DEBATES

OF

THE SENATE

OF THE

DOMINION OF CANADA

1942-43

OFFICIAL REPORT

Editor: DAVID J. HALPIN
Reporters: H. H. EMERSON, B. P. LAKE, F. BERRYMAN
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THIRD SESSION
NINETEENTH PARLIAMENT—6 and 7 GEORGE VI

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1943

44567—A½

SENATORS OF CANADA

ACCORDING TO SENIORITY

JANUARY 27, 1943

THE HONOURABLE THOMAS VIEN, SPEAKER
(succeeding the Honourable George Parent, who died December 14, 1942.)

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

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
JOHN PATRICK MOLLOY	Provencher	Winnipeg, Man.
DANIEL E. RILEY	High River	High River, Alta.
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.
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.
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.
CHARLES COLQUHOUN BALLANTYNE, P.C.	Alma	Montreal, Que.
WILLIAM HENRY DENNIS	Halifax	Halifax, N.S.
JOHN ALEXANDER MACDONALD	Richmond—West Cape Breton	St. Peters, Cape Breton, N.S
LUCIEN MORAUD	La Salle	Quebec, Que.
LOUIS COTÉ	Ottawa East	Ottawa, Ont.
RALPH BYRON HORNER	Saskatchewan North	Blaine Lake, Sask.
WALTER MORLEY ASELTINE	West Central Saskatchewan	Rosetown, Sask.
THOMAS CANTLEY	New Glasgow	New Glasgow, N.S.
FELIX P. QUINN	Bedford-Halifax	Bedford, N.S.
JOHN L. P. ROBICHEAU	Digby-Clare	Maxwellton, N.S.
JOHN A. MACDONALD, P.C.	Cardigan	Cardigan, P.E.I.
DONALD SUTHERLAND, P.C.	Oxford	Ingersoll, Ont.
IVA CAMPBELL FALLIS	Peterborough	R. R. No. 3, Peterborough, Ont.
GEORGE B. JONES, P.C.	Royal	Apohaqui, N.B.
ARTHUR SAUVÉ, P.C.	Rigaud	Outremont, Que.
ANTOINE J. LÉGER	L'Acadie	Moncton, N.B.
BENJAMIN F. SMITH	Victoria-Carleton	East Florenceville, N.B.
HENRY A. MULLINS	Marquette	Winnipeg, Man.
JOHN T. HAIG	Winnipeg	Winnipeg, Man.
EUGÈNE PAQUET, P.C.	Lauzon	St. Romuald, Que.
WILLIAM DUFF	Lunenburg	Lunenburg, N.S.

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

SENATORS OF CANADA

ALPHABETICAL LIST

JANUARY 27, 1943

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
ASELTINE, W. M.	West Central Saskatchewan	Rosetown, Sask.
AYLESWORTH, SIR ALLEN, P.C., K.C.M.G.	North York	Toronto, Ont.
BALLANTYNE, C. C., P.C.	Alma	Montreal, Que.
BARNARD, G. H.	Victoria	Victoria, B.C.
BEAUBIEN, A. L.	St. Jean Baptiste	St. Jean Baptiste, Man.
BEAUBIEN, C. P.	Montarville	Montreal, Que.
BEAUREGARD, ELIE	Rougemont	Montreal, Que.
BENCH, JOSEPH J.	Lincoln	St. Catharines, Ont.
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.
DAVID, ATHANASE	Sorel	Montreal, Que.
DAVIES, WILLIAM RUPERT	Kingston	Kingston, Ont.
DENNIS, W. H.	Halifax	Halifax, N.S.
DONNELLY, J. J.	South Bruce	Pinkerton, Ont.
DUFF, WILLIAM	Lunenburg	Lunenburg, N.S.
DUFFUS, J. J.	Peterborough West	Peterborough, Ont.
DU TREMBLAY, P. R.	Repentigny	Montreal, Que.
EULER, W. D., P.C.	Waterloo	Kitchener, Ont.
FAFARD, J. F.	De la Durantaye	L'Islet, Que.
FALLIS, IVA CAMPBELL	Peterborough	R. R. No. 3, Peterborough, Ont.

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
FARRIS, J. W. DE B.	Vancouver South	Vancouver, B.C.
FOSTER, W. E., P.C.	Saint John	Saint John, N.B.
GOUIN, L. M.	De Salaberry	Montreal, Que.
GREEN, R. F.	Kootenay	Victoria, B.C.
GRIESBACH, W. A., C.B., C.M.G.	Edmonton	Edmonton, Alta.
HAIG, JOHN T.	Winnipeg	Winnipeg, Man.
HARDY, A. C., P.C.	Leeds	Brockville, Ont.
HARMER, W. J.	Edmonton	Edmonton, Alta.
HAYDEN, S. A.	Toronto	Toronto, Ont.
HORNER, R. B.	Saskatchewan North	Blaine Lake, Sask.
HOWARD, C. B.	Wellington	Sherbrooke, Que.
HUGESSEN, A. K.	Inkerman	Montreal, Que.
HUSHION, W. J.	Victoria	Westmount, Que.
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.
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	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.
MCRAE, A. D., C.B.	Vancouver	Vancouver, B.C.
MICHENER, E.	Red Deer	Calgary, Alta.
MOLLOY, J. P.	Provencher	Winnipeg Man.
MORAUD, L.	La Salle	Quebec, Que.
MULLINS, HENRY A.	Marquette	Winnipeg, Man.
MURDOCK, JAMES, P.C.	Parkdale	Ottawa, Ont.
PAQUET, EUGÈNE, P.C.	Lauzon	St. Romuald, Que.
PATERSON, N. M.	Thunder Bay	Fort William, Ont.
POPE, R. H.	Bedford	Cookshire, Que.

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
PRÉVOST, J. E.	Mille Iles	St. Jérôme, Que.
QUINN, FELIX P.	Bedford-Halifax	Bedford, N.S.
RAYMOND, D.	De la Vallière	Montreal, Que.
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.
SINCLAIR, J. E., P.C.	Queen's	Emerald, P.E.I.
SMITH, B. F.	Victoria-Carleton	East Florenceville, N.B.
SMITH, E. D.	Wentworth	Winona, Ont.
STEVENSON, J. J.	Prince Albert	Regina, Sask.
ST-PÈRE, E. C.	De Lanaudière	Montreal, Que.
SUTHERLAND, DONALD, P.C.	Oxford	Ingersoll, Ont.
TANNER, C. E.	Pictou	Pictou, N.S.
TURGEON, O.	Gloucester	Bathurst, N.B.
VIEN, THOMAS (Speaker)	De Lorimer	Montreal, Que.
WHITE, G. V., C.B.E.	Pembroke	Pembroke, Ont.
WILSON, CAIRINE R.	Rockcliffe	Ottawa, Ont.

SENATORS OF CANADA

BY PROVINCES

ONTARIO—24

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

QUEBEC—24

	SENATORS	ELECTORAL DIVISION	POST OFFICE ADDRESS
	THE HONOURABLE		
1	RUFUS H. POPE	Bedford	Cookshire.
2	CHARLES PHILIPPE BEAUBIEN	Montarville	Montreal.
3	PIERRE EDOUARD BLONDIN, P.C.	Laurentides	St. François du Lac.
4	SIR THOMAS CHAPAIS, K.B.	Grandville	Quebec.
5	DONAT RAYMOND	De la Vallière	Montreal.
6	JULES-EDOUARD PRÉVOST	Mille Iles	St. Jérôme.
7	CHARLES C. BALLANTYNE, P.C.	Alma	Montreal.
8	LUCEN MORAUD	La Salle	Quebec.
9	ARTHUR SAUVÉ, P.C.	Rigaud	Outremont.
10	EUGÈNE PAQUET, P.C.	Lauzon	St. Romuald.
11	ADRIAN K. HUGESSEN	Inkerman	Montreal.
12	J. FERNAND FAFARD	De la Durantaye	L'Islet.
13	CHARLES BENJAMIN HOWARD	Wellington	Sherbrooke.
14	ELIE BEAUREGARD	Rougemont	Montreal.
15	ATHANASE DAVID	Sorel	Montreal.
16	EDOUARD CHARLES ST-PÈRE	De Lanaudière	Montreal.
17	WILLIAM JAMES HUSHION	Victoria	Westmount.
18	LÉON MERCIER GOUIN	De Salaberry	Montreal.
19	VIEN, THOMAS (SPEAKER)	De Lorimier	Montreal.
20	DU TREMBLAY, P. R.	Repentigny	Montreal.
21			
22			
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	THOMAS CANTLEY	New Glasgow.
6	FELIX P. QUINN	Bedford.
7	JOHN L. P. ROBICHEAU	Maxwellton.
8	WILLIAM DUFF	Lunenburg.
9	DONALD MACLENNAN	Margaree Forks.
10	.....	.....

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	CREELMAN MACARTHUR	Summerside.
2	JOHN EWEN SINCLAIR, P.C.	Emerald.
3	JOHN A. MACDONALD, P.C.	Cardigan.
4	.....	

BRITISH COLUMBIA—6

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

MANITOBA—6

THE HONOURABLE	
1 JOHN PATRICK MOLLOY	Winnipeg.
2 HENRY A. MULLINS	Winnipeg.
3 JOHN T. HAIG	Winnipeg.
4 A. L. BEAUBIEN	St. Jean Baptiste.
5	
6	

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. GEORGE PARENT

Thursday, January 22, 1942.

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 Third Session of the Nineteenth Parliament of Canada with the following speech:

Honourable Members of the Senate:

Members of the House of Commons:

There no longer can be any question as to the character and scope of the present war. It is a world-wide conflict between irreconcilable forces. On every continent, including the confines of our own, and on all oceans, forces that aim at world domination oppose forces that seek the preservation of freedom. In every quarter of the globe, civilization is confronted by savagery.

The conflict can have but one of two outcomes. Either tyranny, based on terror and brutality, must be overthrown; or the free peoples of the world, one and all, slowly but eventually, will be reduced to a state of bondage. Upon the outcome depends, for generations, the future well-being of mankind.

There are strong reasons for belief in the overthrow of tyranny, and the ultimate triumph of freedom. The Axis Powers, Germany, Italy and Japan, now fight as one. So do the peoples of the British Commonwealth, of the United States, Russia, China and the many other nations that, on the first day of this new year, united in a pact to fight together until victory is achieved. The marshalling of the free forces of the greatest industrial nations in the world makes clear the scale upon which the conflict will now be waged on many fronts.

During the present session, opportunity will be afforded for the fullest consideration and discussion of Canada's war effort, actual and prospective. My advisers will submit to you the measures deemed essential to our national security, and for the prosecution of the war to the utmost of our strength.

In accordance with the Government's policy of a total national effort for total war, you will be asked to approve a balanced programme for further increases in the armed forces and in the production of munitions of war and of foodstuffs. The increase in the armed forces will involve an expansion of the establishment of the Canadian army overseas. You will also be asked, as an integral part of Canada's direct war effort, to approve a contribution to Britain of vast quantities of munitions, foodstuffs and supplies.

The Government's policy of national selective service will be extended, as generally and rapidly as may be necessary, to effect the orderly and efficient employment of the men and women of Canada for the varied purposes of war. You will be advised of the means the Government proposes to adopt, to effect as complete as possible a mobilization of the material resources and manpower of the country in direct furtherance of a total national effort.

My advisers believe that the magnitude and balanced nature of Canada's war effort is being obscured and impaired by controversy concerning commitments with respect to the methods of raising men for military service which were made prior to the spread of the war to all parts of the world.

The Government is of the opinion that, at this time of gravest crisis in the world's history, the Administration, subject only to its responsibility to Parliament, should in this connection and irrespective of any previous commitments, possess complete freedom to act in accordance with its judgment of the needs of the situation as they may arise.

My Ministers accordingly will seek, from the people, by means of a plebiscite, release from any obligation arising out of any past commitments restricting the methods of raising men for military service.

Members of the House of Commons:

You will be asked to make financial provision on an unprecedented scale for the expansion and maintenance of Canada's armed forces and for war production.

You will be asked to make financial provision for implementing agreements with the provinces to facilitate the orderly and equitable mobilization of the financial resources of the country to the utmost limit of its capacity.

Honourable Members of the Senate:

Members of the House of Commons:

I am confident that in no particular will the Canadian people fail in the full discharge of any of their great responsibilities. At this time, when vision and wisdom are so greatly needed in the affairs of the world, I pray that Almighty God may guide and bless your deliberations.

The House of Commons withdrew.

His Excellency the Governor General was pleased to retire.

The sitting of the Senate was resumed.

RAILWAY BILL

FIRST READING

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

CONSIDERATION OF HIS EXCELLENCY'S SPEECH

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

COMMITTEE ON ORDERS AND PRIVILEGES

Right 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

Right Hon. Mr. DANDURAND moved:

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

The motion was agreed to.

RIGHT HON. WINSTON CHURCHILL

MOTION TO INCORPORATE HIS ADDRESS IN OFFICIAL REPORT OF DEBATES

Right Hon. RAOUL DANDURAND: Honourable senators, with the leave of the Senate, I move:

That the address which the Right Hon. Winston S. Churchill, Prime Minister of Great Britain, delivered before the members of the Senate and of the House of Commons of Canada in the Chamber of the House of Commons on December 30, 1941, be included in the Debates of the Senate and form part of the permanent records of this Parliament.

I make this motion, similar to one carried unanimously in the other House, because we were present at the meeting on an equal footing with the Commons, although it was held in their Chamber.

Hon. C. C. BALLANTYNE: Honourable senators, I take pleasure in seconding the motion.

The motion was agreed to.

REPORT OF THE PROCEEDINGS

A meeting of Members of the Senate and of the House of Commons was held in the House of Commons Chamber, Ottawa, on Tuesday, December 30, 1941, at 3 p.m.

Hon. James Allison Glen, Speaker of the House of Commons, presided.

Mr. SPEAKER: Your Royal Highness, Mr. Churchill, honourable members of the Senate and of the House of Commons, ladies and gentlemen: I would ask the Right Honourable Mackenzie King, the Prime Minister of Canada, to introduce the Right Honourable Winston Churchill, the Prime Minister of Britain.

Right Hon. W. L. MACKENZIE KING (Prime Minister of Canada): Mr. Speaker, honourable members of the Senate and of the House of Commons, on behalf of the Government and people of Canada I have the honour this afternoon to renew the welcome already extended from all parts of our country to the Prime Minister of Britain, the Right Honourable Winston Churchill.

I desire to express to Mr. Churchill the thanks of the entire country for his visit to Canada at this time. I thank him also for having so kindly consented, while in our capital city, to address the members of the two Houses of Parliament, and to speak, from this House of Commons Chamber, to all the people of Canada.

I need not say to Mr. Churchill how unbounded is our admiration of the brave

people of Britain. Nor need I tell him how completely he is, to us, the personification of Britain's greatness. That greatness was never more apparent than in this time of gravest crisis in the history of the world.

I speak, Mr. Churchill, for all the members of both Houses when I say that the Parliament of Canada was never more sure of its ground than when, at the very beginning of the war, it took its stand at the side of Britain in her determination to thwart aggression and to preserve freedom. Canada was never prouder of that stand than today, when, after sharing in arms for more than two and a quarter years, with Britain and other nations of the British Commonwealth in the defence of freedom, she is honoured, as we especially are this afternoon, by the presence in her halls of Parliament of the man who, by his clear vision, undaunted courage, inspired utterance and heroic spirit, has given such incomparable leadership to the hosts of freedom.

Again I speak for all members of Parliament and for the Canadian people as a whole when I say that we are unreservedly determined to maintain our stand at Britain's side and at the side of the other nations that fight for freedom. In that determination we are also resolved to put forth our utmost effort until the day of ultimate triumph over the evil forces that now seek to dominate the world.

Mr. Churchill, it is the prayer of the people of Canada that the Divine Power by which your life has been guided and guarded amid the perils and vicissitudes of war may continue to give you the vision, the wisdom and the endurance required for your mighty task. May you be spared to share in the hour of victory the reward of your life's endeavours.

Mr. Speaker: the Prime Minister of Great Britain, the Right Honourable Winston Churchill.

Right Hon. WINSTON SPENCER CHURCHILL (Prime Minister of Great Britain): Mr. Speaker, members of the Senate and members of the House of Commons, it is with feelings of pride and encouragement that I find myself here in the House of Commons of Canada, invited to address the Parliament of the senior Dominion of the Crown. I am very glad to see again my old friend Mr. Mackenzie King, for fifteen out of twenty years your Prime Minister, and I thank him for the all too complimentary terms in which he has referred to myself.

I bring you, Mr. Speaker, the assurance of goodwill and affection from everyone in the Motherland. We are most grateful for all you have done in the common cause, and we know that you are resolved to do whatever more is possible as the need arises and as opportunity serves.

Canada, Sir, occupies a unique position in the British Empire because of its unbreakable ties with Britain and its ever-growing friendship and intimate association with the United States. Canada is a potent magnet, drawing together those in the new world and in the old whose fortunes are now united in a deadly struggle for life and honour against the common foe.

The contribution of Canada to the Imperial war effort, in troops, in ships, in aircraft, in food and in finance, has been magnificent. The Canadian army now stationed in England has chafed not to find itself in contact with the enemy, but I am here to tell you that it has stood and still stands in the key position to strike at the invader should he land upon our shores. In a few months, when the invasion season returns, the Canadian army may be engaged in one of the most frightful battles the world has ever seen. Upon the other hand their presence may help to deter the enemy from attempting to fight such a battle on British soil. Although, Sir, the long routine of training and preparation is undoubtedly trying to men who left prosperous farms and businesses or other responsible civil work, inspired by an eager and ardent desire to fight the enemy, although this is trying to high-mettled temperaments, the value of the service rendered is unquestionable, and the peculiar kind of self-sacrifice involved will, I am sure, be cheerfully or at least patiently endured.

Sir, the Canadian Government has imposed no limitation upon the use of the Canadian army, whether upon the continent of Europe or elsewhere, and I think it extremely unlikely that this war will end without the Canadian army coming to close quarters with the Germans, as their fathers did at Ypres, on the Somme, or on the Vimy Ridge.

Already, at Hong Kong, that beautiful colony which the industry and mercantile enterprise of Britain had raised from a desert isle and made the greatest port of shipping in the whole world—at Hong Kong, that colony wrested from us for a time, until we reach the peace table, by the overwhelming power of the home forces of Japan, to which it lay in proximity—at Hong Kong soldiers of the Royal Rifles of Canada and the Winnipeg Grenadiers, under a brave officer whose loss we mourn, have played a valuable part in gaining precious days and have crowned with military honour the reputation of their native land.

Another major contribution made by Canada to the Imperial war effort is the wonderful and gigantic Empire Training Scheme for pilots for the Royal and Imperial Air Forces. This has now been, as you know well, in full career for nearly two years under conditions free from all interference by the enemy.

The daring youth of Canada, Australia and New Zealand, together with many thousands from the homeland, are perfecting their training under the best conditions, and we have been assisted on a large scale by the United States, many of whose training facilities have been placed at our disposal. This scheme will provide us in 1942 and 1943 with the highest class of trained pilots, observers and air gunners, in the numbers necessary to man the enormous flow of aircraft which the factories of Britain, of the Empire and of the United States are and will be producing.

I could, Sir, speak also on the naval production of corvettes, and above all of merchant ships, which is proceeding on a scale almost equal to the building of the United Kingdom, all of which Canada has set on foot.

I could speak of many other activities, of tanks, of the special forms of modern high-velocity cannon, of the great supplies of raw materials and many other elements essential to our war effort, on which your labours are ceaselessly and tirelessly engaged. But I must not let my address to you become a catalogue. I turn to less technical fields of thought.

Sir, we did not make this war. We did not seek it. We did all we could to avoid it. We did too much to avoid it. We went so far in trying to avoid it as to be almost destroyed by it when it broke upon us. But that dangerous corner has been turned, and with every month and every year that passes we shall confront the evil-doers with weapons as plentiful, as sharp and as destructive as those with which they have sought to establish their hateful domination.

I should like to point out to you, Mr. Speaker, that we have not at any time asked for any mitigation in the fury or malice of the enemy. The peoples of the British Empire may love peace. They do not seek the lands or wealth of any country. But they are a tough and hardy lot. We have not journeyed all this way across the centuries, across the oceans, across the mountains, across the prairies, because we are made of sugar candy.

Look at the Londoners, the Cockneys. Look at what they stood up to, grim and gay, with their cry, "We can take it," and their war-time mood—"What is good enough for anybody is good enough for us."

We have not asked that the rules of the game should be modified. We shall never descend to the German and Japanese level; but if anybody likes to play rough we can play rough too. Hitler and his Nazi gang have sown the wind; let them reap the whirlwind. Neither the length of the struggle nor any form of severity which it may assume shall make us weary or shall make us quit. I have been all this week with the President of the United States, that great man whom destiny has marked for this climax of human fortune. We have been concerting the united pacts and resolves of more than thirty states and nations to fight on in unity together and in fidelity one to another, without any thought except the total and final extirpation of the Hitler tyranny, the Japanese frenzy and the Mussolini flop.

There shall be no halting or half measures, there shall be no compromise or parley. These gangs of bandits have sought to darken the light of the world, have sought to stand between the common people of all the lands and their march forward into their inheritance; they shall themselves be cast into the pit of death and shame. And only when the earth has been cleansed and purged of their crimes and their villainy will we turn from the task which they have forced upon us, a task which we were reluctant to undertake, but which we will now most faithfully and punctiliously discharge.

Mr. Speaker, according to my sense of proportion this is no time to speak of hopes of the future or of the broader world which lies beyond our struggles and our victory. We have to win that world for our children. We have to win it by our sacrifices. We have not won it yet. The crisis is upon us. The power of the enemy is immense. If we were in any way to underrate the strength, the resources or the ruthless savagery of that enemy we should jeopardize not only our lives—for they will be offered freely—but the cause of human freedom and progress to which we have vowed ourselves and all we have. We cannot for a moment, Sir, afford to relax. On the contrary, we must drive ourselves forward with unrelenting zeal. In this strange, terrible world war there is a place for everyone, man and woman, old and young, hale and halt. Service in a thousand forms is open. There is no room now for the dilettante, for the weakling, for the shirker or the sluggard. The mine, the factory, the dockyard, the salt sea waves, the fields to till, the home, the hospital, the chair of the scientist, the pulpit of the preacher—from the highest to the humblest, the tasks all are of equal honour. All have their part to play. The

enemies ranged against us, coalesced and combined against us, have asked for total war. Let us make sure they get it.

That grand old minstrel, Harry Lauder—Sir Harry Lauder, I should say, and no honour was better deserved—had a song in the last war which began:

> If we all look back o'er the history of the past,
> We can just see where we are.

Let us then look back. Sir, we plunged into this war all unprepared because we had pledged our word to stand by the side of Poland, which Hitler had feloniously invaded and, in spite of a gallant resistance, had soon struck down. There followed those astonishing seven months which were called on this side of the Atlantic the "phoney" war. Suddenly the explosion of pent-up German strength and preparation burst upon Norway, Denmark, Holland and Belgium. All these absolutely blameless neutrals, to most of whom Germany up to the last moment was giving every kind of guarantee and assurance, were overrun and trampled down. The hideous massacre of Rotterdam, where thirty thousand people perished, showed the ferocious barbarism in which the German air force revels when, as in Warsaw and later Belgrade, it was able to bomb practically undefended cities.

On top of all this came the great French catastrophe. The French army collapsed and the French nation was dashed into utter and, as it has proved so far, irretrievable confusion. The French Government had, at their own suggestion, solemnly bound themselves with us not to make a separate peace. It was their duty, and it was also their interest, to go to North Africa, where they would have been at the head of the French Empire. In Africa with our aid they would have had overwhelming sea power; they would have had the recognition of the United States, and the use of all the gold they have lodged beyond the seas. If they had done this, Italy might have been driven out of the war before the end of 1940, and France would have held her place as a nation in the councils of the Allies, and at the conference table of the victors.

