, I am sure we all join in the tributes which have been paid to our two late colleagues by the leaders (Hon. Mr. Dandurand and Hon. Mr. Ballantyne) and by the honourable gentleman opposite (Hon. Mr. Sauvé).

I knew Senator Fauteux only slightly, but I was familiar with his brilliant record as a barrister and a parliamentarian.

I did not know Senator Laird until I became a member of this House, but at our first meeting he made a strong impression on me—as I know he did on others—and I was soon on intimate terms with him. His genial disposition endeared him to us all. He displayed conspicuous ability both in this Chamber and in our committees, his remarks being always to the point and, when occasion allowed, humorous as well. During the last few months of his illness I visited him in this city several times, and always he met me with a smile and referred in terms of affection to his colleagues on both sides of the House.

Though Senator Laird held strong political convictions, he could always be depended upon to subordinate party welfare to the national interest.

Our sincere sympathy will go out to the widow and family of Senator Laird, and also to the family of Senator Fauteux.

The Senate adjourned during pleasure.

PROROGATION OF PARLIAMENT

SPEECH FROM THE THRONE

The Right Honourable Sir Lyman P. Duff, the Deputy Governor General, having come and being seated at the foot of the Throne, and the House of Commons being come with their Speaker, the Right Honourable the Deputy Governor General was pleased to close the First Session of the Nineteenth Parliament of the Dominion of Canada with the following speech:

Honourable Members of the Senate:

Members of the House of Commons:

When the present session opened in May, one free country after another, in quick succession, had become the victim of Nazi aggression. Before its adjournment on August 7, Italy had joined her Axis partner as an open enemy, French resistance had collapsed, and the Government of France had surrendered. Britain herself was threatened with invasion. The theatre of conflict had begun to spread into other lands beyond the confines of Europe. Japan and China were still at war. Among the nations of the world, the United Kingdom and the British Dominions, alone, stood in arms in the defence of the world's freedom.

Canada has willingly accepted the widening responsibilities which events have placed upon her. The measures which you have taken have had in view the immediate task of sharing more completely in the defence of Britain and securing our own country more effectively against internal subversion and external attack. They have also had in view the long-range task of ensuring the ultimate defeat of the enemy.

To serve these ends, the structure of the Administration has been altered and enlarged. A Ministry of National Defence for Air and a Ministry of National Defence for Naval Services have been created. The scope of the Department of Munitions and Supply has been expanded and its organization strengthened. A Department of National War Services has been established. The Government has been empowered by the National Resources Mobilization Act to bring to the defence of Canada and the advancement of the common cause all the resources of the country, both human and material. In the different branches of war activity there has been a steady expansion and acceleration of training, transport, manufacture and production.

By the Unemployment Insurance Act you have made a valuable contribution to industrial and financial stability in time of war, and to social security and justice in time of peace. It is deeply gratifying that approval was given by all the provinces to the necessary amendment to the British North America Act to permit of the enactment of unemployment insurance by the Parliament of Canada.

Members of the House of Commons:

I thank you for the financial appropriations which you have made. The determination of the Canadian people to support and advance the cause for which we have taken up arms, has been reflected in the unselfish acceptance by all of its heavy financial burdens.

Honourable Members of the Senate:

Members of the House of Commons:

It has become only too apparent that the lust for conquest will continue to enlarge the theatre of war. The struggle to preserve freedom will be long and hard. May Almighty God guide and uphold its brave defenders.

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