But their generals misled them. When I warned them that Britain would fight on alone, whatever they did, their generals told their Prime Minister and his divided cabinet, "In three weeks England will have her neck wrung like a chicken." Some chicken! Some neck!

What a contrast, Sir, has been the behaviour of the valiant, stout-hearted Dutch, who still stand forth as a strong-living partner in the struggle. Their venerated Queen and their Government are in England. Their Princess and her children have found asylum and protection here in your midst. But the Dutch nation are defending their Empire with dogged courage and tenacity by land and sea and in the air. Their submarines are inflicting a heavy daily toll upon the Japanese robbers who have come across the seas to steal the wealth of the East Indies, and to ravage and exploit their fertility and their civilization.

The British Empire and the United States are going to the aid of the Dutch. We are going to fight out this new war against Japan together. We have suffered together and we shall conquer together. But the men of Bordeaux, the men of Vichy—they would do nothing like this. They lie prostrate at the foot of the conqueror. They fawned upon him. And what have they got out of it? The fragment of France which was left to them is just as powerless, just as hungry, as the occupied regions themselves, and even more miserable, because more divided. Hitler plays from day to day a cat-and-mouse game with these tormented men. One day he will charge them a little less for holding their countrymen down. Another day he will let out a few thousand broken prisoners of war from the million and a half or million and three-quarters he has collected. Or, again, he will shoot a hundred French hostages to give them a taste of the lash. On these blows and favours the Vichy Government have been content to live from day to day. But even this will not go on indefinitely. At any moment it may suit Hitler's plans to brush them away. Their only guarantee is Hitler's good faith, which, as everyone knows, biteth like the adder and stingeth like the asp. Some Frenchmen there were who would not bow their knees and who under General de Gaulle have continued to fight at the side of the Allies. They have been condemned to death by the men of Vichy, but their names will be held, and are being held, in increasing respect by nine Frenchmen out of every ten throughout the once happy, smiling land of France.

But now, Sir, strong forces are at hand. The tide has turned against the Hun. Britain, which the men of Bordeaux thought and then hoped would soon be finished, Britain, with her Empire around her, carried the weight of the war alone for a whole long year through the darkest part of the valley. She is growing stronger every day. You can see it here in Canada. Anyone who has the slightest knowledge of our affairs is aware that very soon we shall be superior in every form of equipment to those who have taken us at the disadvantage of being but half armed.

The Russian armies under their warrior leader Joseph Stalin are waging furious war with increasing success along a thousand-mile front of their invaded country. General Auchinleck at the head of a British, South African, New Zealand and Indian army is striking down and mopping up the German and Italian forces who had attempted the invasion of Egypt. Not only, Sir, are they being mopped up in the desert, but great numbers of them have been drowned on the way there by the British submarines and the Royal Air Force, in which Australian squadrons play their part. As I speak this afternoon, an important battle is being fought around Agedabia. We must not attempt to prophesy its result, but I have good confidence. Sir, all this fighting in Libya proves that when our men have equal weapons in their hands and proper support from the air they are more than a match for the Nazi hordes.

In Libya as in Russia events of great importance and of most hopeful import have taken place. But, greatest of all, the mighty republic of the United States has entered the conflict, and entered it in a manner which shows that for her there can be no withdrawal except by death or victory.

Et partout dans la France occupée et inoccupée, car leur sort est égal, les honnêtes gens, le grand peuple, la nation française, se redressent. L'espoir se rallume dans les cœurs d'une race guerrière, même désarmée, berceau des libertés révolutionnaires, et terrible aux vainqueurs. Partout on voit le point du jour et la lumière grandit, rougeâtre mais claire.

Nous ne perdrons jamais confiance que la France jouera le rôle des hommes libres et qu'elle reprendra, par des voies dures, sa place dans la grande compagnie des nations libératrices et victorieuses.

Ici, au Canada, où la langue française est honorée et parlée, nous nous tenons prêts et armés pour aider et saluer cette résurrection nationale.

(Translation): And everywhere in occupied or unoccupied France, their lot being the same, the decent portion of that great people, the French nation, are raising their heads again. Hope is revived in the hearts of a warlike though disarmed race, cradle of revolutionary liberties and scourge of conquerors. Everywhere breaks the dawn and the light spreads, reddish but bright.

We shall ever be confident that France will play the part of free men and that after many trials she will regain her place among the great victorious and liberating nations.

Here in Canada, where the French language is cherished and spoken, we stand ready and armed to help and welcome this national resurrection.

(Text): Now that the whole of the North American continent is becoming one gigantic armed camp; now that the immense reserve power of Russia is gradually becoming apparent; now that long-suffering, unconquerable China sees help approaching; now that the outraged and subjugated nations can see daylight ahead, it is permissible to take a broad forward view of the war.

Sir, we may observe three main periods or phases in the struggle that lies before us. First, there is the period of consolidation, of combination, and of final preparation. In this period, which will certainly be marked by much heavy fighting, we shall still be gathering our strength, resisting the assaults of the enemy, and acquiring the necessary overwhelming air superiority and shipping tonnage to give our armies the power to traverse, in whatever numbers may be necessary, the seas and oceans which, except in the case of Russia, separate us all from our foe. It is only when the vast shipbuilding programme, on which the United States has already made so much progress, and which you are powerfully aiding, comes into full flood, that we shall be able to bring the whole force of our manhood and of our modern scientific equipment to bear upon the enemy. How long this period will take depends upon the vehemence of the effort put into production in all our war industries and shipyards.

The second phase, Sir, which will then be open may be called the phase of liberation. During this phase we must look to the recovery of the territories which have been lost or which may yet be lost, and also we must look to the revolt of the conquered peoples from the moment that the rescuing and liberating armies and air forces appear in strength within their bounds. For this purpose it is imperative that no nation or region overrun, that no government or state which has been conquered, should relax its moral and physical efforts and preparations for the day of deliverance. The invaders, be they Germans or Japanese, must everywhere be regarded as infected persons, to be shunned and isolated as far as possible. Where active resistance is impossible, passive resistance must be maintained. The invaders and tyrants must be made to feel that their fleeting triumphs will have a terrible reckoning, and that they are hunted men and that their cause is doomed. Particular punishment will be reserved for the Quislings and traitors who make themselves the tools of the enemy.

They will be handed over to the judgment of their fellow countrymen.

Sir, there is a third phase which must also be contemplated, namely, the assault upon the citadels and homelands of the guilty powers both in Europe and in Asia.

Thus I endeavour in a few words to cast some forward light upon the dark, inscrutable mysteries of the future. But in thus forecasting the course along which we should seek to advance we must never forget that the power of the enemy and the action of the enemy may at every stage affect our fortunes. Moreover, Sir, you will notice that I have not attempted to assign any time limits to the various phases. These time limits depend upon our exertions, upon our achievements, and upon the hazardous and uncertain course of the war.

Nevertheless, I feel it is right at this moment to make it clear that, while an ever-increasing bombing offensive against Germany will remain one of the principal methods by which we hope to bring the war to an end, it is by no means the only method which our growing strength now enables us to take into account. Evidently the most strenuous exertions must be made by all. As to the form which those exertions take, that is for each partner in the Grand Alliance to judge for himself in consultation with others and in harmony with the general scheme.

Let us then, Sir, address ourselves to our task, not in any way underrating its tremendous difficulties and perils, but in good heart and sober confidence, resolved that, whatever the cost, whatever the suffering, we shall stand by one another, true and faithful comrades, and do our duty, God helping us, to the end.

Mr. SPEAKER: We will close this historic meeting with the singing of the National Anthem.

The National Anthem having been sung, the gathering dispersed with three cheers for Mr. Churchill.

The Senate adjourned until Tuesday, January 27, at 3 p.m.

THE SENATE

Tuesday, January 27, 1942.

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

Prayers and routine proceedings.

EMERGENCY SITTINGS OF THE SENATE

MOTION

Right Hon. RAOUL DANDURAND moved:

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

Hon. Mr. BALLANTYNE: I take pleasure in seconding the motion.

The motion was agreed to.

THE LATE SENATORS ELLIOTT AND HORSEY

TRIBUTES TO THEIR MEMORY

On the Orders of the Day:

Right Hon. RAOUL DANDURAND: Honourable senators, it is my duty officially to draw the attention of the Senate to the departure of two of our colleagues in the recess of November 4 to January 21. The first one to leave us was Senator Elliott, who was a barrister-at-law, and who, before he devoted so much of his time to politics, was an active practitioner. I am told by members of the Ontario Bar that he had considerable success before the courts. He belonged to a family which was very much interested in politics; so it was no surprise at all to see him representing Middlesex county for a number of years in the Ontario Legislature. He was elected to the House of Commons in October, 1925, and from that time on was returned at every election up to the time of his appointment to the Senate, in 1940. He was successively Minister of Labour, Minister of Health, Minister of Soldiers' Civil Re-establishment, Minister of Public Works and Postmaster General, and in all these positions he served with distinction.

I confess that I had not very much contact with my late colleague until I met him at the Privy Council. There he enjoyed the esteem of all his colleagues, who admired his sound judgment and the contribution he brought to discussion of the questions and problems that came before us. I had the privilege of attending with him a session of the League of Nations at Geneva, where I heard nothing but encomiums regarding him from members of committees on which he sat.

He was a most agreeable companion, with a keen sense of humour. He had been brought up in the small village of Glencoe, in Middlesex county. One day he was pondering over a problem which seemed to engross his mind. I asked him to what serious matter he was giving such close attention, and he answered me blandly: "I am just wondering what the opinion of my good people of Glencoe would be on this international matter." He and my friend to my left (Hon. Mr. Euler) were often to be found in earnest discussion, and I would have the impression that they were exchanging views about questions coming up before the assembly, or in committee; but at last I discovered that the subject they were discoursing over was predestination. They apparently held divergent views on this very controversial subject, and it occurred to me that perhaps the Baptist and Lutheran tenets on this point did not agree.

Because of his very delicate health in recent years, we were not greatly surprised at Senator Elliott's departure. But distinctly a surprise was the news of the death of Senator Horsey, who was of the same age as Senator Elliott and who always seemed in the pink of health, with a physique that bespoke the strength of the perfectly built athlete. His blue eyes and winning smile at once revealed his kindly nature and explained his popularity. He had strong party ties, but his benevolence knew no such bounds. His philanthropy extended to all classes. Once he came to visit me at the Privy Council to explain to me the distress of the family of a colleague of ours whose life was ebbing away, and I recall what trouble he took to alleviate their predicament. That was one of many such incidents in our late friend's life.

Our late colleague was born and educated at Kingston. He took his degree of Bachelor of Arts at Queen's University there. In his commercial life he was primarily interested in insurance companies whose business extended to the Orient, and his work necessitated his travelling widely over many parts of the world. He was closely connected with public utility bodies which serve the Ottawa district. Throughout his lifetime he retained his interest in Queen's University, of which he was for many years a trustee. Education in any of its branches never failed to attract his attention and secure his support. His deep interest in public affairs drew him to the political field. He had given considerable thought to matters affecting his community and the country at large, and was well prepared to serve the people, but though he offered himself several times as a candidate for the House of Commons, he was not successful. He entered this Chamber in 1928, and while here was able, because of his wide knowledge of public affairs, to render very valuable service in our standing committees; and many a time he spoke in this Chamber, always to good effect. His advice was often sought by the leaders of his party, who could always rely on his loyal and disinterested counsel.

He enjoyed a happy life in the companionship of a most intelligent and devoted consort, to whom I desire to express on behalf of myself and all my colleagues our most sincere sympathy in her great bereavement.

Hon. C. C. BALLANTYNE: It was only a very short time ago that we listened to Senator Horsey expressing in words of moving eloquence and sympathy, as he was so well qualified to do, his grief at the passing of senators. Now we mourn the loss of our colleague himself, whom we held in such high esteem. Senator Horsey took an active and useful interest in the work of this Chamber. A gentleman in every sense of the word, popular and well liked by every member of the Senate, he will, indeed, be greatly missed.

I join with the right honourable leader in expressing on behalf of all those sitting on this side of the House our deepest sympathy with Mrs. Horsey and members of her family.

The passing of our late colleague Senator Elliott is a distinct loss, not only to this Chamber, but to the public life of Canada. His brilliant legal attainments are well known. In his later life he became a member of the Legislative Assembly of his native province, and then came to Ottawa as a member of the House of Commons and a Minister of the Crown, being subsequently elevated to the Senate. It can be said of Senator Elliott that he devoted his life to the service of his country. Senator Elliott's sterling qualities of honesty and high purpose were at all times highly appreciated.

We on this side of the House join in the sympathy and condolence so well expressed by the right honourable leader opposite (Right Hon. Mr. Dandurand).

Hon. DUNCAN MARSHALL: Honourable senators, I should like to make some remarks with regard to the late Hon. J. C. Elliott, with whom I was perhaps on more friendly terms than with almost any other politician.

Thirty-two years ago last December the Hon. A. G. MacKay, who had been having a somewhat tempestuous career in politics in the province of Ontario, met me on the streets of Toronto. I said to him, "Mac, you had better come out to Edmonton and spend Christmas with me." He hesitated a few minutes and then said, "I will do that if you

will also take along a friend of mine." I asked, "Who is your friend?" He replied: "His name is Jack Elliott. He is the member for West Middlesex and is one of the best!" I had not seen him yet. I said, "Get him on the telephone and bring him along." Those were the spacious days of Western Canada when the ploughshare was just beginning to break the prairies of Alberta, and when, whether we took home one or half a dozen men for Christmas or other holidays, their number did not seem to make much difference. So MacKay got his friend on the phone, and next night he and Jack and I started for Edmonton. I got acquainted with Jack Elliott then, and for thirty-two years we met continually at his home and mine.

He came to Western Canada and bought a farm, a section and a quarter, within about twelve miles of my farm, and for the next nine consecutive years Jack Elliott spent two summer months in the West, with my home as his home, and we motored over the prairies together. He fenced his farm, broke it, put on some cattle, and fed two hundred beef steers the third winter he was there. I began to find out that Jack Elliott was not a mere lawyer—that four times he had crossed the Atlantic with his father's cattle to sell them on Merkland's wharf in Glasgow, Scotland, and that he could go on the prairie and pick out good beasts just as well as the good cattle men. After a visit to Maple Creek and one or two other ranches where we were getting cattle, it became known among many of the ranchers of Alberta, and to Pat Burns in particular, that this lawyer from the province of Ontario knew a lot about land and a very great deal about cattle.

For the next nine summers Mr. Elliott and I farmed together, part of the time on his land and part of the time on mine. He invested in some other farms in Western Canada, which he broke and put under cultivation. Eventually, because he had one or two of his farms in the drought district, he suffered the same fate which most of the men who invested money and broke land in Western Canada suffered. But he never gave up; he never stopped. He had the idea of developing Western Canada as a farming community, and was willing to spend time and energy to do so.

He came back to Ontario each fall and spent the winters here. He was a member of the Ontario Legislature for three terms, after which he dropped out under circumstances that I well remember. It was during the war, and the Ontario Legislature was prolonging its life. I remember Jack's remarks on the floor of the House. He said that he did not know that a Provincial Government had much to do with the war, and that if the Government was desirous of prolonging its life and decided to do so he would not say it nay; but he expressed the opinion that every man who voted for such extension should be beaten in the next election, and that very likely most of them would be. He was a true prophet: they were wiped out, horse, foot and artillery. Jack refused to run at all, and dropped out of politics. Then when Mr. Drury took charge of public affairs he looked for a lawyer—as he said himself, "an honest lawyer"—to advise the Government and his Attorney-General with regard to the legislation for the first session. J. C. Elliott was employed for that purpose, and he did a good job. His work gained him the admiration of many members of the legal profession in the province of Ontario who had to do with legislation before the Assembly. Mr. Elliott then said he was through with politics and was going to practise law and spend the money he made at law in farming.

Our leader (Right Hon. Mr. Dandurand) reminded us of a humorous remark made by Mr. Elliott. I never knew a public man who had a better sense of humour than Jack Elliott. He never quarrelled with anybody; he was always able to make some clever remark which, as they say, enabled him to "get by." I remember that when I was leaving this city on the 6th of November last, just a few weeks ago, he asked me to come in and spend an hour with him. I did so. And how do you think we spent that hour? We spent it just reviewing old times and talking about things that had happened and that had given him many good laughs. He reminded me that when he went to the city of London to become a greater lawyer, and joined with Mr. Ivey—he had been practising in Glencoe—a farmer came to him with a division court case and said he would like Jack to take it. Jack went into the case and said: "Anybody can handle this. There is nothing to it. It won't last more than ten minutes; it doesn't amount to anything." But the old man scratched his head—he had never been mixed up with law before, and thought it was a very dangerous business—and asked Jack Elliott to take the case. Well, Jack was never asked to do anything for a friend that he did not do; so he went away down to Glencoe on this trivial matter. The case lasted but a few minutes, and after it was over the old man, no doubt thinking about having brought a lawyer all the way from London, said: "Well, it was all right. You won it, but I guess a poorer lawyer would have done, if I could have found one."

It was such human incidents as these which amused Jack and made him one of the greatest companions I have ever known. Even when he was actively engaged in the practice of law in London, he always found it possible in the summer time to come west and spend a month with us driving over the prairie, looking at his farms, and seeing the progress that Western Canada was making; and I have not the slightest doubt that later, when he was a member of the Federal Government, he often had a better and clearer understanding of matters affecting Western Canada than most of the men who had seats in Parliament. This was because he did more than visit Western Canada: he travelled over the country, particularly in Saskatchewan and Alberta, and gained a sound knowledge of farming as an operator; and furthermore, he was interested in cattle and the progress of every line of agriculture.

Then one day it was suggested to me that I should look over a few of the constituencies in the province of Ontario, up Middlesex way, with a view to our winning back some of them in the next general election. That was in 1925. I went over one or two of these sections, and then I called Jack Elliott on the telephone and asked him if I could have lunch with him. There was only one way anyone could have lunch with Jack Elliott, and that was to allow him to pay for it, for he was the most hospitable entertainer I ever knew. After lunch, while walking around with him, I said: "There will be a half dozen men from West Middlesex, the real boys, in to see you in the next two or three days." He said, "What are you talking about?" I replied, "They say you can win the West Middlesex seat in the Commons and that nobody else can." He said, "I always thought you were a friend of mine." I said: "We will not thresh this out now. You and I know all the answers to these fool political questions. You just see the boys when they come." He saw them; he became the candidate, and was elected by a majority of over 1,300. Shortly afterwards he was taken into the Government, and Jim Malcolm asked me what majority Jack Elliott would have in the by-election? I told him Jack would have twice what he had had in the general election; and when the by-election was over his majority was something more than 2,600. It was my pleasure to spend five weeks with him in that contest. He never had any difficulty in getting votes from people, because he never offended anybody. He always did the best he could for his friends. No trouble was too great for him if it was for his friends, the neighbours and the country folk.

If you asked Jack Elliott what his religion was, he always answered in two words—"Hard shell."

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. MARSHALL: Perhaps some honourable gentleman may need a little interpretation. I did not, because I knew the covenanting Baptists who had come from Scotland and settled in that community, and who had their May meeting, their big meeting, year after year. In over sixty years Jack Elliott never missed but one May meeting. This was the gathering, so to speak, of the clans of this little Baptist community. His religion was as sound and true as all his other principles.

Jack Elliott lived the life of a bachelor. I remember one day, after I had known him for a year or two, when we were driving by a cemetery and he asked me to stop. When I did so he stepped out of the car, went in and stood beside a grave for a little while, and then came out. That is the story of a man who was faithful during life and faithful for forty years after death. It happened a number of times when I was in that community. Such was the fidelity of the sort of man Jack Elliott was. That explains why he was one of the most valuable public men Canada ever had.

One characteristic he always had was loyalty to his leader. Whether it was A. G. MacKay, Newton Wesley Rowell or Mackenzie King, Jack was loyal to the man he supported. And after all, loyalty is a priceless thing in politics, in public life, in dealings with men, and particularly in friendship. Jack had an artful way of dealing with friends in his own party when it came to loyalty to his leader. On one occasion I heard a man making some inconsiderate remarks about the leader. Jack stopped him and said, "Now, would that be my leader you are casting 'asparagus' at?" The fellow laughed and said, "I guess it would be." Then Jack said: "I am like you. I don't think he is perfect; I don't think he is always right. But when I think it over I wonder how much worse you or I would do on his job. I think he is pretty near the best." No man stood higher in his loyalty to his party and his leaders than Jack Elliott. Through his loyalty he made friends who would stand by him through thick and thin, for they knew how true he was and how unafraid to be true to his leader and his cause. He did good work in every Parliament in which he sat, both for the country and his party, and could always give a reason for the faith that was in him.

I have spoken at some length, but I do not apologize for so doing, for I have been speak-

ing of a man who stood for the finest in life, and of whom I can confidently say, as Burns said of a great good neighbour:

If there's another world, he lives in bliss;
If there is none, he made the best of this.

Hon. G. V. WHITE: Honourable senators, I desire to associate myself with the honourable senators who have already spoken, and to express my personal sorrow at the death of our esteemed colleague the late Senator Horsey.

It was my privilege to have known him quite intimatey ever since he became a member of the Senate. For some years past, in connection with our duties as party whips, it was necessary for me to consult Senator Horsey upon numerous occasions during the parliamentary sessions. I found him to be a genial, courteous and kindly gentleman, always ready to solve our problems in a fair-minded way; and I am sure that by his passing this House will be the poorer.

To his family I desire to convey my deepest sympathy in their bereavement.

Hon. W. D. EULER: Honourable senators, while I have no desire to delay the proceedings of the House, I may be permitted to add a very few words to what already has been so well said. I speak with particular reference to one who was a close personal friend of mine, the late Senator Elliott, popularly and affectionately known as "Jack Elliott."

I knew Mr. Elliott for a good many years before he came to Ottawa. He was, as has been said, a member of the Ontario Legislature, and was very well known throughout Ontario. He later came to Ottawa and entered the Government, and I had the privilege of serving with him in two administrations, in which he occupied successively the positions of Minister of Labour, Minister of Public Works, and Postmaster General—posts which I think all will admit he filled acceptably to the people of Canada.

My right honourable friend the leader of the Government (Right Hon. Mr. Dandurand) has made some reference to the fact that Senator Elliott, he and I were delegates to the Assembly of the later ill-fated League of Nations in 1929. I recall quite well the conversations which the right honourable leader has mentioned. Mr. Elliott was a deep believer in and had strong convictions on the theory—perhaps it is not a theory—of predestination. Whatever the merits of that may be, I have sometimes thought that perhaps my difference of opinion with him arose from a faint suspicion in his mind that my destination was not just what he might have wished it to be.

A few weeks ago I stood, as a representative of this body, at the graveside of Mr. Elliott in a little country churchyard about twenty miles from the city of London. He was laid to rest there, among those of his kin who had gone before him, and in the presence of hundreds of people who had known, respected and believed in him. The little country church was filled to overflowing by those who came to pay a last tribute of respect and affection to a man who held the confidence of perhaps a larger proportion of constituents than do most members of the House of Commons. His outstanding characteristics, to my mind, were his constant cheerfulness and great sense of humor, which made him a charming social companion at all times. But more important than these were his complete integrity and, as has been mentioned by a preceding speaker, his great loyalty to all with whom he was associated. Perhaps I can pay him no greater tribute than to say simply that Jack Elliott was in every sense of the word a fine man, a faithful public servant, a man who had no enemies and who was peculiarly endowed, to a greater degree than most of us who give a good portion of our lives to public service, with the gift and genius for making friends.

Hon. A. D. McRAE: Honourable senators, I could not let this occasion go by without paying my tribute to the late Senator Elliott, whom I knew longer, perhaps, than did any other member of this House. We sat on the same bench in public school some fifty odd years ago, and I maintained more or less close contact with him ever since. I regarded Jack Elliott as a very exceptional man. What has been said by the honourable senator from Waterloo (Mr. Euler) is quite true: he had no enemies. To my knowledge, Senator Elliott never did anyone an injury intentionally. The result was that his friends were counted by the legion, and in my native riding of West Middlesex, which Mr. Elliott represented, and could have represented as long as he wished, he had the support of everybody, even of members of my own family.

His way through life was not easy. His family were not blessed with the best of health, and the charge of that family rested upon him every day of the last half century. He did all that he could for them, just as faithfully as if they had been his direct descendants.

I do not think I can better indicate the kind of man that Senator Elliott was than by saying that his friends came from all classes in the community, without distinction of party. In the death of Senator Elliott I have lost one of my old associates, a friend of more than half a century.

Hon. A. K. HUGESSEN: Honourable senators, I hope it will not be taken amiss if I rise to add a few words to what has already been said so well by senators who have preceded me, about our late colleague. On account of his appointment to this Chamber being so recent I did not have the privilege of anything more than a passing acquaintanceship with the late Senator Elliott, and I was therefore unable to enjoy that friendship with him which, by those who did enjoy it, will be treasured in precious recollection.

It is rather with reference to our late friend Senator Horsey that I wish to say a few words this afternoon, particularly from the point of view of one of the more recent appointees to this Chamber. I am sure that all honourable senators recall with a good deal of poignancy the emotions they experienced when introduced to this House. Those emotions are somewhat difficult to describe, but I think they may be compared to nothing so much as to the feelings of a new boy spending his first day at a boarding school. His surroundings are strange, and all around him are a number of people who have a lot more experience than he has; so that he is somewhat awed. What a new boy under these conditions always remembers to the end of his life is the kindness of some older boy who takes a little interest in him, is friendly towards him and shows him the ways of the place. When I was first appointed to this Chamber, a little less than five years ago, Senator Horsey was the whip on this side of the House, and during my first few days here, while I was trying to feel my way around, he was kindliness, consideration and courtesy personified. He made the new boy feel at home.

You may say that is a little thing. Perhaps it is, but it is small characteristics such as that, characteristics of kindliness and friendship, which endear a man to his friends. With such characteristics Senator Horsey was abundantly endowed.

He was, as all know, a strong partisan. He was a firm believer in the principles of the party to which he belonged, for which he worked hard and for which he made many sacrifices. But he never allowed that partisanship to interfere with his personal friendships, and I am sure I can say without fear of contradiction that his loss is as deeply felt on the other side of the House as it is on this. His death at this time is all the more tragic because right until the very end he appeared to be in enjoyment of that excellent health and that abounding vitality which had lasted him throughout his life, from the time when he was a well-known athlete at Queen's University. The untimely passing of our friend is a reminder to each one of us of how tenuous is our hold on this mortality. It is an echo of that phrase wrung from the heart of Edmund Burke, in his famous speech to the electors of Bristol, when he said: "Gentlemen, what shadows we are, what shadows we pursue."

Hon. NORMAN P. LAMBERT: Honourable senators, I request the indulgence of my colleagues for a few moments, so that I may have the privilege of adding briefly, but none the less genuinely and sincerely, to the tributes which have been paid this afternoon to our friends who have so recently left us. With both of them I was fortunate in having intimate, friendly relations long before entering this Chamber. It is not so much of their period of public life and service that I wish to speak, as of the personal qualities which endeared them to those who knew them well.

As has been said, since the late senator from Middlesex became a member of this body he had been so indisposed that he was unable to leave the impress of his real personality here. Yet few men who have served their country in our Parliament had a closer touch with the people, or a more affectionate attachment to the soil from which they were raised, than John Campbell Elliott. He was essentially a son of old Ontario, a product of the rural countryside of West Middlesex. While the profession of law claimed him, he never for a moment lost the contact with and the feeling of the Canadian Scots farm folk, in whose midst he spent most of his life. To me, the outstanding charm of his mind and character was his abiding interest in the pioneer life of those people.

Many of us will associate with his memory the receipt at the Christmas season of his attractive cards depicting the first schoolhouse, the first church, or the first civic building to be erected in some Western Ontario community, with whose history he was so intimately acquainted. Nothing intrigued his fancy more than to record in conversation the family lineage and background of almost any known descendant from his native county. Characterized by a dry, quaint humour, his narrations were always as delightful as they were enlightening.

The long-standing and fast friendship with the late Right Honourable Ernest Lapointe, whose death was followed within very few days by his own, was to our deceased friend one of his warmest human associations. Basically, there was much in common between them, but no one interest lay deeper than their common heritage of the Canadian soil. One came from the older farm lands of the Lower

St. Lawrence, settled by French pioneers for 300 years; the other from the hardwood bushlands of Western Ontario. Both inherited from their native communities the same capacity for friendship and simple human understanding. If there was one thing more than another for which the late senator stood, it was the extension of that friendship of his with Mr. Lapointe to include all the people of their two provinces.

His time amongst us was all too short, but I am sure that his quiet personal influence will long be felt in these halls.

Entirely different in type of personality from the late Senator Elliott, yet as definite and rich in charm of character and mind, was my dear friend the late senator from Prince Edward (Hon. Mr. Horsey). He was born of the town rather than the farm, and his productive years were spent in a pioneer life of business adventure on the continent of Asia. He was educated in Ottawa and in the old city of Kingston, where splendid monuments still stand to the character and architectural skill of his father. As soon as he had finished his education at Queen's University, our late friend went to China to join his distinguished brother, the late Dr. E. H. Horsey —killed some years later in most tragic circumstances at Owen Sound—in establishing the foundations of a successful Canadian life insurance business in the Far East.

I have a very distinct impression of him as he was some thirty-three years ago on the occasion of one of his return visits to the head office of his company in Toronto. He was a big, rugged, upstanding figure, clad in a Norfolk jacket of rough tweed, and blessed with a jovial, resonant voice, which he used with effect, especially when bent on persuading others to his point of view. There was about him the romance of the Oriental traveller, and a vibrant, physical quality which even then suggested the strong footballer he had been in his student days. He was a good salesman and sound business man, and in the earlier years of this century there were fertile fields in those rich Asiatic countries for young men of enterprise and courage.

It was not long before our late friend returned to Canada; to be exact, just before the outbreak of the last war. He retired from business and responded to a natural impulse to enter the public life of this country, with which he was actively associated for more than twenty-five years.

When I came to live in Ottawa, some ten years ago, our roads came together again and we developed close and friendly associations. His intimate contact with old Prince Edward county, from which my own paternal forebears had come, was always a bond of continual interest. The years had effected their natural and mellowing change in him; but beneath that quiet, dignified and kindly manner which his colleagues had come to associate with his membership here, was a real taste for the more genial and social sides of life. He had many warm friends both in this city and in the county from which he came, and their circle will miss the glow of his fine nature.

His judgment in matters of business, as well as public policy and conduct, was never far from the mark; and I for one am glad of this opportunity of expressing something of my own sense of obligation for the advice I received from him and for the all too brief friendship I was privileged to enjoy with him.

In concluding these inadequate words of appreciation of our two colleagues I may, I think, apply to them appropriately a felicitous sentence which the late Lord Oxford used when referring to the difficulty of recording impressions of those personalities which have become most interesting and dear to us. He said: "There is about them a kind of bouquet which after they are gone can never be revived."

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

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

Hon. DONALD MacLENNAN rose to move that an Address be presented to His Excellency the Governor General to offer the humble thanks of this House to His Excellency for the gracious speech which he has been pleased to make to both Houses of Parliament.

He said: Honourable members, I believe it is esteemed an honour to have the privilege of moving the adoption of the Address in reply to the Speech from the Throne, but my temperament is such that personally I would willingly forgo the honour. I believe that it is also a compliment to the province which the mover represents. In this regard may I say that I am sorry someone was not chosen whose importance is commensurate with that of the grand old province of Nova Scotia.

When one compares the problems uppermost in the minds of members of both Houses of Parliament in days past with the problems facing us to-day, most of the former seem trivial. The Maritime Provinces, with their coal mining, fishing and agriculture; Quebec maintaining high tariffs, but ingenuously blaming Ontario and keeping itself in the Liberal column; Ontario, with its high tariffs and its factories, supporting the Tory party and making occasional allusions to the 12th of

July; the Prairie Provinces, with their wheat, grain elevators, wheat, and then again wheat, summer-fallow and wheat again; British Columbia, with its salmon fishing traps, its freight rates, and the Japanese pest—I say that all these various parts of Canada had problems which nearly all appear insignificant to-day, when the very existence of our country is at stake. It took a war with all its gruesome implications to impress upon us the fact that what affects one part of this Dominion affects the whole and should interest every Canadian, no matter in which province he may reside. I do not believe that any one of us ever faced Parliament when the very existence of our country was in such imminent danger as it is in to-day. The Huns, who seem to be possessed with the spirit of evil, from the lowest depths of the lowest depths, are at our gates on the Atlantic; the Japanese, who equal if they do not surpass the Nazis in perfidy, are on our Pacific coast.

Our country is the best in the world in which to live, and always has been so, although I fear that at times we have failed to realize this. It is a country wherein the truest freedom known to mankind is enjoyed. Murray's English Dictionary defines freedom and liberty as: "exemption from bondage and slavery; exemption or freedom from arbitrary, despotic or autocratic rule or control." If the unholy alliance which is arrayed against us ever gets control of Canada, where can we look for exemption from slavery? Can we expect exemption from arbitrary rule or control?

My purpose in making these remarks is to impress the people with the magnitude of what is at stake in this war. It is not necessary for anyone to look beyond Canada to find every reason that is dear to God and man for doing everything humanly possible to defeat the enemy, the zenith of whose ambition is to enslave us. I do not mean to say that if Canada herself were not seriously threatened there would not be good and sufficient reason for us to go to war with all our might and energy, as we did before, to aid that great and gallant country, England, the pride and bulwark of all democratic countries where liberty in its true sense is understood and enjoyed. I have no patience with the man who dwells on the shortcomings of individuals and nations and lightly touches or wholly avoids a discussion of their virtues. England has for hundreds of years lived and acted as a Christian nation should. Sometimes she has been slow in righting wrongs, but she has always righted them.

In view of what is at stake, whatever we do to win the war is not, in my estimation, a sacrifice. Is it a sacrifice to do all we can to save our lives? What we do to save our own skins is not, in my opinion, a sacrifice at all. I do not like the expression, "Give until it hurts." Giving in order to save ourselves should not hurt; on the contrary, it should be a pleasure to give and to lose all else in order that our lives and our country may be saved.

Now, what are we doing to save ourselves? At the beginning of the war we were in good company in the matter of our unpreparedness. We were in company with the bravest of the brave, England; in company with that other great democratic country, the United States. England was not prepared, the United States were not prepared, and, as was quickly demonstrated, France was not prepared. It is my opinion that democracies never are prepared, but despots must always be prepared or they die.

Were I to make any criticism of the Government of the day, it would be that the rank and file of our people are not sufficiently informed as to what Canada has done and is doing. It surely cannot give comfort to the enemy to know what is in store for him. I observed that President Roosevelt, in a recent broadcast to the world, did not hesitate to say and did not minimize what the United States intend to do, and I surmise that that broadcast did more to strike terror into the black hearts of the enemy than any other event since the commencement of the war.

Is it well enough known that Canada has enlisted more than 387,000 men for service anywhere in the world, and more than 155,000 for home defence? Is it well enough known that more than 500,000 men have volunteered for war service anywhere, and that in our Navy there are more than 27,000 men, whereas when war was declared there were only about 1,800? When war was declared the Navy consisted of 15 ships: it now consists of more than 300 ships. We must not, however, magnify man-power out of all proportion. Churchill called for tools, not men.

Is it well enough known that there are being produced in Canada ten types of heavy guns, and that our monthly production is 400 anti-aircraft guns, 500 field guns, 150 naval guns and tank guns, over 1,000 extra barrels, 2,000 Bren guns? Furthermore we are producing Browning aircraft guns, Vickers machine guns, submarine guns, and naval machine guns. Lee-Enfield rifles are being produced at the rate of 200,000 a year, trench mortars at the rate of 400 a month, and smoke projectors and bomb throwers are to be produced in 1942. I wonder if it is well known that Canada possesses not only one of the largest

factories in the world for the manufacture of artillery, but also one of the largest automatic gun plants in the world. Is it well enough known that Canada has placed in service about 4,000 aircraft, and 175,000 army vehicles, and that she is manufacturing 200 tanks a month and producing one army automotive unit every three minutes?

We in Canada are stout critics, but I surmise that the most lusty critics amongst us inwardly take pardonable pride in Canada's war effort.

O wad some power the giftie gie us
To see oursel's as ithers see us!

If the Press of other countries and the utterances of their public men may be taken as a standard by which to measure our war achievement, I should be perfectly happy to have the Canadian people see themselves as others see them.

In all sincerity I think that Canada was fortunate in having our present Prime Minister at the head of affairs when war broke out. By his inimitable methods of approach he paved the way for harmony and friendship between Canada and the United States and brought about an official visit to Canada by President Roosevelt, who on that occasion made a momentous pronouncement as to the attitude the United States would take if danger threatened this country. The Prime Minister led Canada into war without a rift anywhere from the Atlantic to the Pacific, and when a rift was thought to be created, he, with the aid so nobly given by that great Canadian, the Marshal Ney of peace-time, the late Right Honourable Ernest Lapointe, and others, effectually squelched the menace. Furthermore, his wisdom in handling affairs of great importance facilitated, I believe, the memorable Atlantic meeting and the visit to the United States and Canada of our super-hero. Honourable senators all know to whom I refer.

It is a far cry from the attitude of the President of the United States in 1904 to that of the President of the United States to-day. I believe, and I think history will have it so, that this change of attitude is in great measure due to our Prime Minister.

The Speech from the Throne says that we are to have a plebiscite asking the people of Canada to release both the Liberal and the Conservative parties from the pledge solemnly given by their leaders, during the election campaign in 1940, that there would be no conscription of men for service beyond our borders. It is said that circumstances have changed to such an extent since 1940 that the promisors can totally ignore the promise they made. So far as I know, there was no objection raised at the time to the making of such a promise. I agree that circumstances have so changed from what they were when the promise was made that it should no longer be binding. I do not agree, however, that the promisors can release themselves from their promise. The only ones who can release them are the promisees, the people of Canada. If I give a promissory note and, for some cause which seems sufficient to me, I do not want to pay it, the promisee may not agree with me. He can bring me into court, and if I am released from my promise at all, I must be released by the court. The Government is appealing to the highest court in the land—the people—to be released from this promise. I see that a section of the Press pontifically asserts that this plebiscite will cost $3,000,000. It is worth far more than that amount to have our public men keep their word to the people.

It is said that President Hadley, of Yale, once upon a time discovered that the students were not attending Sunday services in as great numbers as he thought desirable; so he resorted to the expedient of calling to Yale all the most famous preachers in the land to preach to the students. On one occasion he invited the famous divine, Dr. Lyman Abbot, to come to Yale. The doctor on Sunday morning asked the President, "How long am I supposed to speak?" The President replied: "You can speak as long as you want to. Of course, there is a tradition at Yale that no souls are saved after the first twenty minutes."

Some Hon. SENATORS: Oh, Oh.

Hon. Mr. MacLENNAN: Now that my twenty minutes are almost up, I may say in conclusion that no Government can go ahead faster than the people will follow. It is well known by the people of Canada that under our form of government the majority must govern; but no minority need fear any undue pressure by the majority in a democratic country, especially in Canada. We went into this war of our own free will. We are fighting as free men to maintain freedom. Although at times the military strength and the successes of the enemy may appal us, we know that from day to day we are gaining in military strength, and that we have a vast store of spiritual strength which, in the final analysis, will be the deciding factor in securing victory for us and for our allies—a strength of which our enemies are not aware, and which if they were, they could not understand.

Honourable members of the Senate, I believe that when this war is over and won Canada's war achievement and her contribution towards victory will be of such magnitude that even the ranks of Tuscany can scarce forbear to cheer.

Hon. L. M. GOUIN (Translation): Honourable senators, in rising to second the address so eloquently moved by my honourable colleague from Margaree Forks (Hon. Mr. MacLennan), I experience the deepest emotion that I have yet felt. I must add, however, that it is a great pleasure for me to address you for the first time in my native tongue.

This pleasant language of France which our valorous ancestors brought from their native land is to us a precious treasure. This tongue, at once so clear and rich, represents one of the most sacred elements of our national heritage. In this free land of our Canadian democracy French is, in our federal Capital, in the very heart of our country, one of the two official languages. This testifies, perhaps more clearly than anything else, to the respect for ethnical and religious minorities which guided the Fathers of our Confederation. In availing myself of the privilege thus conferred upon me by our Constitution, I wish to pay tribute to all those to whom we are indebted for being able to speak freely, in this House, the language of our forefathers. Among them I mention the glorious name of the illustrious associate of Robert Baldwin, Sir Louis Hippolyte La Fontaine. Almost exactly one hundred years ago this great statesman, the apostle of co-operation between our two great races, delivered the historic speech which marked the end of the ostracism to which the French language had been subjected by the Constitutional Act of 1840. It was therefore perfectly fitting that, on this Parliament Hill, La Fontaine and Baldwin should have been immortalized by a single monument symbolizing the national unity which they so greatly contributed to create, after the tragic events of 1837. To all those who in the past, like Baldwin and La Fontaine, have understood that nations, our own in particular, can be founded only on justice, I wish to express my admiration for their patriotism, which so fruitfully combined service to their country and tolerance towards all. To all those who are still actuated by this salutary and fraternal spirit of collaboration, to all those who truly wish peace and harmony to reign within our boundaries, now threatened by the enemy, to all the sincere apostles of co-operation among the various groups of our population, to all those who acknowledge with us that their first loyalty is to our dear and glorious Canada—to all of them we hold out our hand in good faith, whatever may be their racial origin, their language or their creed, from whatever province they may come, or to whatever class they may belong. From one ocean to the other, we are all children of the same mother—Canada. In the face of the danger which is gradually drawing closer to our land, in the face of probable attacks, though perhaps only spasmodic, in the face of possible momentary invasion of some of our vulnerable points, however well guarded our coasts may be, may I repeat once again to all the men and women of Canada, to all my fellow-citizens of the nine provinces composing our great Dominion, the appeal of Honoré Mercier: "Let us be united! Let us cease our fratricidal quarrelling!"

This is not the time for useless discussion which can only hamper our war effort. It would be criminal indeed to choose this moment to appeal to prejudices of race, of class or of creed. Proud as I am, and as you all are, to live under a truly democratic system, I am the first to admit the just rights of constructive criticism aimed at furthering our war effort. But such is not the case of certain critics whose bitter and intemperate utterances tend to dampen the most noble enthusiasm, to create the worst misunderstandings among the various elements of the Canadian people, and, really, to impede our contribution to the victory which some day, with God's help, will crown the efforts of the combined forces of Canada and our Allies. It is with legitimate pride that, as Winston Churchill himself did, we must recognize and proclaim the gigantic and magnificent contribution which the Government of Canada has placed the Canadian people in a position to make towards the defence of Canada and the preservation of our British Commonwealth.

Unquestionably, our primary obligation is to defend our native land. But we must not conclude therefrom that it is only on our coasts or on the North American continent that the fate of our country is at stake. Our heroic seamen who have generously given their lives on the coasts of France or in mid-Atlantic, our intrepid airmen who have made the supreme sacrifice in all the skies of the world, the Canadian officers and soldiers who have tinged with the purest of their blood the rocks of Hong Kong, all those have died for their country just as much as our heroes of old who fell at the Long Sault, at Carillon, on the Plains of Abraham, or at Sainte Foye.

The outposts of the Empire are not for us just bits of foreign land; they are really the outworks of our own defence. By reducing to merely defensive measures, limited entirely to our own land, the conduct of our military operations, our Government would be inviting the enemy to transfer the theatre of war to Canada itself. No, Canada is not afraid to defend itself by carrying the attack wherever it may be required in fulfilment of the strategy or plan of campaign which is ours

and that of our Allies—Great Britain, the United States and all the peoples who at our side are waging the good fight to deliver the world from the scourge of Hitlerism, the Fascist yoke and the Japanese hordes.

And it is precisely because the Canadian Government wishes to be enabled to adopt freely all measures essential to the success of our arms—subject, of course, to control by the two Houses of this Parliament—it is for that reason that the Government intends to seek from the people, by means of a plebiscite, release from any past commitments restricting the methods of raising men for military service. Let us note first, honourable senators, that such a course of action is essentially democratic and that it is the only one consistent with the Liberal doctrine expounded by Sir Wilfrid Laurier in the last days of his life. This war is indeed the concern of the whole Canadian people; after all, our great body of citizens bear the heaviest load in giving generously of their blood as well as of their money. It does not behoove a few individuals, however powerful they may be, to release the Government from the promises made by the Ministers to the electorate, promises which, by the way, were made not only in Quebec, but in the whole country. No, only the free men and women of our Canadian democracy have the right to decide their own and their children's fate. That is a most serious matter, involving the fulfilment of a pledge and the salvation of our country through the preservation of our national unity and the preventing of a recurrence, still quite avoidable, of the unfortunate strife that existed in 1917.

I am quite convinced that the Canadian people will feel it their duty to place their confidence in the Government by giving it a free hand to act according to our best national interests as regards recruiting, and by appraising, without any undue hindrance, the necessities that may eventually arise.

Only thus shall we be able to maintain perfect harmony in this beautiful country. And this internal harmony which we all so eagerly desire brings to my mind a universally and justly appreciated utterance by the statesman who now, with so much distinction, represents the Government in this Chamber. He once said at Geneva, before the League of Nations:

In our endeavours, we aim at maintaining peace between nations at their boundaries, but it should not be forgotten that for such a purpose peace must be maintained internally, because every legitimate grievance of a minority descended from some neighbouring nation has serious repercussions in the mother nation that witnesses the oppression of her minority. A people's greatest standard of civilization is to be found in the treatment meted out by the majority to the minorities that are at its mercy.

In another statement, our representative in Geneva, a former President of the League of Nations, appealed to majorities, urging them to deal so generously with minority groups so as to make them forget that they constitute a minority. Here in Canada, the minority to which I belong lives alongside a majority that shows itself tolerant and respectful of our rights. In this respect for our language, our culture, our faith and all our institutions lies the best guarantee of our survival. Nowhere outside the free commonwealth of British nations could we find an environment more favourable to our natural development. This safeguarding of our rights implies serious obligations on our part. Every one among us is in duty bound to contribute as much as he can towards ensuring the triumph of our arms. And of course we all should look upon the salvation of our country from a truly national standpoint, putting aside for the time being our disagreements on less essential matters. It is as Canadians, and only as such, without any consideration of province, language or religious creed, that we must unite like brothers in order to save, while there is still time, our national territory now coveted by the aggressor, to safeguard also the ideal of justice and freedom which we have inherited from our two great mother countries, and which we are resolved to maintain jealously and to continue to develop freely in this free land of America which belongs to our Canadian democracy.

Allow me, honourable senators, in describing the spirit of justice and freedom that is now the cornerstone of the British Empire, to quote a splendid thought expressed by that great statesman from South Africa, General Smuts. With this quotation I now begin a few remarks in English.

(Text): Honourable senators, in 1917 that great South African statesman, General Smuts, spoke as follows:

The British Empire, or this British Commonwealth of Nations, does not stand for unity, standardization, or assimilation or denationalization, but it stands for a fuller, a richer, and more various life among all the nations that compose it. And even nations who have fought you, like my own, must feel that they and their interests, their language, their religions, and all their cultural interests are as safe and secure under the British flag as those of the children of your household and your own blood.

In Canada, we enjoy the fullest measure of religious freedom. Those who, like myself, belong to the French-speaking minority are at perfect liberty to develop the culture which we have inherited from France, but which we

have duly adapted to our Canadian surroundings. We are sure that all our rights are at present more secure under the Union Jack than under any foreign flag. And because it is so, because we enjoy here justice and freedom, we realize that it is essential for the survival of our country and of our own race to win this war at any cost. We are anxious to continue to enjoy the esteem of all the free citizens of the world, in particular of our English-speaking fellow-countrymen. When the history of this second world war shall be written, we want the spirit of sacrifice and the patriotism of French Canada to be considered as worthy of our glorious past. Let me add that up to the present the record of French-speaking Canadians compares favourably with that of the rest of the Dominion. I am confident that our part in this great struggle will never cease to be equal to that of our fellow Canadians. For this purpose, I am sure, every one in this House realizes the importance of preserving our national unity; indeed, it is absolutely essential to the successful prosecution of our war effort. National unity is the basis and the barometer of the morale of our Canadian people, and victory will belong to the nations whose morale is superior, as well as their fighting forces and material equipment.

It is precisely in the name of national unity that our Government has decided to appeal to the people by means of a plebiscite. I believe very sincerely that this course is the only democratic method to end the present controversy concerning conscription for overseas service. I am absolutely convinced that this plebiscite is the only way to maintain our national unity. Without such a reference to the country at large, the enactment of conscription for overseas service would cause all over Canada much harm—more harm than could be offset by any number of men it might bring into the army.

Personally, I am of opinion that our Government should be given authority, if it deems it necessary, to enforce military service outside Canada. As you know, under the legislation now in force, it is only those who have voluntarily enlisted for active service who can be called upon to serve outside our territory, and this limitation would include even Newfoundland and Labrador, the United States and Alaska. If a day should ever come when the threat of attack or invasion must be met outside the borders of Canada—for instance, somewhere in the United States—I am sure that all true Canadians clearly intend that resistance be offered, totally and anywhere, against the invaders, whether they come from the East or from the West. For this reason, I consider it my duty to ask our good people to renew their confidence in our Government, and to relieve our Ministers from any of their previous commitments. I am confident that we shall not appeal in vain to the patriotic spirit of our courageous population. We are proud to live in a democracy where freedom and justice still reign supreme, and once the Canadian nation has spoken, that verdict—and I have no doubt about it—will be accepted without hesitation.

Those who, like myself, have always tried to promote a better understanding between English-speaking and French-speaking Canadians want to assure you, as solemnly as we can, that our fellow-countrymen are willing to make any sacrifice to save this country from our enemies. But such total sacrifice must be asked in the name of Canada, and only a plebiscite can satisfy the majority of my race that by the clearly expressed will of our nation, speaking as a whole, compulsory service outside our territory may be enforced should it become necessary. Such is the attitude of most French Canadians and of a large number of other Canadians. In the light of past events that attitude is in no way unreasonable. It would be a great mistake to ignore it and not take it into account. At that price national unity can be saved, and certainly it is not too high a price to pay after the sad experiments of 1917.

Honourable senators, I have stated my views very frankly because it is only through such frankness that we can secure the full and cordial co-operation which must unite all the different groups of our population and all the various parts of our immense country. I hope very sincerely that you will take my remarks in good part, because it is in a spirit of conciliation that I have spoken—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. GOUIN: —trying to be faithful to the lessons of moderation and toleration for those of other races than my own, which I have learned from Laurier and from my own father—whom so many of you knew and who was a friend of so many members of this and the other House—and from our Prime Minister. I have also learned this lesson from his associate, from the great Canadian whose untimely death a few weeks ago was such a terrible loss to all Canada, that champion of the sacred cause of national unity: the Right Hon. Ernest Lapointe.

It is a great privilege for me to second the Address, which has been so eloquently moved by the honourable senator from Margaree Forks (Hon. Mr. MacLennan), for I believe very sincerely that in this manner I

can in a modest way help to preserve our national unity, the preservation of which has never been more important in our history.

Hon. C. C. BALLANTYNE: Honourable senators, my first pleasant duty is to congratulate heartily the mover and the seconder of the Address. They both acquitted themselves very eloquently, and in a manner fitting to the occasion. I was particularly interested in the remarks of my good friend from De Salaberry (Hon. Mr. Gouin). He is a worthy son of his distinguished father.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BALLANTYNE: He is still a very young man, and we look for very great things from him in the days to come.

Honourable senators, as a rule I do not make use of a manuscript when addressing this Chamber, but this is an occasion of such importance that I feel it necessary for me to do so. I have never addressed this House with more timidity than I do at this moment, when, owing to the fact that our gifted and brilliant leader the Right Honourable Arthur Meighen has resigned his seat in the Senate of Canada to lead the Conservative party in the House of Commons, I find myself for the time being in the position of acting leader. I therefore crave the indulgence of honourable senators. I intend not to make a partisan or provocative speech, but to deal with the serious war situation as I see it, and as I think the majority of the Canadian people see it.

Let us face the facts. When this Government in January, 1940, scuttled Parliament, giving a great shock not only to Parliament, but to the Canadian people, a general election followed. At that time Mr. King and the members of his Government pledged themselves that there would never be conscription in Canada, and since then the Prime Minister has toured Western Canada and reiterated that statement over and over again. When the general election was held, the King Government was returned with a very large majority; but it must be borne in mind that a large number of Conservatives voted Liberal because they felt it unwise to change the Government at that time. In January the war was called a "phoney" war, and the armies of France and England remained virtually inactive before the Maginot line. Then the powerful German army invaded Denmark, Norway, Holland and Belgium, and France collapsed, and all of these countries came under the Nazi heel of oppression. Then followed the invasion of Greece and Yugoslavia, and last December, Japan, without warning, attacked Pearl Harbour and the United States' Philippines. Our powerful and friendly neighbour then came into the war on the side of the British Empire, Russia and China.

From this brief review honourable members will see that serious events have occurred since the election was held in 1940, and that these have completely changed the whole war situation. I think it is only fair to the Government to state that many of the Government's policies have been most commendable. At the same time I maintain that we are not waging an all-out war, as the Government claims, and later on in my remarks I shall state what I think ought to be done to make it an all-out war.

In what position does the Government find itself to-day? The United States, as soon as they entered the war, called to their armed forces all men from 19 to 44, and put into effect compulsory service in any part of the war zone, and some of their gallant forces are at this very moment in Northern Ireland.

The great necessity for the successful prosecution of the war to-day is man-power. According to the Hon. Mr. Howe, Minister of Munitions and Supply, in so far as Canada is concerned it is no longer a question of munitions and war equipment; and a short time ago he made a statement that an overseas unit could be fully equipped in six weeks. He also said that Canada would send tanks, guns, trucks and munitions to Russia, China, Great Britain and to our forces in the Middle East. The majority of the public to-day are demanding two things, a National Government and compulsory service—compulsory service of men and women on the farms, in the munitions plants and in any other productive industry where they can best serve, and conscription of single men from the ages of 19 to 30 for overseas service.

The Government no doubt has considered this serious and, I might say, unprecedented situation, for it has decided to hold a plebiscite. What for? There is only one answer. It is to free the Government from the pledge made by it that there would be no conscription, and to give the Government a free hand to carry out in its own way any policy it deems proper.

It would appear to me that there were two strong and patriotic stands that the Government could have taken in placing this question before the Canadian people. First, it could have said: "The Government does not believe in the principle of conscription, and is opposed to it; it has decided, therefore, to continue on the voluntary basis." Or, second, it could have said: "The serious exigencies of the war

are such that our pledge of no conscription no longer holds good, and we are in favour of selective compulsory service in Canada and overseas." But the Government apparently did not wish to take a strong stand either one way or the other, and it is therefore going to put this country to the great expense of $1,500,000 simply to free itself from its "no conscription" pledge, and to enable it to proceed in as free a manner as it may decide.

In another place last evening Mr. King quoted part of a speech of the Right Hon. Winston Churchill in an endeavour to convey the impression that in the United Kingdom they did not have compulsory service for the placing of men and women where they could best serve. We know, on the contrary, however, that they have compulsory service for all women from 20 to 30, and for all men, either of military age or over age, by which to place them where they can best serve. Let me quote what Mr. Churchill said:

> There is no room now for the dilettante, for the weakling, for the shirker or the sluggard. The mine, the factory, the dockyard, the salt sea waves, the fields to till, the home, the hospital, the chair of the scientist, the pulpit of the preacher—from the highest to the humblest, the tasks all are of equal honour. All have their part to play.
>
> The enemies ranged against us, coalesced and combined against us, have asked for total war. Let us make sure that they get it.

These statements were applauded by members of the House of Commons. The applause throughout the country was even louder and more enthusiastic.

The Prime Minister of Quebec, Mr. King's chief lieutenant, made a speech in Montreal last night as follows:

> We are facing two groups, Meighen and Mackenzie King. Meighen has always been for conscription for overseas service. We have Mr. King, who has always been against conscription. . . . We have at the head of the Liberal party Mr. King, who is an anti-conscriptionist. . . . Mr. King is against conscription. He has always been. His mentality and that of all his party are the best guarantees. We have on the other hand a man who fathered conscription in 1917. . . . Mr. King has said: "We will find out what is the sentiment of the Canadian people." . . . If he asks the Canadian people, "Are you in favour of conscription or against conscription?" and the Canadian people say "Yes," what can he do? Listen to me. . . . I don't know what the answer would be, but Mr. King would be pledged to impose conscription or resign and be replaced by Meighen, whereas, the way Mackenzie King puts the question, he remains free to use his own patriotic judgment. . . . England has no need of soldiers. Mackenzie King knows that England has no need of soldiers. What England needs is munitions and food. . . . If Canadians have any doubts of Mackenzie King, and replace him by Meighen, then conscription would come for the men, and not for wealth. . . . I am against conscription. I do not think it necessary for overseas service. I think that conscription for overseas service would be a crime now.

Let me return to the proposed plebiscite. Mr. King has given the answer that it cannot be held for less than the great cost of $1,500,000, and he says he only wants to be relieved of his pledge, and then to do as he likes in the further conduct of the war. Surely such indecision will not appeal to the Canadian people or our Allies, nor will it increase the prestige of Canada. Therefore I plead with the Government to drop it.

The war situation now demands that two imperative things should be done. First, a National Government should be formed. When this question is mentioned some people ask, "Whom have you in Parliament who would bring strength to the present Government?" My reply is: we have some very good men in all the Opposition groups, and in addition to them the Government would be well advised to go outside Parliament and induce five or six of the most able executives to join a National Government. Total war effort cannot be carried out by a party government, no matter whether it be Conservative or Liberal. In order that Canada may be able to put forward her full effort in this war we require a non-party government and these two policies: first, selective compulsory service for Canada and overseas; secondly, selective compulsory service for men who can best serve in Canada.

Voluntary recruiting has broken down, as it did in 1916. If our gallant soldiers who are now in England had been in action, we could not have reinforced them. Our gallant forces sent to Hong Kong have been in action and have given a good account of themselves, as Canadians always do, and we fear there have been great losses. The Minister of National Defence states that we require seven thousand men each month to reinforce our army in England, and we have not been able to get this number. What position should we be in if our men were in action, suffering heavy casualties, and we were unable to reinforce them?

Let us turn our memories back to the 1917 situation, which I was sorry to hear the honourable senator from De Salaberry (Hon. Mr. Gouin) refer to as sad. In 1917 Sir Robert Borden was confronted by the same situation as we have now. Let us note the courageous and strong stand he took at that time. The Military Service Act was passed, and Sir Robert decided there should be a National Union Government. Quite a few of his own party followers were against it, and he told me himself that he said to them at a

caucus of the party, "If you do not want me as Prime Minister, I will resign for anyone you would like to have take my place." That was a very strong stand, and the Conservative members showed their good judgment by not making any change. Then, what was his first action? He called for the resignation of all his Ministers and took in nine prominent Liberals. Six of this number had never been in the Federal Parliament before, and when they came into the Government he had to drop old and faithful followers.

Conscription and National Government in 1917, notwithstanding erroneous statements made to the contrary, maintained our Army Corps of 80,000 men at full strength at the front, as well as all the other units: railway, labour, transport, medical and others. In addition, large reserves were always held for reinforcements. Let me point out that the British were so short of man-power at that time that they had to reduce the number of brigades in their infantry divisions from four to three, whereas Canada maintained her four brigades and kept all her divisions and her army corps up to full strength.

This is an answer as well to a statement which Hon. Mr. Crerar, my friend and former colleague, made some time ago in Toronto. He said that after a quarter of a century he was not so sure that conscription was really effective; that he had voted for it in 1917 and would vote for it now if he thought it was necessary. How Mr. Crerar and Mr. Godbout can come to the conclusion that men are not wanted now, when there are such terrific battles raging in the jungles of Malaya and in North Africa, as well as in certain portions of Australia, I cannot understand. Would not General Auchinleck like to get a few divisions? And would not the British in Malaya, or the Australians, like the same thing?

I desire now to reiterate what my leader, the Right Honourable Mr. Meighen, stated some time ago, when defining the policy of the Conservative party. He said that the Conservative party would aid the Government to the fullest extent, either inside the Government or outside.

Honourable senators, I have nothing more to say at this time, except to ask the Government not to proceed with the proposed plebiscite. Drop it, and face the facts.

Right Hon. RAOUL DANDURAND: Honourable senators, my honourable friend (Mr. Ballantyne) states the Prime Minister, his colleagues and members of the House, who were elected after making a pledge to the people, a pledge which was supported by Dr. Manion, my honourable friend's own leader at the time, should disregard that pledge and extend the present policy of conscription for service in Canada to include conscription for service abroad. He must have heard what was said at a famous dinner in Toronto by Dr. Nickle, who sat for a number of years in the House of Commons and who later became Attorney-General for Ontario in a Conservative cabinet. Dr. Nickle said he could not believe that a government, after appealing to the country and being returned on a certain policy, would disregard that policy without going back to the people. That statement by Dr. Nickle, of Kingston, whose career I have followed with interest, should cause my honourable friend opposite to have some doubt as to the wisdom of the contrary policy he now advocates.

The honourable gentleman mentioned a speech delivered yesterday by Mr. Godbout, the Prime Minister of Quebec. I read a report of that speech in two newspapers and I found nothing in it against the plebiscite as proposed. Mr. Godbout said some time ago that if he thought it was absolutely necessary to have conscription in order to win the war he would vote for conscription, and last night or the night before he stated he did not believe that conscription was required at present. The Prime Minister of Canada said something to the same effect in the other House. He does not know whether there may not be coming a moment when he may need a freer hand, but, in the speech which my honourable friend has before him, he declared he did not feel that the time for adopting conscription had yet come.

We are now facing a request that conscription be extended to include service abroad. But there is in the way an impediment that strikes everybody, namely, the vote of the people in 1940. My honourable friend should not be surprised because the Prime Minister and his Government have decided to follow a course dictated by honesty and honour, nor should he be indignant because it seems to him there is need for a change in the Government's policy. He seems to forget that before Japan began hostilities the Australian Government officially declared it would not propose conscription for service abroad. The Government of that country had in mind what happened in 1916 and 1917. In 1916 a referendum in favour of conscription abroad was submitted to the Australian people, and rejected. The next year another submission was made, and Mr. Hughes, the then Prime Minister, declared that if the referendum were rejected he would resign. By that time Great Britain had turned many a sharp corner and was, as my honourable friend stated, in dire

need of men, yet Australia, whose people were one hundred per cent of British stock, turned down this second referendum also. What is more, a majority of Australian soldiers in Europe voted against the referendum.

Hon. Mr. BALLANTYNE: May I interrupt my right honourable friend for a moment? The Prime Minister was careful to differentiate between a referendum and a plebiscite. He said a referendum would commit the Government, but a plebiscite would not.

Right Hon. Mr. DANDURAND: I am speaking of Mr. Hughes, the former Prime Minister of Australia. Is my honourable friend referring to him?

Hon. Mr. BALLANTYNE: No; to our own Prime Minister.

Right Hon. Mr. DANDURAND: That is a different matter.

Hon. Mr. BALLANTYNE: My right honourable friend said that a referendum had been taken in Australia. I was merely pointing out that in the opinion of the Prime Minister of Canada there is a great deal of difference between a referendum and a plebiscite. A referendum binds the Government, but a plebiscite does not. Australia submitted a referendum to the people, not a plebiscite.

Right Hon. Mr. DANDURAND: The point I am making is that a majority of the people in Australia, and of the Australian soldiers in the trenches in Europe, voted against the referendum. As to the difference between a referendum and a plebiscite, of course I know exactly what it is. The Government had a right to choose which of the two methods it would employ to appeal to the people, and it chose a plebiscite.

My honourable friend takes umbrage at an aspersion made by the honourable seconder of the Address (Hon. Mr. Gouin) with regard to the 1917 election. This is not the moment for referring to that election, or the legislation that preceded it. I told the Right Hon. Mr. Meighen in this Chamber that any day that he would like to discuss 1917, I should be ready to go thoroughly into it. But I added this to him, that it was not because of conscription that he had been swept away from the province of Quebec in the elections that followed, but rather because of the legislation which he had brought about, which permitted ballot-box stuffing and ballot switching to be done so openly that everyone could read as he ran. The right honourable gentleman was called to account and condemned for the legislation which he prepared, by which he loaded the dice and carried the election. My honourable friend was not a member of the other House at that time. Two members of the Opposition, Liberals, called the Act infamous legislation, but when they were faced with the fact that if they remained in opposition the Act would absolutely prevent their being re-elected, they gave in and walked into the Union Government. But all this is past history. We know what took place, and how it is that the province of Quebec rose unanimously against the Meighen Government in 1921, 1925 and 1926.

My honourable friend knows that his leader, the Right Hon. Mr. Meighen, went to Hamilton and declared that if he were Prime Minister he would never allow Canadian soldiers to be sent abroad without the people being first consulted. Of course in these days the situation is much more difficult and much more serious, but that is the principle he laid down; and my honourable friend will realize that the view held by a considerable number of people on this question has been shared not only by the Right Hon. Mr. Meighen, but by Dr. Manion, the leader of the Conservative party in the 1940 general election. I had not intended to revert to this question. It leads nowhere, and the time for recrimination is, I think, past.

I desire to congratulate the honourable senator from Margaree Forks (Hon. Mr. MacLennan) and my young friend—I say young, and yet his hair begins to change colour—the honourable senator from De Salaberry (Hon. Mr. Gouin) upon the excellent pronouncements we have heard from them. The honourable member from De Salaberry happens to be of the third generation of a family with whose members I have worked very closely, two of them premiers of their province, Hon. Mr. Mercier and Hon. Mr. Gouin. I find sometimes I am seated among four generations—which at my age is not very surprising. I am delighted to see a descendant of those two men standing here and doing honour to their names.

In his statement before the House of Commons yesterday the Prime Minister gave a complete review of the activities and policies pursued by the Government since the declaration of war, and outlined its programme for 1942-43. I need not cover the same ground, for all honourable members have before them the House of Commons Hansard containing that statement. I will limit myself to a few points which in my opinion need to be stressed and which refer to the Government's policy of the past and of to-day.

From the outset the Government has been bent upon exerting all its efforts in every direction to meet total war. We have national selective service which we can apply by

compulsion. There is only one limitation recognized—that compulsion is not used as a method of raising men for military service overseas. Our forces for overseas service are not confined to one branch only, as was mostly the case in the last war. They include men enlisted in the Canadian Navy and the Canadian Air Force, as well as those enlisted in the Canadian Active Army. In Great Britain, as in Canada, compulsion is not used to raise men for the Navy and the Air Force.

In this connection, I think my honourable friend is in error when he states that yesterday Mr. King said Great Britain had not conscription for this war, or something of the kind. The Right Hon. Mr. King never said anything of the kind. His statement is in the hands of all honourable members, and my honourable friend will not find in it any such assertion with regard to military service.

In the Navy and the Air Force men who have volunteered exceed the number it has been possible to accept for immediate service. The issue is thus narrowed to overseas service in the Army. It relates only to a few contingencies, as up to the present time the Army has secured necessary recruits on a voluntary basis. And that is where again I differ with my honourable friend. Up to the present all the services have been provided for under the voluntary system. So the Prime Minister and Mr. Godbout himself are perfectly free to say that there is no need to-day for recruiting otherwise than under the voluntary system, because that system has not broken down.

Now I put the question: What is the total war effort of a nation? It involves two fundamentals. The first of these is devotion to the prosecution of the war of all the available energies and resources of the nation in excess of those required to maintain the health and efficiency of the people. The second—and it is of equal importance—is a proper balance in the use of these energies and resources for the manifold needs of war. A total effort, for example, would not be achieved if so many men were enlisted in the armed forces, at sea, on land, and in the air, that there were not enough men left on the farms to feed them. In the same way, a total effort would not be achieved if so many men were enlisted that not enough were left in the factories to provide them with the necessary ships, planes, tanks, guns and ammunition. Moreover, modern war has shown that an army, and equally a navy, is dependent upon adequate air support. A total effort therefore cannot be made unless the right balance is achieved among all branches of the armed forces. These examples could be multiplied indefinitely. Indeed, the most difficult task in total war is to decide the correct balance between different aspects of the war effort.

Moreover, the appropriate balance of one country would seldom, if ever, be appropriate for another. Germany, for example, is able to raise an exceptionally large army because she can draw on the enslaved populations for war production and food. Britain, likewise, is in a position proportionately to increase her armed forces to a greater degree than Canada, because Canada requires men to help feed and arm Britain, as well as to feed and arm our own country.

The foundation of the total effort of any country is a correct decision as to the minimum requirements of the civilian population. Once those are determined, production and consumption, except for war, must be steadily and progressively cut down to the minimum. Waste must be eliminated; the manufacture of all luxuries and many comforts must cease. The surplus of man-power and resources thus secured must be used to make war. In using this surplus it is vital that it be developed in the right way. It is not enough to create a navy, an army, and an air force; the sailors, soldiers and airmen must be fed, clothed and armed; they must be moved to the area of combat, and communications must be maintained; reinforcements of men and supplies must be kept flowing. All this requires the most careful planning and detailed organization.

Honourable members will see in the Prime Minister's statement the various aspects of the total effort. My honourable friends have a general knowledge of the accomplishments of our National Defence departments—Army, Air and Navy. I will give some interesting figures in that direction, but first I desire to lay before the Senate our financial effort in helping out the United Kingdom, which Prime Minister Churchill has highly commended, and with which the Senate may be less familiar.

The extent to which Canada has been furnishing supplies to Britain is, I am sure, not fully realized by our own people. Canada has supplied weapons and munitions to Britain for the use of Britain's armed forces, and for other Allied forces for which Britain has undertaken to provide equipment. Canada has also supplied to Britain raw materials required in British war production and food-stuffs required to feed the armed forces and the people of Britain. In other words, Canada is, at one and the same time, a full partner in the war in her own right and one of the principal arsenals, granaries and shipyards for Britain,

other parts of the Commonwealth and other of the Allied nations. The total volume of Canadian shipments to Britain since the commencement of the war compares favourably with the volume which thus far has moved from the United States.

Canadian financial assistance to Britain has been necessary in connection with the provision of these vast quantities of war supplies. The financial assistance which Canada has extended to Britain is, of coures, not what is ordinarily understood by the use of that term. Canada does not ship money across the Atlantic; the money itself never, in fact, leaves Canada. Canadian financial assistance has been extended to Britain in the following manner. The British Government has purchased war supplies from Canadian producers. Britain, however, has not had enough Canadian dollars with which to make payment for the greater part of these supplies. Payment has accordingly been made in pounds sterling. This English money has remained on deposit in London, because it cannot, of course, be used in Canada. Most of the Canadian money required to pay the producers of guns and copper and bacon and other commodities has been supplied by the Canadian Government. This Canadian money has had to be raised from the Canadian people in taxes, war savings or war loans.

Canada's financial aid to Britain has, in other words, amounted to this: the Minister of Finance has raised money in taxes and loans from the Canadian people to pay Canadian producers for ships, tanks, guns, planes and other munitions shipped overseas for the British Army, Navy and Air Force; also to pay Canadian producers for aluminum, copper, steel, timber and other raw materials needed for British war industry, and, as well, to pay Canadian farmers and fishermen for the food Canada has sent overseas to feed the British people.

The British Government has been able to acquire some Canadian money as a result of ordinary business transactions, such as the sale of British exports to Canada and receipts from interest and dividends on Canadian securities. This money has been used to pay for a part of the British purchases. But British exports to Canada are necessarily on a diminishing scale.

In the early months of the war the British Government had a considerable accumulation of gold and was able to use some gold to pay for war supplies received from Canada. The British Government acquired some additional Canadian money by an arrangement to have Canada buy back from Britain certain Canadian Government and Government-guaranteed securities held in Britain. For the most part, however, payment for Canadian supplies has of necessity been made in pounds sterling.

For the past year Britain has urgently required from Canada vast quantities of munitions and supplies. These Canada has created the capacity to produce. The Canadian producers have been paid in Canadian money by the Canadian Government. Canada, in turn, has been credited on the books of Britain with English money, which, however, cannot be spent in Canada. In this way Canada's surplus store of English money has been assuming larger and larger proportions. What, in effect, all this really means is that Britain has a steadily growing war debt to Canada.

We all remember the international problems and difficulties caused after the last war by the existence of huge war debts owed by one government to another. We recall how reluctant nations were to accept payment from other nations in the only way in which a huge external debt can really be settled, that is by removing tariffs and accepting payment in goods. We know that huge external debts created suspicion and bitterness between nations. The Government is desirous of avoiding the creation of similar difficulties in the post-war relations between Britain and Canada. We believe that difficulties would be avoided and, at the same time, the real extent of Canada's wartime contribution would be more fully comprehended, if Canada's financial arrangements with the United Kingdom, both for the past and the reasonably foreseeable future, were duly clarified. We believe that the time has come for this clarification.

The Government accordingly is proposing to the British Government that the financial arrangements between Canada and Britain should be placed on a new footing. The offer which is being made is one which we have reason to believe will be warmly welcomed by the British Government.

In so far as past transactions are concerned, the proposal is to convert the major portion of the pounds sterling which have accumulated to Canada's credit in London into a loan to the United Kingdom of seven hundred million dollars in Canadian money. It is proposed that during the war the loan will be reduced by the proceeds of any sales, made to persons outside the United Kingdom, of Canadian dollar securities now held by residents of the United Kingdom, and also by the proceeds of the redemption or repayment of any Canadian securities held in the United Kingdom. The new loan would not bear

interest during the war. It is proposed, however, that as soon as practicable after the war, the Governments of the two countries should arrange an appropriate rate of interest to apply from that time forward, and should make appropriate provisions for retiring the loan.

Since the beginning of the war, approximately $400,000,000 in Canadian money has been made available to Britain through the purchase by our Government of Canadian Government securities held in Britain. In other words, our Government during the war has been paying off a part of the Dominion's external debt. Under the arrangement now proposed the Canadian Government will purchase outright the remaining Dominion Government and Canadian National Railway securities owned by residents of Britain, estimated in amount at some $295,000,000. This means that the Canadian Government will, before it becomes due, pay off its own remaining debt in Britain. The British Government will pay the present owners of these securities in pounds sterling. The Canadian Government, in turn, will pay the British Government for the securities in Canadian dollars.

For the future, in addition to the financial provision for raising and maintaining Canada's own armed forces, the Government will, as a part of Canada's direct contribution to the defeat of the Axis, ask Parliament to make provision for meeting Britain's shortage of Canadian dollars by supplying to Britain, free of charge and without obligation, munitions of war, raw materials, and food-stuffs up to an amount of one billion dollars. Such provision would mean that thereafter Canada's direct war effort would include, in addition to her armed forces, an outright contribution of war supplies on a vast scale.

The proposals I have outlined will, it is anticipated, suffice to meet the requirements of the United Kingdom for Canadian war supplies until early in 1943.

In announcing this offer, I wish to draw particular attention to the fact that the financial burden of war now being borne by the Canadian people will not be increased by the proposed financial arrangements with the United Kingdom. Canada already has undertaken to supply the Canadian money required by Britain to pay for Canadian war supplies. Whether this money is provided in the form of a loan to Britain or in the form of a direct contribution to the defeat of Hitler, will not change the number of dollars which the Canadian people are already committed to raise for the prosecution of the war.

Now I come to our defence war activities, Army, Air Force, Navy, munitions and supply.

As respects the Army: At the outbreak of war the Permanent Active Militia, as Canada's regular army was then called, included about 4,500 men. By the end of 1939, the Canadian Active Service Force, to give the army its name at that date, had increased to 64,000 men. The first Canadian division had just arrived in Britain.

At the close of 1940, the Active Army included almost 170,000 men. A Canadian corps of two divisions had already been formed in Britain. Canadian troops were also on active service in Newfoundland, the British West Indies and Iceland.

At the close of 1941, there were more than 260,000 men in the Canadian Active Army, enlisted for service in any part of the world. About half this number were on active service outside Canada. A third infantry division, an armoured division, an army tank brigade. forestry troops, and other specialized units, and thousands of reinforcements were in Britain, in addition to the original corps of two divisions.

Canadian troops continued to serve in Newfoundland and the West Indies. Two Canadian regiments recently added a new chapter of valour in the heroic defence of Hong Kong.

In addition to the Active Army, several thousand young men had, during 1941, been called up for military training and service in Canada under the National Resources Mobilization Act. Of this number, a considerable proportion had enlisted in the Active Army, the Navy, and the Air Force. Some thousands more had been assigned to duties in Canada, thus relieving enlisted men for service elsewhere.

Mention should also be made of the Reserve Army, in which at the end of 1941, some 140,000 men were enrolled.

In order that my honourable friends may have an idea of conditions in 1941 as compared with those in 1914, I desire to read a statement by the Master General of the Ordnance, Mr. Victor Sifton, made, I believe, in November last. Here is what he says:

> Rather than give you a mass of technical detail I will contrast the last war with this one. A Canadian infantry division in 1918 had 153 motor vehicles and 4,400 horses. The cost plus upkeep at the front for one year was $2,000,000.
>
> A division to-day has no horses or wagons, but it has 3,500 motor vehicles of more than 160 different types, practically all of which are being manufactured in Canada. Although there are more than 160 types, only 7 models of engines are used to drive them. The cost of the vehicles used by a modern division plus one year's upkeep is $12,000,000.

Incidentally you will be interested to know that the 1st and 2nd Canadian divisions in England are completely equipped. In fact there are no better-equipped divisions in the British army.

The fire power of a division in 1918 was 48 field guns; 96 machine guns; 40 trench mortars and 432 Lewis guns. The cost for one year, including upkeep and ammunition, was $3,150,000.

To-day an infantry division has increased its strength in field guns, doubled the number of automatic small arms, has new and better mortars and many types of weapons unknown in 1918, such as anti-tank rifles and guns and anti-aircraft guns. To-day's division has many times the fire power of a division in 1914-18. The cost for one year of equipping and maintaining a modern division with these weapons, including wastage and ammunition under battle conditions, is $28,000,000. The comparison is between $5,000,000 in 1918 and $28,000,000 in 1941.

Apart from rifles and pistols, the 1941 weapons are of much higher quality and of greater fire power than the weapons of the last war.

I have given you comparisons of transport and fire power costs. But, apart from the personnel, all costs are higher. The overall cost of a division in 1914-18 varied from $30,000,000 to $48,000,000, according to the severity of the fighting. To-day's cost of creating and maintaining an infantry division for one year is $86,000,000.

It is interesting to compare the Canadian Cavalry Brigade of the last war with the Canadian Army Tank Brigade of the present war. Both these formations have approximately the same strength in men. But the striking power of the Tank Brigade is vastly greater and, unfortunately, the cost has increased 9 to 1. The cost of the Cavalry Brigade for 1 year, including ammunition, was $3,500,000. The cost of the Tank Brigade for 1 year on a similar basis is $32,000,000. The difference in fire power is so great that a comparison is not possible.

Perhaps the most interesting formation in the Canadian Army is the armoured division. To equip and maintain it in action in the field for 1 year will cost this country $155,000,000. An armoured division is, of course, the most powerful and the costliest of all land-fighting formations. There was no military formation in 1918 with which it can be compared. But its cost can be compared with the cost of maintaining the whole Canadian Corps in France in the full fiscal year 1916-17, which was $143,000,000, or $12,000,000 less than the cost of maintaining our armoured division. And it will be remembered that 1916-17 was a year of heavy fighting, including St. Eloi, Sanctuary Wood and the Somme.

The infantry division to-day can move long distances and arrive at the point of action fresh and strong.

In the last war a division of infantry in column of route occupied 15 miles of road—to-day a division in column of route occupies from 60 to 140 miles of road, depending on its tactical situation.

At 10 vehicles per mile, the Canadian Corps at present in England would occupy on the road a distance equal to the distance from Toronto to Vancouver.

Nor is the efficiency of modern war equipment easily impaired by weather or road conditions. Bad weather has often been the decisive factor in campaigns. Thousands of soldiers and great quantities of armament and supplies were lost by Napoleon in the retreat from Moscow because his horses were not shod and could not hold their feet on the ice. Our military vehicles to-day are equipped with specially designed non-skid tires which can run for miles without air. Some of these trucks have as many as 8 gear ratios which provide traction under almost any conditions.

A comparison between the horse-power used by the army and the electrical energy used in this country is interesting. We are, as you know, tremendous users of electrical energy.

One armoured division develops 394,237 horse-power, which is as much as the electrical power used in the city of Toronto. In a word—the 12,000 soldiers in an armoured division have at their disposal and under their control as much mechanical power as used in terms of electrical energy by all the citizens of Toronto.

In the last war, 12,000 soldiers had at their disposal in army equipment 3,300 horse-power, which is about equivalent to the electrical power used in Gananoque or Lindsay.

One armoured division plus one infantry division develops more power than all the electrical energy used in the province of Manitoba.

The Canadian Army is an army of machines, and the efficient use of machines depends upon skilled men to operate and maintain them.

Industrial training is an essential preparation for the modern army.

In the last war the best type of recruit was a farm lad. He was strong and handy and knew how to handle horses. He is still an excellent recruit, the more so if he has had experience repairing farm machinery and operating the tractor.

To-day, 25 per cent of infantry must be mechanics; 4,100 out of 17,000 men in a division must be skilled in one or other of 53 trades. A lack of skilled mechanics might easily paralyse the army.

The scientific employment of machines rather than flesh and blood is the goal at which we are aiming.

The Royal Canadian Air Force, at the end of the year, mustered well over 100,000 men, excluding civilians. The Air Training Plan is in full operation; the responsibilities and duties for coastal defence, particularly on the Pacific, have greatly increased; and the complete establishment of 28 Canadian operational squadrons overseas is to be fully achieved, not only with a full complement of flying personnel, but also with all necessary ground and maintenance crews.

Until such time as arrangements may have been concluded with the Government of the United Kingdom to increase the number of Royal Canadian Air Force squadrons beyond 28, the Canadian pilots and other aircrew sent overseas, in excess of the numbers needed to maintain these Canadian squadrons at full

strength, will serve with the Royal Air Force, where thousands of their fellows are already in active service.

Some increase in the home war establishment must be expected. Of this, for obvious reasons, I cannot be expected to give details. Thousands of young Canadians are now engaged in active operations and the augmentation of trained men is accelerated.

The growing part of the R.C.A.F. in air operations over Britain and the continent of Europe has found sombre reflection in the casualty lists. From the original three, Canada's own force in the field was expanded to 28 squadrons, which have already been formed or are in the final stages of formation. Thousands more of the Canadian pilots and aircrew trained under the Commonwealth Plan are serving as individuals with the Royal Air Force, not only in Britain, but also in the Western Desert, the Far East, and other theatres of war.

Over and above any commitments under the Commonwealth Training Plan, the call for highly qualified and scientifically trained personnel for very special duties such as radio location has been responded to by the dispatch overseas of thousands who are fitted to fill this immediate and important need.

Canada's share in the war in the air has reached the stage where Canadian aircrew have become a major factor in the striking forces of the British Commonwealth.

On the outbreak of war, home defence duties were its first responsibility, but in the closing months of 1939 it was busily engaged in planning and arranging the organization details of the gigantic British Commonwealth Air Training Plan.

The year 1940 was the year of construction development for the plan. But in spite of the strain which was then placed upon the force, Canada's three fighting squadrons, which were promptly sent overseas, did valiant service in the Battle of Britain. In 1941, responsibilities of the home war establishment for patrol work in the Atlantic area and Newfoundland have been ever-growing ones, and the outbreak of war with Japan has added seriously to its tasks on the Pacific Coast.

The task of providing trained aircrew for the active theatres of war through the Air Training Plan continues to be the Royal Canadian Air Force's heaviest burden in Canada. Its magnitude was still further enlarged during the year, and the output of these numbers by air training will continue to be the heaviest work of the R.C.A.F. in Canada.

In the long run, as the Minister of National Defence for Air has repeatedly warned us, no more acute manpower problem faces the Government than that of assuming the supply of recruits for training as aircrew, not in the immediate future, but some months or a year hence. There is no question of reluctance to serve; on the contrary, young men are eager for the opportunity; but the numbers available with the necessary high qualifications are limited, because of our small population. Looking ahead, we can see this question looms far larger than the needs of the Navy or the Army, or of industry.

To the solution of this problem by means of the development of air cadets, pre-entry education, physical training and conditioning and other means, the Government is directing intensive study.

At six o'clock the Senate took recess.

The Senate resumed at eight o'clock.

Right Hon. Mr. DANDURAND: Honourable members, I have given you the operations of the Department of National Defence for Air. I should like to submit now a few figures from the Minister of National Defence for Naval Services. In September, 1939, Canada had 15 naval ships with a personnel of 1,774; in January, 1940, 84 ships and 5,000 personnel; in January, 1941, 181 ships and 14,800 personnel; in January, 1942, 352 ships and 27,600 personnel. In January, 1943, we shall have 424 ships and 38,000 personnel. It is estimated that in March, 1943, we shall have 40,000 men enlisted in the Navy.

Orders have been placed for about 150 merchant ships to be built and equipped in Canada, by Canadian workmen, out of material that is 95 per cent Canadian. In dead weight capacity they will total 1,500,000 tons.

There will be 145 ten-thousand-ton ships and 10 four-thousand seven-hundred-ton ships. Seven of the larger ships have already been launched.

Since the beginning of the war 8,000 ships have sailed in convoy from Canadian ports, carrying over fifty million tons of food and war materials. These ships have carried the flags of seventeen different nations.

This reminds me that in September, 1939, when I stated we were undertaking to defend our Atlantic coast and protect Newfoundland and the French islands, my honourable friend, who was thoroughly au fait with the naval situation, put to me the question: "By what means?" And I answered: "By all the means at our disposal." That was very general and did not cover any great responsibility. But I suppose he will gladly commend the increase of our Navy from 15 ships in 1939 to 352 this

month as a formidable effort. However, I do not ask him to make any dangerous avowal in stating what I believe would be his state of mind.

The statement which I now propose to place before honourable members covers the activities of the Department of Munitions and Supply under Mr. Howe:

Since Parliament last met, the conversion of Canadian industry to total war production has proceeded apace. War contracts awarded by the Department of Munitions and Supply and contract commitments to the end of 1941 on Canadian, United Kingdom and Allied accounts now total 3,200 million dollars. Of this amount, 550 millions have been provided in the form of capital assistance to industry for the expansion and construction of plant, and for the installation of machine tools and other equipment. Every item of the production programme, which includes guns, ammunition, naval and cargo vessels, planes, tanks, mechanical transport, and personal equipment, is now in production.

Shipbuilding: The first of the 10-thousand-ton cargo vessels has been delivered and 87 are scheduled for 1942 delivery. Sixty-nine corvettes were delivered in 1941, and 31 minesweepers. Deliveries of smaller craft totalled 50. Construction has begun on 2 Tribal Class destroyers.

Aircraft: The aircraft industry of Canada is producing aircraft required to operate the British Commonwealth Air Training Plan, as well as long-range bombers, fighters and flying boats. The total production of planes at the end of the year, for the period beginning September, 1939, was 5,212. The present production is at a rate of approximately 300 airframes per month.

Mechanical Transport: A total of 200 thousand units of various types of army transport has been produced and shipped to the various war fronts. The monthly production of this type of equipment is now in the thousands.

Armoured Fighting Vehicles: Canada is producing 2 types of tank, an infantry tank and a cruiser tank. Production will reach a rate of over 200 per month early this year. The current monthly rate of production of Universal Carriers is 700.

Guns and Equipments: Canada is now producing 10 types of naval, field, and anti-aircraft guns and equipments. Rates of production for 1942 for these various types are as follows: anti-aircraft 400 per month; anti-aircraft loose barrels 1,000 per month; field guns 550 per month; naval guns 150 per month.

Machine Guns and Small Arms: The machine gun and small arm programme is already producing at high capacity. Schedule production for early 1942 is: Bren guns 4,000 per month; Browning aircraft machine guns 3,000 per month; Browning machine guns for tanks 2,000 per month; Boys anti-tank rifle 5,000 per month; Vickers naval machine gun 100 per month; Sten machine carbine 2,500 per month; standard infantry rifle 25,000 per month.

This programme also includes trench mortars, bomb throwers, and smoke projectors.

Ammunition and Ammunition Components: Canada is now producing thousands of rounds of filled ammunition of all types, including all prime materials and components: brass, chemicals and explosives, cartridge cases, fuses, primers, gaines, and tubes.

Bombs: Present production ranges from 500-pound bombs to practice sizes, including mortar bombs, grenades, anti-tank mines, and depth charges, and is already at a rate of thousands per month.

Pyrotechnics: This group includes signal cartridges, flamefloats, flares, smoke generators, etc. Monthly production is now in excess of 100,000 for all types.

Instruments: Canada is producing for her own account and for United Kingdom and Allied accounts all types of precision instruments required for the operation of modern war equipment. Production is now at the rate of hundreds per month and is being stepped-up rapidly.

Explosives and Chemicals: Some 25 plants have been established for the production of explosives and chemicals, with a monthly rate approaching 70 million pounds.

Personal Equipment and Commissary: Industries normally engaged in peace-time production are now producing thousands of articles of personal equipment, barracks stores, foodstuffs, furniture and like materials.

Construction: Value of buildings and other construction projects undertaken for the armed services amounted to approximately 180 million dollars, representing 1,900 contracts.

Bits and Pieces Programme: This organization has been set up to encourage subcontracting and the full use of idle plant capacity.

Government-owned Companies: Thirteen Crown corporations are operating as agents for the Department of Munitions and Supply, some purchasing and others producing.

Wartime Industries Control Board: Serious shortages of essential raw and prime materials have required drastic curtailment of the use of such materials for civilian purposes. The orders of the Wartime Industries Control

Board are designed to protect these materials for war needs. The major restrictions relate to: (a) elimination of passenger automobile production; (b) restriction of the use of rubber, silk, tin, etc.; (c) restriction of the use of steel; (d) rationing of gasoline and oil; (e) restriction and elimination of the output of household appliances.

The operations of the Department of Munitions and Supply are so vast that I should not be surprised if this statement were incomplete, but at any rate the information will no doubt be of value to honourable members.

I come now to the Government programme for the present year, which has been prepared in reference to the fiscal year ending March 31, 1943.

As I have already stated, the Navy now has 350 ships and more than 27,000 men in the service. The programme of expansion for 1942 can be expressed very simply. Our shipbuilding capacity is being used to build ships for Britain and for Canada. Apart from the naval craft built for Britain, the Navy will take all the ships Canada can build, and it will enlist and train the men required to man the ships. No limitation has been placed upon the number either of ships or men, save in so far as the number of available ships necessarily sets a limit to the number of men who can be enlisted for training.

The Canadian Active Army now consists of the corps of three infantry divisions, divisional and corps troops, an armoured division, and an army tank brigade in Britain. In addition, there are in Britain in reinforcement units thousands of reinforcements. A fourth infantry division and the brigade groups of a sixth division have been mobilized in Canada. In addition, there are the troops on home defence duties on our coasts and in vulnerable areas, and troops in training as reinforcements.

During 1942 it is proposed to create overseas a Canadian army of two army corps; one army corps to comprise three infantry divisions and two army tank brigades; the other to consist of two armoured divisions. In addition, all necessary ancillary units to serve these two corps will be provided. To reach this objective it will be necessary: first, to convert the present 4th division into an armoured division, and to train and equip it for this special role and despatch it overseas in due course; second, to raise, equip, train and despatch overseas another army tank brigade for use with the infantry divisions of the Canadian corps; third, to raise, equip, train and despatch additional ancillary troops both for the infantry corps and the new armoured corps; fourth, to maintain and reinforce these two corps; fifth, to provide headquarters staff organizations for an army and an armoured corps.

It will, however, be recognized that the ultimate disposition of all troops necessarily depends upon circumstances which determine the course of the war.

As for the territorial defence of Canada, special dispositions have been made where that seemed to be required, as a result of the outbreak of war with Japan. The garrisons of coast defences have been strengthened. Reserves have been allotted to deal with any likely emergency.

A special reorganization and regrouping of reserve formations is under way right across Canada, and an emergency organization of active service personnel in training centres or elsewhere is being established.

Whether it will be necessary to mobilize another division for Canadian defence when the 4th armoured division is despatched overseas will, of course, depend on developments in the intervening period.

The situation in Canada in respect to anti-aircraft defence is improving each month as more equipment becomes available. New units are being mobilized in accordance with anticipated deliveries of equipment.

The 1942 army programme will create a thoroughly modern, well balanced and hard-hitting Canadian overseas army. This army will be complete and self-contained. It will be capable of operating in any theatre, and can be effectively maintained both in respect to man-power and equipment.

It should be noted that the outstanding feature of the army programme for 1942 is the proposed increase in the armoured strength of the army overseas. This development is in line with military experience in the present war and with the policy of the British Army.

The effectiveness of Canada's own armed forces depends upon the effort put forth on the farms, in the mines, in the forests, in the workshops and factories, on the railways and the merchant ships of Canada. Canadian production since the war began has been essential to the effort of Britain and, indeed, of every nation fighting the Axis powers. The dependence on Canadian productive efforts of what are now called the United Nations will be greater than ever in 1942.

I have already pointed out that the Government has set no limits to war production. The only limits are those imposed by the growing scarcity of management, tools, raw materials, and skilled labour. Although the Minister of Munitions and Supply told Parliament in November that practically all avail-

able establishments in Canada were already engaged in war production, he recently stated that he was "raising the sights again". More production can be achieved only by the conversion of existing establishments from non-essential production, and by the transfer of labour. There is no slack left in our industrial economy, but I shall be surprised indeed if we do not find, when the year ends, that Canadian industry and Canadian labour have once again amazed us all.

The productive increases already achieved by Canadian agriculture have been little short of miraculous. Cheese production has increased by one-fifth, concentrated milk output by two-thirds, hog production has doubled, and egg production will soon be at an all-time high. For this third year of the war dairy farmers, hog producers and poultry men have been asked to produce the maximum quantities possible. Canada has contracts with Great Britain for bacon, hams and other pork products amounting to 618,000,000 pounds. The forthcoming agreement for cheese is expected to be for at least 125,000,000 pounds. Six hundred and seventy-five thousand cases of evaporated milk will probably, again this year, be required by Britain. The present contract for eggs is for 30,000,000 dozen. Further large contracts for summer and fall delivery are anticipated. Canada has also undertaken to supply Britain with 4,500,000 pounds of honey; 510,000 barrels of fresh apples; 425,000 cases of processed apples; 300,000 cases of canned tomatoes, and other fruit and vegetable products in substantial quantities. Altogether, the value of the exports of those commodities will be at least $180,000,000. Exports of the same products in the year before the war were valued at about $50,000,000.

If we do all in our power to help them meet their labour problems, we can, I know, count on Canadian farmers to do the rest. But the goal which is set for them for 1942 will demand their utmost effort.

This gives an idea of the plans and programme of the Government. I believe that the statements which come from the Department of Munitions and Supply, from the Navy, the Air Force and the Army should give to Canadians cause for pride in the efforts that have been carried on since September, 1939. The Government of Canada has been commended for its activity and its efforts during the last two years and a half, and I have no doubt that, although most of my colleagues facing me are silent, there is a conviction in this Chamber that Canada has not failed, but has reason to be proud of what it has done. I feel quite confident that before this debate is closed we shall hear words of commendation of the efforts of the Government since the beginning of the war.

Hon. Mrs. FALLIS: I move the adjournment of the debate.

Hon. Mr. DANDURAND: I was in hopes that we might make some further progress in this debate, but I am ready to abide by the request of the honourable senator.

Hon. Mrs. FALLIS: If anyone else is ready to go on to-night, I am content that he should do so.

Hon. GUSTAVE LACASSE: Honourable members, I am always pleased to have the opportunity of rescuing a lady in distress, and am quite content that the honourable senator should have a chance to prepare her speech. I wish I had been given the same chance and that the House had adjourned until to-morrow, for, in this particular case, I approve of the action of the honourable leader opposite (Hon. Mr. Ballantyne), who fully prepared his speech and read it from the manuscript. I sincerely absolve him from any blame for thus challenging the rules of the House, because, under present circumstances, nobody can be too well prepared to utter any pronouncements in this House or in any other.

Hon. Mr. BALLANTYNE: May I be allowed to say that the Prime Minister in another place last night read from manuscript for two hours.

Hon. Mr. LACASSE: I am sorry my honourable friend misinterprets what I say. I was complimenting him.

Hon. Mr. BALLANTYNE: I thought the honourable gentleman said it was contrary to the rules of the House.

Hon. Mr. LACASSE: I was just expressing my approval of what the honourable gentleman had done on this particular occasion.

My first duty is to compliment the mover (Hon. Mr. MacLennan) and the seconder (Hon. Mr. Gouin) of the Address in reply to the Speech from the Throne. I was keenly interested in the speech delivered and the figures cited by the honourable senator from Margaree Forks (Hon. Mr. MacLennan)—figures which were later repeated by the leader of the House, and which were most impressive in so far as the war record of the Government is concerned. I was greatly interested also in listening to the remarks of my good friend from De Salaberry (Hon. Mr. Gouin), whose eloquence reminded us of three generations of distinguished gentlemen who have given their best to the country. I also wish to compliment

the honourable gentleman in another respect. I know what a strain it is mentally, and even physically, to have to address an audience in two languages, and to shift from one to the other. We are all apt to take the easiest way and simply repeat what we have just said, only in a different language. Well, I compliment my honourable friend particularly upon the fact that he did not do this. He said something new in English, which was just as interesting as what he had stated in French, and this made his address much more original, picturesque and interesting.

I wish to offer my compliments again to the acting leader on the other side of the House (Hon. Mr. Ballantyne), and I hope he understands me rightly this time. I think it was only right that, as a desk-mate of the former leader opposite, who is no longer among us (Right Hon. Mr. Meighen), he should succeed him in that office. I hope his position will become something more than an acting one, and that we shall soon have the opportunity of greeting him as the permanent leader of the Opposition.

Right Hon. Mr. DANDURAND: But in this House there is no leader of the Opposition. There is a leader of Conservative thought, if there is such a thing as Conservative thought.

Hon. Mr. LACASSE: There is one little reservation, however, which I will add to my compliments. In spite of the fact that my honourable friend stated in his preliminary remarks that he would sincerely try not to make a partisan address, he used, in the very second or third sentence of his speech, the terrible phrase, "scuttling of Parliament." That expression does not agree very well with the other. However, he is such a good companion and fine gentleman that I am willing to absolve him in this case too.

The main points I want to deal with are the two things my honourable friend emphasized as being the desires of the Conservative party —whatever that might mean at the present time, as my right honourable leader suggested a moment ago. The honourable gentleman said that the Conservative party desired the setting up of a National Government, or, to be more precise, I will say a so-called National Government, and the immediate adoption of conscription for overseas service. Honourable members will note that I am calling the thing by its right name. As a doctor, I must put the right label on the right bottle.

Now, in so far as National Government and conscription are concerned, I do not think it would be right, intelligent or logical to conclude that because two hundred individuals representing disgruntled mine operators or vindictive newspaper publishers in Toronto organize a "Petite Convention Nationale" which expresses a desire for these two things, we should disregard the opinion of an overwhelming majority of the six or seven million electors of Canada as expressed less than two years ago in opposition to these two proposals. Everybody remembers what happened at the last election. I will go so far as to say that the proposal for a National Government itself was rejected by the electors at that time. The then leader of the Conservative party—or was it called the National Government party then?—was so well aware of the trend of public opinion in those days that, although a veteran of the last war, he declared himself emphatically against conscription. These are historical facts.

Hon. Mr. DUFF: He got his reward. He has a good job.

Hon. Mr. LACASSE: I do not want to emphasize that unnecessarily. It seems to me that when we start to speak about these things, we should do as the draftsman of a bill does: define our terms first. It should be made clear what is meant by "National Government." That has not been done since 1940.

Mr. Winston Churchill, Prime Minister of Great Britain, has been quoted repeatedly since the beginning of this debate. We all listened to him when he was here, for we realized he was the most illustrious guest Canada had had since the visit of Their Majesties to our shores. His utterances were very interesting, and they moved me deeply, as they did everyone, but I have in mind particularly one sentence, which he did not pronounce in his speech, but which was uttered in an interview given by him a little while after he spoke in the House of Commons. He said, "If we let the present condemn the past, God bless the future." I have seldom run across so few words meaning so much. These were indeed very wise words, and they carried a deep meaning. They could be translated into these more colloquial terms: there is no use crying over the upset apple-cart.

This does not mean that the lessons of history should be ignored, that recent facts should not be rightly interpreted, or that the deductions properly to be drawn from them should not be mentioned at any time.

This war has been a very grim and very powerful teacher. It has taught us a lot already. Let us mention a few things we have learned from it. The successes of the Axis powers are explained mainly by two facts: first, by the fact that they made thorough preparations while their prospective

foes, our Allies of to-day, were sitting around idle. But I am not going to cry over spilt milk. I will leave that point alone just now, in accordance with the advice of Mr. Churchill, which I respect. But I have the right to mention the fact that Germany was working while we were sitting idle and paying our people to remain idle. That is a very crude fact which we must face now in order to understand the causes of the trouble and what remedies to apply. The second fact which explains the Axis successes is that from the beginning of the war the Axis powers have been on the offensive. Thus they have had the tremendous advantage of knowing where the next attack was going to be launched, whereas all the countries on the defensive could only wait anxiously, while trying to guess where the enemy might strike next.

The war has also made us aware of some facts, which we did not suspect before now, with regard to certain sister countries. These facts particularly have some connection with the situation existing in Canada to-day. Take for instance the case of Australia. That country is the second most important Dominion in the British Empire. It is much more homogeneously English than Canada is. According to statements which I heard in the last election campaign, Australia was much better prepared than we were. And more recently I heard that Australia had been far more generous than Canada in the matter of sending troops abroad. She sent her gallant aviators and soldiers to Greece, to Crete, to North Africa, to Malaya, and so on. So far did Australia go along that line—this is the point I want to emphasize to-night—that when she found herself facing a crisis, through exposure to the enemy, her Prime Minister, Mr. John Curtin, turned his eye in despair, not towards London, but towards Washington. Secondly, the Australian Government sent out a call to aviators who had been sent away to come back and defend their own country. So Australia was depleted of her own defenders for the sake of others. Well, that is a masterpiece in generosity, but not in home security. That ought to teach us a lesson which should not go unnoticed, particularly when our country is exposed more than ever on the Pacific coast to the new threat from the Japs.

I want to pay my compliments to one man in particular, and my doing so may indicate to my good friend the honourable leader opposite (Hon. Mr. Ballantyne) that I am even less partisan than he himself is. That man is none other than the Associate Editor of the Ottawa Journal, Mr. Grattan O'Leary, who I think is not a very strong Liberal. I want to pay my compliments to him for what he said about Ireland, his mother country, and, in a certain measure, mine also. Even if I have to surprise some of my French Canadian friends here, I will say that. Mr. O'Leary went to Ireland, and after he came back to this country he was courageous enough to open the eyes of his fellow citizens in Canada to facts which they had constantly ignored. To-night I am going to add to what he has already told us some statistical statements about good old and oft-decried Southern Ireland, which may surprise many members of this House. Southern Ireland, with a population of three million, has at this very moment 120,000 voluntary recruits fighting under the British flag, while Ulster, with a population of one and a quarter million, has only 1,900 voluntary recruits under that flag. I leave that to your consideration, and ask you to revise your opinion about Ireland. Those are facts we should bear in mind. But I should add that instead of 1,900, which was the figure quoted by the Belfast News, I really believe it should be 19,000. Even so, we have as against that figure 120,000 voluntary recruits from Catholic Nationalist Ireland fighting under the British flag, which is ours also.

Hon. Mr. BLACK: I do not want to interrupt the honourable gentleman, but perhaps he loses sight of the fact that there are more than 50,000 Northern Irishmen forming an integral part of the British Army; and of course Northern Ireland is part of Great Britain. I mention this as the figures quoted by the honourable gentleman might leave an entirely erroneous impression on the minds of the public.

Hon. Mr. LACASSE: I welcome that additional information—and may I be permitted to mention also the fact that there is no conscription in Ulster. I shall be quite willing to make any adjustments that may be necessary, for there is no desire on my part to befog the issues or convey erroneous impressions in these critical times. The point I wish to make is this, that certain wholesome conclusions should be drawn from the figures and from the circumstances to which they relate.

Now, just a word about South Africa. I have never yet heard that that Dominion has decided to resort to compulsory military service. So far there has been found enough goodwill and heroism and appreciation of duty to enable the Government to organize an army strong enough to take a major part in bringing about the destruction of Mussolini's African empire. I like the way Churchill pronounces the name, and I share his contempt for Hitler's lackey.

It may seem a little like hitting below the belt to refer to India, with its teeming population, in regard to the number of men it has contributed to the Imperial Army. But though it is the richest part of the British Commonwealth of Nations, and has ample man-power to draw on, I am not ashamed of our own enlistment figures as compared with those of any other Dominion, including India. That is the very point I wish to emphasize right now: I am not ashamed of the war record of Canada as against that of any of our sister Dominions. I do not say that with any intention of belittling the war effort, the valour, the goodwill and the loyalty of other nations of the Commonwealth, but after all I have a perfect right to be proud of the record of my own country.

Before I pronounce the word I should like to be told by a scholar like my good friend from De Salaberry or the acting leader opposite (Hon. Mr. Ballantyne) the correct pronunciation of the word "plebiscite." I have have heard it pronounced in two ways this evening.

An Hon. SENATOR: Both ways are correct.

Hon. Mr. LACASSE: Then there is more freedom in grammar than in politics.

No doubt the result of the federal election of two years ago is still fresh in the minds of honourable members, and I do not want to refer to it more than is absolutely necessary for the purpose of my argument. On what issue was that election fought? As I have already stated, that election was fought on two issues—I should say one issue, because at that time both leaders declared themselves opposed to conscription, and the only issue which remained before the electors was that of National Government. Less than two years ago the electors rejected National Government. I realize I am not addressing the members of the Senate alone; I am addressing the whole population of Canada, and I ask anybody in the land to tell me what right the group of individuals I have already referred to have to substitute their judgment, inspired by vindictiveness, for the judgment of the people of Canada at large. Whether it has been stated before as frankly as I am about to state it, I am not certain, but we all know the position of the Prime Minister of Canada, particularly in recent years. To be perfectly candid, I fully believe that had we not had a man of the prudence of the present Prime Minister in skilfully choosing a middle course policy, we should have seen civil war. I am absolutely frank about it. That is a danger which is still existing and challenging the men who have the responsibility of administering our national affairs at the present time. A middle course policy is the policy for a country like Canada, which is all British politically, but not all English racially. Let us bear that in mind. I claim to be as good a Britisher as any Englishman, but nobody will ever make an Englishman out of me. Neither will anyone make a Frenchman out of an Englishman. As my good friend from De Salaberry (Hon. Mr. Gouin) so aptly said this afternoon, our patriotic duty at the present time is to try to think in terms of Canada—my fatherland and yours. I would submit that for the consideration of honourable members.

Let me refer to the Gallup polls. A Gallup poll was planned by certain gentlemen of the Press to build up a strong case against the Administration in connection with the adoption of compulsory military service. What was my surprise when one morning I discovered that in spite of the fact that the Gallup poll had been organized by a machinery which was in strong opposition to the present Government, the final figures showed 66 per cent in favour of Mr. King. That is why another organization had to be started up right away to wipe out that blot on the escutcheon of the rich mine proprietors of Northern Ontario and the rich newspaper publishers of Toronto. Will my fellow-countrymen be willing to submit themselves to such a so-called "Committee for Total War," to bring about a so-called National Government?

What has happened in our own city of Windsor shortly after what took place in Toronto? By the way, Mr. Nickle dared to break the unanimity of the Toronto meeting, as referred to by my leader this afternoon, and my good friend Miss Agnes MacPhail was also a dissentient. Now, what happened in Windsor? A few days after the Toronto meeting a gentleman—I am going to give his name, because I do not think he is exactly publicity shy—a gentleman by the name of Mr. Wallace R. Campbell, president of the Ford Motor Company of Canada, called a meeting at a place which we humble Canadians keep going with our dollars—the local Red Cross headquarters. That was a very appropriate place, of course, for he could enjoy the joke of having good Liberals help pay for his headquarters that night anyway. A group of 135 persons attended the meeting. Needless to say, I was not one of the chosen few; I did not have a purity-dress to be worthy of attending a "wedding" of such splendour. The sitting member for Essex East and an ex-member of Parliament—I do not care to name him, except to say he was a member of the Administration in the days when the Right Hon. Arthur

Meighen was Prime Minister, and therefore not a Liberal—refused to attend, for everybody knew under what auspices that meeting was organized; the same auspices under which the Toronto meeting had been brought about. There was one dissenting voice among those 135 persons. Most of those present did not dare vote against Mr. Campbell, because of their business connections. I am fully aware of these facts and give them to you as a true reflection of what actually took place in Windsor. I know the impression that some persons who occupy influential positions in clerical, professional and business circles in Windsor had of that meeting, because they said afterwards they wished they had not gone. I am sure their enthusiasm for a National Government was not the same as that of our local master mind. It is in such "select" meetings that the idea of National Government is being re-concocted—a stream-lined National Government organized by men in the stream-lined business. I hope that, like the "Zephyr," it will be gone with the wind before long.

What is Mr. King doing to-day? Realizing to the full the situation in Canada, he does one thing: he makes a most generous concession—much more generous, in fact, than I would have made were I Prime Minister of Canada. He turns not to the newspaper publisher on King street west, Toronto, but to his only competent judges, the people of Canada, and he asks his fellow citizens not to vote for or against conscription, but to release him from his pledges as regards conscription. He asks them to relieve him from the solemn promise made by himself and his supporters throughout the land in so far as military service overseas is concerned. The people of Canada are going to be called upon to pronounce upon one issue alone, not upon the achievements or misdeeds of the Government and not in respect of the personalities of the candidates representing this, that or the other view. Turning honestly towards the people, the Prime Minister asks them to relieve him of a promise which has become more or less cumbersome at the present time. I think that is the honest way to go about it, and I repeat that I do not think I would have gone so far myself. The last man who should accuse the Prime Minister of being a coward for doing that is the man who advocated the same policy in Hamilton in 1925.

Some Hon. SENATORS: No, no.

Hon. Mr. LACASSE: Honourable gentlemen know to whom I refer.

Hon. Mr. BALLANTYNE: Who is he?

Hon. Mr. LACASSE: I was just trying to show my respect for the former leader of the other side in this House by not naming him, but since the honourable gentleman insists, I am going to name him. He is the Right Hon. Arthur Meighen. What I say seems to be corroborated by the silence of my honourable friend.

Some Hon. SENATORS: No, no.

An Hon. SENATOR: What did he promise?

Hon. Mr. LACASSE: I have not exactly what he said before me, and I do not think honourable gentlemen have either; so I will take a chance on it. If my memory serves me aright, he declared emphatically that should he ever believe conscription had become necessary he would not belong to a Government that would adopt it without referring the issue to the country.

Hon. Mr. BALLANTYNE: No, no.

Hon. Mr. LACASSE: I stand to be corrected, but that was the interpretation of the public.

An Hon. SENATOR: That is your interpretation, not that of the public.

Hon. Mr. LACASSE: We are searching for the truth.

Hon. Mr. DANDURAND: My honourable friend is somewhat in error in the statement he has attributed to the late leader of the other side. I have the text before me, but I think my memory will suffice. He did not speak of conscription, but he said that if he were leader of the Government he would not allow any soldier or expedition to cross the Atlantic without dissolving Parliament and appealing to the people.

An Hon. SENATOR: That is right.

Hon. Mr. BALLANTYNE: If I may be allowed, he said a little more than that. He said that if war broke out and he were Prime Minister and head of the Government at the time, he would make every immediate active preparation for war, but he would appeal to the country to endorse what had been done.

Hon. Mr. HAIG: May I ask the honourable gentleman a question. What I am worried about is this. If we have a plebiscite and a majority of the people of Canada as a whole vote to release the Government, is that a release, or does it have to be by provinces or by constituencies?

Hon. Mr. LACASSE: That is entering into details, and I do not think I can give you the details. I can give only my interpretation. I think the vote is going to be a vote at large, irrespective of provincial boundary lines or

constituencies. It is going to be a general Canadian plebiscite, and the majority will carry the day. I think that is the way the honourable gentleman understands it.

Hon. Mr. HAIG: I just wanted to know what was my honourable friend's understanding.

Hon. Mr. BALLANTYNE: If the public vote "Yes," what then?

Hon. Mr. LACASSE: Again I can give only my interpretation. I do not represent the Government in this Chamber, and probably never shall. It is my own personal interpretation. I hope the matter will be better explained in due course.

That brings me to my main point to-night. I want to be clear on that. I am interested not only as a member of the Senate, but as a father and as a citizen of Canada. What is going to be the nature of the plebiscite? As I said before, I take it for granted that it is to be Canada-wide, irrespective of provincial boundaries or constituencies. Either it will carry or it will not. If it does carry, I understand that it leaves the Government free to resort to selective compulsory military service abroad whenever the Government deems it necessary to do so. I stand to be corrected by my leader, if I am wrong in that. If the plebiscite does not carry, the Government will respect the will of the people as expressed by them in the vote, and will go on as if nothing had happened until its term of office has expired. That is the way I understand it.

The point I want to come to is this. Much will have to be explained to the public.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. LACASSE: There are going to be fellows on both sides who will try to see that the public at large do not interpret the question aright. That is why I make the plea as strongly as I possibly can, that the Government make the issue as clear as possible in the minds of all concerned, so that no excuse can be invoked afterwards.

I also want to emphasize the fact that this country is going to see a tremendous amount of publicity and propaganda which will come from the source to which I have already referred more than once. Certain interests are going to draw upon their financial resources —and, judging from the size of their recent advertisements, they seem to have plenty yet, which have not been used in buying war savings stamps. That money will be expended on more or less misleading advertisements in a certain number of carefully chosen newspapers. I do not expect to get a nickel of it for my own paper, because they know where I stand. I think the Government should make an effort to place the matter before the public in the most impartial way in order that the people may decide intelligently. There should be no intimidation or terrorism. If there is, what is the use of spending money and shedding blood fighting against tyranny? Therefore I say it behooves the Government to set the issue fairly and squarely, impartially and intelligibly before the people of Canada. I ask those who favour conscription and those who are opposed to it to be fair about it. Personally, I do not hesitate to state my views right now, and say that I am absolutely opposed to such a drastic, provocative and unnecessary measure. But let each and every one of us stick to the issue, vote conscientiously and then abide by the consequences, as good Canadians should.

On motion of Hon. Mrs. Fallis, the debate was adjourned.

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

44567—3½

THE SENATE

Wednesday, January 28, 1942.

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

Prayers and routine proceedings.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

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

Hon. IVA C. FALLIS: Honourable members of the Senate, I should like first of all to join with those who have preceded me in paying tribute to the mover (Hon. Mr. MacLennan) and the seconder (Hon. Mr. Gouin) of the Address in reply to the Speech from the Throne. The honourable senator from Margaree Forks (Hon. Mr. MacLennan) gave us a statement of some of the results of the work of the present Government in providing munitions and weapons of war, as well as agricultural products. Later the right honourable leader of the House (Right Hon. Mr. Dandurand) amplified that statement to a great extent. I should like to avail myself of this opportunity to say that I think we all, as Canadians, have reason to be proud of

very much that our Government has done in war production. It is quite true that we have all done our share of criticizing the Government for its slowness in getting started. But perhaps Canada had no monopoly in that regard, for it seemed to be a failing of all the democratic countries. Now that we have got into our stride we have accomplished a great deal in many directions.

The honourable senator from De Salaberry (Hon. Mr. Gouin), with all the natural charm and gift for oratory that seem to be the fortunate possession of so many from his province, gave us an address to which it was a delight to listen.

The honourable senator from Essex (Hon. Mr. Lacasse), who preceded me in this debate, gave us a very interesting address last night, in which he covered a great deal of territory. I do not intend in my remarks to take in as much territory as he did. I am going to devote my time to two topics on which he spoke last night.

The first subject to which he paid considerable attention was the formation of an Ontario committee for the prosecution of total war. The honourable member apparently has no very great love for that particular committee. He expressed two objections to the way in which the work of this committee was being conducted.

In the first place, he criticized the committee for having made use of paid space in some of the leading newspapers of the province of Ontario for the purpose of presenting its views to the people. I should like to say to honourable members that even if the Government in power, which the honourable member supports, has a very large majority, it has not yet assumed control of the newspapers of this country. We still have a free Press, and when we cease to have a free Press we shall be in the same category as the countries under the domination of Hitler, where only the party in power has a right to use the newspapers.

In the second place the honourable senator made a statement calling attention to the cost of this paid space in the Press. He said, "Evidently there is a great deal of money yet in circulation which has not been used for buying war savings certificates." He repeated this assertion two or three times, evidently considering it of some importance. Well, ever since this war has been well under way, the Government in power has sent out—I do not think I am exaggerating in saying this—tons of paper across this country—

Some Hon. SENATORS: Hear, hear.

Hon. Mrs. FALLIS: —containing information more or less useful, but setting forth to the people the policy of the Government in connection with the war, and information upon what it was doing. If the Government of this country has the right to use the taxpayers' money to present its views on public matters, and its policy in respect to this war, surely private citizens who do not agree with that policy have the right to use their own money to present their views on the war through the medium of the daily Press.

Some Hon. SENATORS: Hear, hear.

Hon. Mrs. FALLIS: A second item, one which is very important and which engages the attention of all at the present moment, is the decision of the Government to take a plebiscite. I should like to say here that never since the present Government was returned to power in March of 1940 have I, from my place in this House or from the public platform, uttered one single word of criticism until the present moment. I took that course, not because I saw eye to eye with the Government in every respect, but because I felt that the work which I was doing —war work with women in women's organizations, in contact all the time with women of all political beliefs—would be more effective if I refrained from anything which could be construed as playing politics. But to-day, if I am to be true to my own convictions, and to the thousands of women who are bewildered and confused—yes, dismayed—at the events of the past two days, then I too must utter my protest, futile though it may be, in conjunction with others who have opposed the taking of this plebiscite.

Frankly, I say to honourable members to-day, I had hoped, I had even confidently expected, that some members in the Prime Minister's own following would reach heights that some Conservatives reached in the British House of Commons after the Norway fiasco, when they placed the needs of their country at the moment above party loyalty. There was no talk there of a plebiscite, there was no talk of a general election. All that was said was, "There is only one thing that matters, and that is the winning of this war," and they immediately took the steps which they thought were necessary to attain that objective. I had expected that a substantial number of Liberal members of either House would use their utmost influence to see that the British plan was adopted in this country, namely, the plan of governmental responsibility and the supremacy of Parliament. Apparently I had expected too much; so we are going to have a plebiscite.

We are all familiar now with the reason for holding this plebiscite. It can be stated in one sentence. The Prime Minister has

announced that he will ask to be released from a pledge that he gave in the last election, a pledge that he would not at any time introduce conscription for overseas service. The logical deduction, as I see it, is that the Prime Minister has now become convinced that conscription is necessary. Otherwise there would be no point in his asking to be released from his promise. I believe, along with very many others in this country, that the proper course of procedure would have been to settle this matter on the floor of Parliament. The Prime Minister of this country has access to information which is not possessed by you and me, and is perhaps even less available to the average man on the street. Because of that, he is in a position to give leadership. If Parliament had been called to secret session and the members made acquainted with the secret information which the Prime Minister possessed, they too might have seen the necessity of conscription, just as he apparently is seeing it, and so we should have had the matter decided in the British way, by governmental responsibility and the supremacy of Parliament, instead of a question being submitted to the people in the form of a plebiscite, as proposed. Even as it is, I think we could have excused this particular expense to which the country is being put, if we had had anything definite from the Prime Minister as to what is to follow the taking of this plebiscite. But up to the moment we are all in the dark, completely.

The only argument submitted by the followers of Mr. King, either in this House or in another place, has been that it was not possible to do as I have suggested, because the Prime Minister could not break a pre-election pledge. Well, I cannot refrain from asking why all at once it becomes so exceedingly important for a Prime Minister to keep a pre-election pledge. I have been a student of Canadian history more or less all my life, I have watched governments in operation for many years, and, like every honourable member of this House, I have known pre-election pledges to be given and to be broken. And they were not all given by Conservative leaders or broken by them. The leader of the present Government has been in the same category with other leaders in this respect. Then, if pre-election pledges could be broken before without even a ripple of dissent from the followers of the leader, why has it suddenly become very imperative that this pledge should be kept? Oh, I know what my Liberal friends would say. They would say that this one is of more importance than preceding pledges which had been broken. Well, perhaps so, and perhaps not. It all depends on the personal viewpoint. I can see that this pledge is intensely important to many people in this country; they feel it is important; but there are thousands of others who consider it just another pre-election pledge and are not even interested in it.

The honourable senator from Margaree Forks (Hon. Mr. MacLennan) expressed the Liberal point of view yesterday: he said we must have a plebiscite because this pledge could not be broken. By way of illustration he remarked that if he signed a promissory note he must fulfil his obligation, no matter what conditions prevail at the time. I am sure the honourable senator would be the last one to say that if a note were made out for $500 it would be honoured, but if it were for only $50 it would be a minor note and therefore need not be honoured. I consider that a promise is a promise, and that this pledge is no more important than others that have been given in the past at election time and thrown into the scrap basket immediately afterwards, for no reasons at all except those of political expediency. Now, please do not misunderstand me. I am not for a moment suggesting that I condone the breaking of pledges in the past, or at any time; but, having regard to the fact that what I have just stated is true, that pre-election pledges have been given and broken over and over again, I find it impossible to become unduly excited over the thought that this one might have found its way into the scrap basket along with many others from the past.

As a matter of fact, it seems that this pledge might have been broken with even less compunction than is ordinarily felt, because it is only of minor importance when considered in the light of the exigencies of the moment. To my way of thinking, these are of immensely greater importance than the keeping of a self-imposed pledge, for which Canada did not ask and in which a great many people are not even interested. Personally, I should have preferred to see the present Government take the attitude that was taken by the British Government, or by President Roosevelt. The British Government, first under Mr. Baldwin and then under Mr. Chamberlain, was committed to a policy of no compulsory service, yet, even before war was declared, that policy was changed without a plebiscite, without a general election, without a reference to the people; and there was no word of protest, because the people realized that conditions had arisen of immeasurably greater importance than the Government's pre-election pledge. And what about President Roosevelt? In his last election campaign he gave a distinct undertaking to American mothers that if war

came to the United States no American soldier would be sent to fight on foreign soil, yet, two days ago, an American Expeditionary Force landed in Ireland, and thousands more soldiers are to follow. Is there any protest about the President breaking his word to the people? I have not heard it. The American people, too, are seized with the urgent need of the moment and realize that conditions have minimized the importance of such a pledge.

When making his memorable address to members of both Houses of Parliament at Ottawa, Mr. Churchill, speaking of the urgency of the moment, said there was not a week, nor a day, nor an hour to be lost. How are we responding to that urgent warning? We, apparently, have plenty of time to lose. Two months or more hence we are going to have a plebiscite. After that there will be a debate in Parliament on the result of that plebiscite, a debate which will probably take another month or so. After that, what? No one knows. That is our response to Mr. Churchill's urgent warning: we are to lose three or four months in this way, and no one knows what is to come after that.

While all this talk is going on, what of our men who are already in the overseas forces? Whence are their reinforcements to come? High ranking military men, both English and of French descent, have long since expressed the urgent need for more men. Having sent men overseas already, are we prepared to abandon them to their fate when the offensive on the continent is undertaken? If there is no hurry, if there is no need for conscription, if plenty of trained men are available for every emergency that may arise, why were untrained men sent to Hong Kong? We ask the Government to avoid a repetition of such tragedies by instituting total war now. And what does total war mean? Simply this, that every man of military age, yes, and every woman too, shall be placed where he or she can render the greatest service to their country, whether on the farm, in the factory or in the armed forces for home or overseas service. It means, as far as is humanly possible, equality of sacrifice, financially as well as in active service.

Honourable members of the Senate, speaking as a woman, I say to you to-day, with all the sincerity which I possess, that the mothers and wives and sweethearts of the men at Hong Kong are not at all interested in pre-election pledges, and the majority of Canadian women are of the same mind. And because of the sacrifices which they have already made and of the greater sacrifices which are yet to come, Canadian women to-day have the right to demand that their Government direct every thought, every dollar and all energies to the training and equipping of sufficient forces to ensure that their husbands and sons shall not be sent to any theatre of war without being properly trained and completely equipped. We also ask that action be taken now to ensure that Canada shall not be numbered among those countries that played politics until disaster overtook them.

Hon. L. COTE: Honourable senators, since the time, now quite a few years past, when I had the honour to move the resolution in reply to the Speech from the Throne, I have not taken part in address debates. Usually we have been content to leave this task to our leaders. In 1940 there was no opportunity for debate, since Parliament, as you all remember, after being summoned was dismissed within a few hours, because the Prime Minister had decided to hold an election at a time when the people of Canada were not as yet war-conscious, and therefore in an atmosphere better calculated to increase his chances of retaining power. Mr. King's political move and diagnosis were shrewd and successful, although they involved an affront to this and to the other House. He was returned by a large majority, a majority amply sufficient to enable him to put through Parliament all the measures necessary to ensure national security and to achieve victory over the enemy in the fight which we have taken up to save our national soul and our national life.

To-day I break my usual silence, not to discuss the magnitude nor generally the state of the war, although I may say that I agree with a great deal of what has been said by the mover (Hon. Mr. MacLennan) and the seconder (Hon. Mr. Gouin) of this motion, to the effect that up to the present time Canada's war effort has been great and creditable. While it does not seem out of the way for partisans of the Administration to take credit for what has been accomplished, it is quite proper that due credit be given to the men and women of Canada for having risen to such heights of devotion and sacrifice. With one portion of the eloquent remarks of the honourable senator from De Salaberry (Hon. Mr. Gouin) in which he mentioned the equality of sacrifice and contribution brought to that effort by the people of his province, I am very glad to agree, and I am pleased also with his assurance that this equality of contribution and sacrifice on their part will not diminish.

As I said a moment ago, I rise to break my usual silence in order to deal with one subject mentioned in the Speech from the Throne, which I think is not only a renewed affront

to the rights of Parliament, but also an undeserved reflection upon the people of this country, to whatever race or creed they belong.

The Government, notwithstanding its command of Parliament in the two Houses, has decided to submit to the people the question whether, if in the Government's opinion it becomes necessary to have compulsory military service for overseas, it may ask Parliament to legislate accordingly. In the light of the principles of parliamentary and responsible government, and in the light of national interest, the proposition seems to me quite indefensible and preposterous. But the Government and its defenders say that there is a reason, namely, that in the past the Government and the party it represents have made commitments not to make Canadian military service compulsory for overseas or on United States soil. As the honourable senator who has just preceded me (Hon. Mrs. Fallis) has asked: "Has the Government or the Liberal party, through its Ministers, not made many promises, and promises in connection with the war, which it has not kept? And has it been criticized severely, or criticized at all, for not having kept them?" In 1930 the Liberal party lost power. In 1935 it came back from exile, and it made promises then, as it made promises at by-elections later. Let me read you some of the commitments. Of course we must remember the background. In 1935 the Ethiopian crisis brought forward the question whether the imposition of sanctions would lead to war with Italy. Mr. King, cajoling for votes, decided he had to give some assurance against war, and he gave it in this way at a public meeting in Quebec.

Right Hon. Mr. DANDURAND: What is the date?

Hon. Mr. COTE: September 28, 1935; that was the day preceding the voting at Quebec. Mr. King said:

> I say that Mr. Bennett has no right to commit Canada in any way, directly or indirectly, or to take any action whatever as regards the possibility of war. The people of Canada are opposed to war, and a war in such a distant part of the world holds no interest for Canada. Mr. Bennett has no right to commit the country before consulting the people by means of a plebiscite.

This solemn declaration of principle as guidance for the Prime Ministers of Canada, I should say, applied to Mr. King just as much as to Mr. Bennett. And the commitment is clear: Mr. King was not going to do it, although that bad man Bennett might.

Early in 1938 a by-election was held in St. Henry, Montreal. Colleagues of Mr. King, responsible Ministers of the Crown, spoke at that by-election, voicing a policy which the electors had to assume was the policy of the Government. At a public meeting in January Hon. Mr. Cardin said:

> I have already so stated ten times: Canada will not participate in wars beyond its territory. Canada will do nothing in wars beyond Canadian territory. What do you want more? What do you want better? I am for the defence of my country 100 per cent—150 per cent if that were possible, but when other nations are at war I am nought per cent.

I could add many more quotations, but I refrain because if I did I might arouse a feeling of contempt for and revulsion against men who now hold positions of great confidence, and I have quoted enough to support my point.

I submit it is clear that the pledge of Mr. King was not to engage Canada in a foreign war without a plebiscite; and in the case of Mr. Cardin, not to have Canada take part in a war in Europe by sending soldiers overseas, either volunteers or conscripts. These pledges were broken in September, 1939, when Parliament declared war on Germany. Was the Liberal party seriously assailed or taken to task as a result? Not at all. Certainly at that time I heard no reference in Parliament to broken promises or false pledges. On the contrary, when Canada declared war on Germany there arose from the nation a sigh of relief because we had not been betrayed.

But we are told that the commitment which the Government now wishes to be relieved of, not by Parliament, but by the voters, is something entirely different and more serious, and therefore more binding. It is this: When Canada, through its Parliament, served notice on Germany that it was going to use its might and power to co-operate with the forces of Christianity and civilization to crush Hitler's evil and sinister designs, the Prime Minister said there would be no conscription of manpower in Canada. No doubt this assurance brought cheer to the enemy, and to those in our land who will not admit that the Liberal party may have been wrong in the sad experience of 1917, referred to yesterday by the honourable senator from De Salaberry (Hon. Mr. Gouin). But was this pledge more binding than the ones I have just mentioned as having been broken? Is it more dignified in character than the pledge that no soldiers would be sent abroad to take part in any war? Is it more sacred because it may have given comfort to the enemy, and he may have been deceived by it? Surely not.

Then what is the difference? Is there any? In the one case the pledge was, "We will not send soldiers overseas"; in the other, the

one we are dealing with, it was, "Having sent soldiers overseas, we will not support them beyond voluntary enlistments, even if that system fails." Yes, there is a difference! The second pledge was more degrading, and it is one which no party and no Parliament can implement if it is to maintain its own self-respect. And Parliament cannot maintain its self-respect and its traditions by passing on its responsibility and its duties to the mothers, the wives, the sisters and the sweethearts of the young men of the nation who would be affected by a compulsory military service law—no, not when life and national honour are at stake.

I shall be told that a large section of public opinion in the country, and particularly in the province of Quebec, is opposed to conscription, and that for the sake of national unity it is far better to resort to this kind of expedient. Let me examine that contention, analyse the reasons why there is opposition, and see whether a plebiscite will abolish the differences and render it possible for the Government to carry out the task of enforcing military service overseas without danger to the State—that is to national unity—or to its own political future.

In the last war we had conscription. It was opposed by the Liberal party at the time, and has been since. The old flag of the Liberal party, which throughout the country had been a dignified emblem that great and sincere Canadians had followed with pride, became the emblem of anti-conscription. It became an emblem of disunion and of rancour. During the last war there was some rioting, it is true. That rioting was organized not by the Conservatives, but by others; and its purpose was not to help win the war, but, by the preaching of a perverted sense of duty, to delude the people. Nevertheless conscription was enforced, and soldiers went to the front to pick up the torch from heroic but failing hands. The country kept up the quarrel with the foe, and kept faith with its defenders until victory crowned with laurels the brows of the fallen and of the living. The Liberal party, however, kept up the quarrel, not with the foe, but with their political opponents in this country.

In 1921 an election was held. Mr. King, who previously had been preferred as Liberal leader to Mr. Fielding, that noble old man who had committed the crime of placing victory ahead of party, was elected to power. And at what cost? I remember distinctly a cartoon that was widely distributed by the Liberal organization. It showed our ex-colleague, the Right Hon. Mr. Meighen, walking in blood to the top of his boots, and with blood dripping from his hands. In his right hand he held a whip which he was using to send a group of young men to the slaughter. On the other side of the road weeping women stood in the attitude of martyrs.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): The Liberal party would not do that, surely.

Hon. Mr. COTE: Upon that cartoon and all it meant, Mr. King built up a successful political career; and except for five years he has been in power ever since. Anti-conscription, which, after all, is just the evasion of the supreme duty which a man owes to the State in time of danger, became the guiding principle of a party which once had preached greater liberty, but later used its great influence over the people to dwarf and enslave the national conscience, and to stop at the source the generous impulses of generous and chivalrous natures. The doctrine did not pervert the whole population, but in many constituencies it perverted a sufficient number to provide the necessary margin for success at election time.

Unfortunately, in our political parlance, we refer to this sort of thing as "political adroitness." But life has its returns and its revenges, and at a time when the Liberal party was again enjoying the sweets of office and the exercise of power over the destinies of others—an ambition legitimate in itself, but sometimes achieved by unworthy tactics, and one which in other lands has turned men into tyrants and aggressors—there fell to the lot of the Liberal Government the conduct of the worst war in history, a war which will tax the brains, the endurance and the courage of the people of this country as they never have been taxed before. That Government has decided to remain in power alone; not to share responsibility with any other statesman who has ever dared to disagree with the Prime Minister; and it must now reconcile the exigencies of our war effort with its past political adroitness. Compulsory military service is obviously, I realize, the worst hurdle it has to jump; and if it does not jump that, the party may suffer, because what is political adroitness in time of peace may become treason in time of war. If it does jump that hurdle, it may lose part of its political clientele in certain places. This is indeed an embarrassing situation, one which calls for a solution based on courage and a sense of duty, not on more political adroitness.

That duty will not be discharged by holding a plebiscite. A plebiscite will lead nowhere. If it carries, it will not get rid of the embarrassment and uncertainty of future action. If it does not carry, as long as this Govern-

ment is in the saddle our troops are abandoned to the uncertainty of voluntary enlistment for support. In either case the country is disgraced.

In all frankness and sincerity let me offer an alternative. It has been stated that the anti-conscription feeling resides mainly in the province of Quebec. I say it is not confied to that province, though I am free to admit that there the propaganda has been stronger and no doubt the perversion has been greater. I say this to the Government. Since 1896—and forty-six years is a long time in the history of a young country—the Liberal party has carried Quebec. The Quebec electors are fanatically Liberal, and in the Liberal Ministers they have confidence.

Hon. Mr. SAUVE: I am not sure.

Hon. Mr. COTE: Notwithstanding the doubt of my honourable friend from Rigaud (Hon. Mr. Sauvé), I think even Conservatives from Quebec should admit that the electors of that province are like wax in the hands of the Liberal party.

Hon. Mr. SAUVE: It depends.

Hon. Mr. COTE: Such is the influence of the Liberal party in Quebec. I go farther and I say to the Liberals: To the electors of that province you owe all your years of power, your Ministers, your careers as public men and your titles—honourable and right honourable. The debt of the Liberal party to that province is great. And this is a time when it can be partly paid back, at the cost of a little pride. As soon as the Government in honour and conscience comes to the conclusion that the interests of Canada demand compulsory service for overseas, let the Ministers and members go into their constituencies and tell the people of Quebec that the voluntary system has failed. Let them say to the people, in all humility and in all sincerity, that the time has come when Canada, their country, needs everything, even compulsory military service for overseas. What will happen? They will follow you. Are they different from other Canadians? They are not. They love their country and they want to defend their country with every means possible. If you tell them that compulsory service for overseas is necessary, they will follow you. They will want to continue that equality of sacrifice and effort so eloquently described by the honourable senator from De Salaberry (Hon. Mr. Gouin) yesterday.

If you conscript my compatriots for the farm, they will work; if you conscript them for the factory, they will work; if you conscript them for the army, they will train and go to fight anywhere, with resolve in their hearts, a song on their lips and, like Christian soldiers, with a light in their eyes, a light of holy hatred, not against their country, but against the enemies of the nation. That is a light which has come down to them through thirty generations of crusaders, knights, soldiers, explorers, discoverers, settlers and tillers of the sacred soil of their country. Let the political parties do their duty, in all conscience. Let them make sacrifices of pride, and if compulsory service for overseas becomes necessary the nation will follow them to a man. And there will be no breach of national unity, which we all cherish, and which it is our duty to defend and preserve.

I say there is no necessity to split the country in twain at this time by going through this melancholy scheme of taking a plebiscite which will lead nowhere. It may at best give the Administration three months' respite. But when the three months are up, the same goading for action will come from the people of this country, there will be the same pressure upon the Administration, and at that time the Government will go through the same political embarrassment that it is going through now. The plebiscite will only postpone the evil hour.

Suppose some political damage is to be suffered five or ten years hence. Suppose some members of your party fear they may lose their seats. Then take such members to a small monument which stands just outside the gates of Parliament Hill, a monument erected by a number of his friends—included among whom, I believe, was the present Prime Minister—to the memory of the late Henry Albert Harper, who lost his life while trying to save a young woman from the icy waters of the Ottawa river, and ask those members to read from the monument these words by Tennyson: "If I lose myself, I save myself."

Hon. F. B. BLACK: Honourable senators, I had feared that I should not be here this afternoon, and I want to say how glad I am that I did come. I would not have missed the opportunity of hearing the speech just made by the honourable senator from Ottawa East (Hon. Mr. Coté) for a great deal. I listened to all he said with deep interest, and much of it was, to me at least, soul-stirring. His remarks could not very well have come from anyone whose native tongue was not that of the majority in the province of Quebec. After such a moving appeal as he made, it is with extreme reluctance that I attempt to say anything. However, I will make a few comments on the Address in reply to the Speech from the Throne.

I want, like those who have preceded me in this debate, to pay tribute to the mover and the seconder of the Address, for the very interesting and eloquent manner in which they presented their views to this House. Every session we have speeches by the honourable senators who move and second the Address, but seldom have we had the pleasure of listening to such interesting presentations as at this session.

I also want to refer to the speech of the right honourable leader of the Government in this House (Right Hon. Mr. Dandurand). Whenever he speaks we find it interesting to listen. What he did on this occasion was to give us a recital of the accomplishments of Canada in its war effort. It is well for the people of Canada to be advised from time to time as to what the Government is doing, but I am inclined to think that we are getting entirely too much propaganda on the Government's war effort. The honourable senator to my left (Hon. Mrs. Fallis) said that tons of literature were distributed throughout the country to advertise what we are doing in the war. The quantity of such literature that is being sent out, and, upon receipt, thrown into the waste paper basket, should be measured, not in tons, but in hundreds of tons. That does not mean that all this stuff is worthless. On the contrary, some of it contains a great deal of valuable information, but the quantity is so large that no one could ever get time to read it all; so the natural result is that very little of it is read.

I am glad to join in commendation of the labourers in our factories who are producing that vast volume of implements of war to which the honourable leader of this House has referred, and I want to congratulate all the people who have bought and are buying war saving certificates and war bonds in order to make possible the financing of this production. And here, it seems to me, it is well to remind supporters of the Government of a very important fact, namely, that it is the people of Canada who are making this great war effort. I am ready to admit that since the country really got into its stride in producing war material it has done marvellously. My critisism is that the Government did not move quickly enough in the first instance. Indeed, the Government did not move at all until public opinion, aroused by the seriousness of the crisis, forced it to move.

The Speech from the Throne contains a paragraph which is in fact the kernel of the whole speech, the paragraph dealing with the proposed plebiscite. I do not know whether I would oppose such a course if there were real ground for it; but while this country is in the midst of a terrific war we surely do not need to waste time, to say nothing of money, in order to get the opinion of the people as to whether or not we should prosecute this war to the utmost of our ability. Let us ask ourselves whether the proposed plebiscite will help or deter our war effort. The only answer I have heard at all, if indeed it can be called an answer, was made by Premier Godbout on Monday last. I do not know whether he gave the right answer or not, but I am assuming he is in the confidence of the powers that be. These are his words as they appear in the Ottawa Journal, the Ottawa Citizen, and the Montreal Gazette:

> Mr. King has always been against conscription for overseas service, and in view of what happened in Australia, he will not impose conscription.

"He will not impose conscription." Whether or not that is a correct interpretation of what the result will be after the plebiscite is taken, I do not know. Undoubtedly Mr. King desires to be released from his pledge against imposing conscription for overseas service, but he does not say he will whole-heartedly prosecute the war if the proposed plebiscite gives him a free hand.

In that connection I desire to call attention to the remarks of two or three other honourable senators with reference to the effect which the Australian situation may have on Canada. I would remind honourable senators that when war broke out it was much nearer the shores of Canada than of Australia, and this condition obtained until Japan's recent attack on Pearl Harbor. In 1940, Australia sent four full divisions to South Africa, and other troops to Greece and the Far East. Those soldiers have already made a glorious war record. True, Australia sent her troops overseas on the advice and perhaps at the request of the British Government, but at the time we did not know that Japan would become engaged against the Allied Nations. Now Australia's troops are required to protect their homeland, and they are being returned there as fast as transports become available, and, so far as I can gather, nearly all Australia's flying men are back home to repel Japanese air-raids. Let me add, however, that Australia never resorted to a plebiscite before entering the war. The Australians did exactly as we should have done from the beginning. They were prepared and ready to send their men wherever they might be required.

As reference has been made to Australia's war effort, I desire to give some comparative figures as to Australian and Canadian enlistments on a population basis. It should be

borne in mind that Australia has a population of about 7,000,000. I am told our population is about 11,500,000, but I will take it as being about 11,000,000. Up to October, 1941, Australia raised an expeditionary force of 170,000 men; had under arms, ready to go anywhere in Australia, 200,000 men; and a home guard of 50,000 men for home protection. The home guard is made up largely of veterans of the last war. The Royal Australian Air Force numbers 60,000 trained men, and 200,000 men have volunteered for air service. In the Australian Navy there are 20,000 men. These represent a total of 500,000 men as of October, 1941, and I am advised that at the end of December, 1941, that total had been increased to 655,000 men.

Now I come to the figures for Canada. We have an expeditionary force of about 250,000 men; for home defence about 250,000 men; in the Air Force 100,000 men, and in the Navy 27,000 men. These are the round figures as at December 31 last. The total is 620,000 men under arms. But if we relate these figures to population, Canada's total should be 1,100,000 men.

When it is also remembered that Australia has produced per head of population just as much in arms, tanks, guns and planes as we have, I do not think it is right for us to boast of our war effort. In fact Australia, taking into account its smaller population, has done very much better than we have. While I am proud of our war effort and am quite sure that we are ready to do a great deal more, yet, after all, we have not reached anything like the peak of production that we should have reached had we begun our effort at the proper time and place.

I do not know how honourable members opposite felt when they heard that the Government would seek from the people by means of a plebiscite release from certain commitments, but my reaction was about the same as the reaction of the average Canadian. It shocked the country that the Government should even deem it necessary to take time out for the proposed plebiscite when this country was engaged in the most terrible struggle the world has ever known. We have all heard the somewhat trite saying that Nero fiddled while Rome burned. Well, I think that if the Government proceeds with the proposed plebiscite history will record that King quibbled while the freedom and very existence of Canada and the British Empire trembled on the brink. I go farther. While the Beauharnois scandal was under investigation the Prime Minister said that his party was passing through the valley of humiliation. If at this time of crisis the people of Canada are to be distracted for two or three or four months from an all-out war effort while the Government is proceeding with its proposed plebiscite, then, I submit, the Government will lead this country through the very depths of the valley of humiliation.

As I understand that several honourable senators desire to present their views on the proposed plebiscite, I shall refrain from discussing many things that I should like to bring to the attention of the House, and shall content myself with this appeal to the Government: that Canada be not put to the humiliation of a plebiscite election—for a plebiscite is virtually an election—during wartime. If the Prime Minister feels he has given such a solemn pledge as he could not in honour break, and if at the same time he finds it is absolutely necessary that that pledge be broken in order that Canada may be free to put forth her utmost effort in this war, then he has one other course open to him. He has a strong following in the House of Commons, many of whom, I am sure, do not share his view on the point in question. Let him resign as Premier and hand the leadership over to one of the able men who sit either on his right or his left.

I have a very deep personal interest in the prosecution of this war, for I have four near relatives, including a son and a nephew in the army overseas. and five other near relatives in the navy. It is perfectly natural, I think, that I should be desirous that they should have some proper assurance that they and their fellows will not be left unsupported in Europe or elsewhere, but will have the help of reinforcements from this country. I have no doubt at all that sooner or later the Canadian divisions already in England will be crossing over to the Continent. They will not be kept in England to guard that country for ever. It is my opinion that in order to win the war we must invade Europe; and I am sure that the mothers, wives, sisters and sweethearts of the men in the army would like to know positively that this Government or some other Government will see to it that their men-folk are amply supplied with reinforcements.

We should not delay. Let us get on with the war. Let us get man-power by conscription or any other means, so that there may be no uncertainty about bringing the war to a satisfactory conclusion and it may be said that Canada has done her part with the other democracies of the world.

Hon. Mr. GORDON: With the permission of the House, I should like to ask the honourable member a question. Do the figures which

he has given include the men on call in Canada? I hope they do not include the thirty-day trainees.

Hon. Mr. BLACK: I gave the figures exactly as they were given by the department. We have serving overseas, in round numbers, 150,000 men, and in Canada 250,000.

Hon. Mr. GORDON: If those figures include the thirty-day trainees they mean nothing at all.

Right Hon. Mr. DANDURAND: What was the question? I did not get the question.

Hon. Mr. GORDON: I asked the honourable member if the thirty-day trainees were included in the figure of 150,000 which he gave.

Right Hon. Mr. DANDURAND: Then the question is for my honourable friend (Hon. Mr. Black) to answer.

Hon. Mr. GORDON: I know that. I asked him.

Right Hon. Mr. DANDURAND: We have in the Air Force more than 100,000 men who are serving freely—

Hon. Mr. GORDON: My question had nothing to do with that at all. You will remember that this country called up men for thirty days' training. That training was just time and money thrown away, but I think the figures given by my honourable friend include the men so called up.

Hon. Mr. BLACK: I can only reply that I think the question would be better answered by the leader of the Government. There are no longer any thirty-day trainees.

Hon. Mr. GORDON: No.

Hon. Mr. BLACK: The men who are at present in uniform and being trained are undoubtedly included in the figures.

Hon. Mr. ROBINSON: May I ask the honourable gentleman a question? Did I understand him to say that Australia was turning out munitions to as large an extent as Canada?

Hon. Mr. BLACK: I am informed that Australia, as compared to Canada, has been producing tanks, guns, anti-tank guns, planes and rifles, in the proportion of seven to eleven. In fact, Australia has armed its forces almost completely.

Hon. Mr. HAIG: Honourable members, I move the adjournment of the debate.

Hon. Mr. BALLANTYNE: I take it that the House will not be sitting to-night.

Right Hon. Mr. DANDURAND: I am in the hands of my honourable friend. If he wants us to sit this evening, we shall do so.

Hon. Mr. BALLANTYNE: No, I have no desire to sit to-night, nor, I think, has anyone on this side of the House.

Right Hon. Mr. DANDURAND: I am willing to meet with the desire of the House.

Hon. Mr. HAIG: To-morrow.

On motion of Hon. Mr. Haig, the debate was adjourned until to-morrow.

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

THE SENATE

Thursday, January 29, 1942.

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

Prayers and routine proceedings.

LAW CLERK AND PARLIAMENTARY COUNSEL OF THE SENATE

APPOINTMENT OF JOHN FORBES MacNEILL, K.C.

Right Hon. RAOUL DANDURAND moved:

That John F. MacNeill, K.C., be appointed Law Clerk and Parliamentary Counsel of the Senate, in the place and stead of the late W. F. O'Connor, K.C., and that he be paid a salary of $6,000 per annum as from February 1, 1942.

He said: Honourable senators, so far as I remember, we have had two Law Clerks. I do not know whether Mr. Creighton was the first. He was with us for a quarter of a century or more. Then Mr. O'Connor, after acting provisionally for a few sessions, was regularly appointed to the position at a salary of $6,000, which represented the maximum he could obtain. He apparently enjoyed robust health, but I regret to say he left us suddenly some fourteen months ago, and since his death we have been without a Law Clerk.

We shall need, as a successor to Mr. O'Connor, a gentleman possessing all the necessary qualifications and with sufficient authority to express his views to the various standing committees which will from time to time consult him on bills coming before them. It has taken us some time to find a successor who would be quite satisfactory to the Senate in general, but I believe that in Mr. MacNeill we have found a gentleman who will fully measure up to our requirements.

Mr. John Forbes MacNeill is a B.A., LL.B. and K.C. He was born in Hampton, New Brunswick, on September 25, 1897. He was

educated in the public schools of New Brunswick and Nova Scotia. In 1921 he received his B.A. from Acadia University, and in 1923 received his LL.B. from Dalhousie University and was admitted to the Bar of Nova Scotia.

He served in the Canadian Expeditionary Force from October 20, 1915, until discharged on general demobilization on March 30, 1919. He saw service at the front in the Royal Canadian Regiment and the 3rd Battalion of the Canadian Machine Gun Corps. His rank on discharge was that of lieutenant.

He was appointed King's Counsel by the Government of the Province of Nova Scotia on June 17, 1938. He served as secretary to Sir Charles Fitzpatrick, Chairman of the Statute Revision Commission, from 1924 to 1927, and has been in the Department of Justice since 1927, for most of the time as senior counsel. He was a member of the Canadian delegation to the Conference on Codification of International Law, held at The Hague in 1930.

I may say that if we retain his services as from February 1, he will have an opportunity to familiarize himself with the duties pertaining to the office; and besides he will be at the disposal of the Department of Justice, in order that he may finish some important work with which he has been entrusted.

My colleague, Mr. Ilsley, Minister of Finance, was afraid he might lose Mr. MacNeill's services in connection with the work in which he is at present engaged, in relation to the agreements between the Dominon and the provinces in the field of income and corporation taxes. The Minister of Finance asked that Mr. MacNeill be permitted by the Senate to complete those labours. I was in touch with Mr. MacNeill this morning to ascertain whether it was understood that, while not neglecting his duties as Law Clerk of the Senate, he would continue to carry on the work he was doing in the department, and he informed me that he had assured the Minister of Finance that he would remain by his side until that work was concluded.

Mr. MacNeill has also been serving on the Censorship Committee, with which, if required, he will continue to work. This service is outside of his duties in the Department of Justice.

I may say that quite often Mr. MacNeill appeared before our committees as the representive of the Department of Justice, and on those occasions I formed the highest opinion of his clear judgment and his knowledge in regard to the matters that were before us.

Although Mr. MacNeill will continue to serve the Department of Justice for a time after his appointment as of the 1st of February, it goes without saying that he can claim only one salary.

When I mentioned to the late Minister of Justice, Mr. Lapointe, the wish of the Senate to have Mr. MacNeill, he did not altogether approve of the idea of Mr. MacNeill's severance from the personnel of the Department of Justice. Later, when I explained the reasons for Mr. MacNeill's desire to transfer his activities to the Senate, Mr. Lapointe said, "If that is his desire, I will not stand in his way." Furthermore, when Mr. St. Laurent took over the office of Minister of Justice he wanted to be assured, before letting Mr. MacNeill go, that he could dispense with his services. After discussing the matter with the Deputy Minister, he agreed to allow Mr. MacNeill to withdraw from the Department of Justice if it was his desire to do so, and to come to the Senate.

In these circumstances I think that we should be quite happy to have Mr. MacNeill as our Law Clerk and adviser in the various activities of the Senate.

Hon. C. C. BALLANTYNE: Honourable senators, I am sure we are all agreed on the necessity of having a good and well-versed legal gentleman to look after the requirements of the Senate of Canada. I do not know Mr. MacNeill, but after hearing the record of his education, his training at the Bar, and the number of years he has spent with the Department of Justice, I want to congratulate the Government on securing the services of such an able man to act as our legal adviser. I judge from the remarks of the right honourable the leader that it will be some time before Mr. MacNeill will be required to take on many duties in connection with the Senate, and that he has considerable work yet to do in the Department of Justice. That being so, I presume that the Department of Justice will be responsible for his salary until such time as there is sufficient work to keep him engaged here.

Right Hon. Mr. DANDURAND: It will not matter very much if he is paid as a Senate official from the first of February, since his salary chargeable against the Department of Justice will have ceased.

Hon. Mr. BALLANTYNE: I second the motion.

The motion was agreed to.

FELICITATIONS TO RIGHT HON. MR. DANDURAND

On the Orders of the Day:

Hon. Mr. BALLANTYNE: Honourable senators, before the Orders of the Day are

called, I desire to move, seconded by the right honourable senator from Eganville (Right Hon. Mr. Graham), with leave of the Senate:

That the speeches of the Right Honourable the Prime Minister and others, delivered in the Senate Chamber on the 28th January instant, during the presentation to the Right Honourable Senator Dandurand on the occasion of his eightieth birthday, of a bust of himself, be included in the Senate Debates and form part of the permanent records of the Senate.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. DANDURAND: I thank my honourable friends for this kind motion, which I highly appreciate.

The motion agreed to.

REPORT OF PRESENTATION CEREMONY

In the Senate Chamber, Wednesday, January 28, 1942, at 5.30 p.m.

The members of the Senate and the House of Commons being assembled, Right Honourable Mr. Dandurand was escorted to the Speaker's chair by Right Honourable Mr. Graham and Honourable Mr. Ballantyne, the senators and visitors standing.

Right Hon. Mr. DANDURAND: Ladies and gentlemen, be seated.

Hon. GEORGE PARENT, Speaker of the Senate, read the following address:

Le très honorable Raoul Dandurand, C.P., C.R., LL.D., de la cité de Montréal, dans la province de Québec.

Cher Sénateur,

En témoignage de notre estime et de notre admiration, nous vous offrons le buste que notre artiste Alfred Laliberté a fait de vous en y mettant le meilleur de son talent et surtout le souci de capter et de bien rendre le caractère de son modèle.

L'artiste a si bien réussi que nous sommes heureux de vous faire cette présentation aussi bien que d'offrir un exemplaire de ce buste au Sénat, où il perpétuera le souvenir de vos bien belles qualités et de la brillante carrière qui en est le résultat.

Nous espérons que nos successeurs en cette Chambre y trouveront un motif d'inspiration et d'encouragement.

The Right Honourable Raoul Dandurand, P.C., K.C., LL.D., of the City of Montreal, in the Province of Quebec.

Dear Senator,

As a token, however inadequate, of our esteem and admiration, we offer you this bust of yourself in which the sculptor, Alfred Laliberté, has made the best use of his talents and has faithfully portrayed the character of his model.

The success of the artist has encouraged us to make this presentation to you, and to offer a copy of the bust to the Senate, where it will serve to perpetuate the memory of your many great qualities and of your distinguished career.

We confidently believe that our successors in this Chamber will find in it a source of inspiration and encouragement.

Hon. MEMBERS: Hear, hear.

The Hon. the SPEAKER: Honourable members of the Senate and of the House of Commons, I think it will meet with the approval of all if I now ask the Right Honourable the Prime Minister to supplement the few words I have just read.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, honourable members of the Senate, colleagues of the House of Commons, and others present, and my dear friend Senator Dandurand: May I first of all express to the members of the Senate my own very deep appreciation, and I think I may include the deep appreciation of my colleagues from the House of Commons, of the courtesy and privilege which you have accorded us this afternoon in inviting us to attend at the presentation to our friend Senator Dandurand of this very fitting memorial of a great man and a great career.

In these times, when we are so busily engaged in political discussion, and when the world is in a state of turmoil, it is not merely a pleasure, but a solace, to be able to come together in common purpose to join in expressing to one who has been an example to us all something of the appreciation which his life and career have meant, not only to us who are his friends, but to the country, and, indeed, in some measure to the world itself.

Senator Dandurand has been a great parliamentarian—I should say, not that he has been, but that he is a great parliamentarian. It seems almost superfluous to say anything here of his career, for in some particulars it is better known, I think, to many persons in this Chamber than it is even to myself. But it is interesting to recall that we have with us one who at the age of eighty is young in mind, in spirit and in endeavour, and it is a great pleasure to be able to say, in his presence, something of what we feel concerning him.

Young as he is in mind, in spirit and in endeavour, it is a remarkable fact that Senator Dandurand should be a link between Sir Wilfrid Laurier's years in office and the present day. He is, I think, the only remain-

ing member of this House, the Senate, who was appointed in Sir Wilfrid Laurier's time. His membership here spans many years. To all of us it is a source of high satisfaction that he has been spared as a living link with those years of the past, to make his presence so vitally felt as it is at this time.

Among the Privy Councillors of Canada he is, as you know, fifth in the line of seniority, preceded only by Sir William Mulock, Sir Charles Fitzpatrick, and our dear friends, Sir Allen Aylesworth and George Graham. Throughout the years since his appointment to the Senate he has rendered continuous service in the halls of Parliament.

And he is not only a great parliamentarian, but a great Canadian. Senator Dandurand has always placed above every other consideration the position which he believed Canada should hold and will hold among the nations of the world. The part that he has played in helping to bring Canada into its present position of equal status with all the other nations of the British Commonwealth of Nations, is well known. Of all great causes he has been a doughty champion.

I will not say more of him as a great citizen of Canada, as we know of his many activities in our own country. I should like to mention, however, something that must be in the minds of all, namely, the important place he has occupied in the international arena, his prominence in world affairs. Few if any citizens in the history of Canada have played in Europe quite the same important role that Senator Dandurand has played. I should think that, by and large, he was better known to public men in Europe than any other Canadian—I mean better known in a personal way, enjoying intimate friendships with so many. The record of his devoted labours at the League of Nations is, of course, part of the history of international affairs, and it is a pleasure to be able to tell him to-day that that work brought not only distinction to himself, but great honour to our country and a deep sense of pride to all who know him.

One is tempted to add much more, but I shall conclude simply by repeating what I said at the outset, namely that Senator Dandurand is not only a great parliamentarian, a great citizen of Canada and a great internationalist, but he is a great example to all: a pattern for the young men who are looking forward to a life of service to their country; to those in middle age, a splendid proof of what can be achieved in the course of years by endurance and character, and to all of advancing years, a reminder that though the years roll on, youth may remain to the end.

I cannot say, Senator Dandurand, how grateful I am for all that you have meant and been to me in my public life. Perhaps but one or two others have been as close to me. We have been acquainted, indeed we have been friends, for over forty years; for twenty of those years we have together shared responsibilities in the Cabinet, and for nearly fifteen of those years, leadership of the Government in our respective Houses of Parliament. I could not possibly have begun to meet some of the problems that had to be faced by one in my position during that long period of time without the wise counsel, guidance, friendship and, I might say, the many expressions of affection which you have so generously accorded me. I am sure, Senator, that each and every one of us will regard this day as one of our proudest memories, and that in our hearts we shall ever cherish the warmest regard for your great qualities of mind and heart, and the best of wishes for your continued health, happiness and public service over many years to come.

The Hon. the SPEAKER: I think, honourable senators, it would be well to hear from the other side of the House, and I can think of no one better fitted to address us than the honourable gentleman who has for many years been associated with the Right Hon. Senator Dandurand. I am pleased therefore to ask Hon. Senator Ballantyne to say a few words.

Hon. C. C. BALLANTYNE: Mr. Speaker, Mr. Prime Minister and members of the Cabinet, and honourable senators and gentlemen, I consider it a great honour and privilege to be present to-day and to associate myself with those who are gathered here to do honour to my old friend the Right Hon. Raoul Dandurand. Like the Prime Minister, I have had the privilege of knowing the right honourable gentleman for over forty years. We both come from the city of Montreal, and I am certain you all know that he is one of our most outstanding citizens, highly respected by all, a gentleman of great breadth of view and always active in whatever would benefit his city. Similarly, he has furthered the interests of his native province and, as the Prime Minister has so well pointed out, he has been an influential figure in Dominion affairs. I feel it an honour to sit in this Chamber with the Government leader, whose birthday we are now celebrating.

I have already congratulated you, Senator Dandurand, on your eightieth anniversary. Long may you be spared to see many more

birthdays, and may we be associated together in this Chamber for a good many years to come.

I am delighted to know that this fine work of art is to remain here. This bust will be a reminder to us and to those who will succeed us of a highly cultured and kindly gentleman, a great Canadian and a world figure.

I may be allowed to congratulate the Prime Minister on having in his Privy Council an adviser of such long experience and great ability to assist him and his colleagues in guiding the Ship of State through these troublesome years of war.

I wish I were gifted with the eloquence of my old friend the Prime Minister in order that I might deal adequately with this historic occasion, but I must content myself, sir, by again wishing you long life, happiness and prosperity.

The Hon. the SPEAKER: It is quite likely that another voice from the House of Commons would be welcome, and I think Mr. Blackmore is well able to respond to my call.

Mr. J. H. BLACKMORE, M.P.: Mr. Speaker, Senator Dandurand, Mr. Prime Minister, members of the Senate, members of the Cabinet, and distinguished guests, I am completely taken aback at this sudden imposition of honour. I have not known Senator Dandurand very long. I knew him by reputation long before I knew him personally, and I feel fully justified in concurring in all the kind sentiments so eloquently expressed in respect of the right honourable senator.

When I was teaching school—during what I believe were the finest years of my life—I often strove to impress on my students the importance of those fine lines from Browning:

> Grow old along with me!
> The best is yet to be,
> The last of life, for which the first was made.

And I used to point out to the senior students the fine inspiration which lies in those beautiful lines of Tennyson's Ulysses:

> Tho' much is taken, much abides; and tho'
> We are not now that strength which in old days
> Moved earth and heaven;
> That which we are, we are;
> One equal temper of heroic hearts,
> Made weak by time and fate,
> But strong in will
> To strive, to seek, to find, and not to yield.

Could I, Senator Dandurand, have had you seated before my classes, I feel that I could in all sincerity and propriety have pointed to you as a shining example of the truth in those inspiring and comforting verses.

I appreciate deeply the honour conferred upon me in thus being asked to say a few words on this red-letter day when we have the satisfaction of seeing a long and useful and, I believe, a good life receive some measure of honour ere its close.

Right Hon. RAOUL DANDURAND rose to reply, and was greeted with prolonged applause.

He said: Mr. Speaker, my friends of the Senate, my friends of the Privy Council and my friends of the House of Commons, may I say that as I was being led to this seat I had the feeling that I was celebrating my one hundredth birthday, because during my experience in the Senate it was my duty on two occasions to conduct to this chair colleagues of mine—Mr. Wark, from New Brunswick, and Mr. Dessaulles, from Quebec—both of whom had reached their one hundredth year. This really made me wonder if I had reached the century mark. I think, Mr. Speaker, that you might perhaps have awaited the completion of the cycle and have allowed me to come to this chair twenty years hence rather than now. At all events, I reserve the right to mount it again in twenty years, and I know that on that occasion, as most of you are my juniors, you will all be around me again.

It is needless for me to tell you, Mr. Speaker, Mr. Prime Minister, Mr. Ballantyne and Mr. Blackmore, that I have been deeply moved by the very many marks of friendliness that have come to me from my colleagues of the Senate and of the Privy Council. I have been wondering what was the explanation of the kindly attentions bestowed upon me. In pondering on the question of what could be their justification, I was reminded of a reply made by my dear old friend Sir Wilfrid Laurier on an occasion when he was asked if during his lifetime he had met more devoted people or more egotists. He answered that during his long experience he had found that people had the instinct of sociability, and therefore of kindliness, and he felt that, generally speaking, people were good and kind. It is in the fact that I have been surrounded by men of that nature here, in the Privy Council, and throughout my life, that I find the explanation of their forgetting my shortcomings and gathering around me to-day to tell me, as they have done before, of their friendship for me. I thank them from the bottom of my heart for this sentiment which flows to me, and which I prize more than anything else. Life without sympathy and without friends is hardly worth while. Of both you have given me full measure, flowing over. (Applause).

I should perhaps say to you, Mr. Prime Minister, that when you speak to me of my

stay in Geneva and of the role which I played there, I recall that it was you, my dear colleague, who decided that I should be the representative of the Canadian Government in the Assembly of the League of Nations. I thank you for the honours that have come to me through my presence at Geneva, and for retaining in me such confidence that thrice, since 1921, I was sworn into Cabinets of the Dominion of Canada of which you were the head. (Applause).

The Hon. the SPEAKER: There is a motion to adjourn to the Speaker's apartments.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY ADOPTED

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

Hon. JOHN T. HAIG: Honourable senators, I hope not to take too much of your time at this stage of the proceedings. First, I should like to congratulate the mover (Hon. Mr. MacLennan) and the seconder (Hon. Mr. Gouin) of the Address. In the part of the country from which I come, it was always considered a very great honour to be asked to move or second the Address, and the persons so honoured were usually marked as possibly successful aspirants for future promotion. I also wish to offer my congratulations to the other speakers who have preceded me, all of whom it is not necessary for me to name. Naturally, we were delighted with the speech made by the acting leader of this side of the House (Hon. Mr. Ballantyne) and, as always, with that of the right honourable leader of the Government (Right Hon. Mr. Dandurand).

Of course, we on this side of the House naturally feel the loss of our former leader (Right Hon. Mr. Meighen). Whether or not he is called to higher service in another place, we shall always remember with pleasure, not only on this side but also, I am sure, on the other side of the House, the lustre which he added to the great traditions of the Senate when he sat either to the right or to the left of the Speaker.

Right Hon. Mr. DANDURAND: Hear, hear.

Hon. Mr. HAIG: I should also like to congratulate the honourable lady from Peterborough (Hon. Mrs. Fallis) on the excellent address which she delivered yesterday afternoon. I reserve special mention for the honourable member from East Ottawa (Hon. Mr. Coté). I have always been proud to be a Canadian citizen, but I was doubly proud of that honour as I listened last night, when, on behalf of one of our two great races, he paid so eloquent a tribute of loyalty to Canada.

The war, naturally, is uppermost in our minds. It shuts out all other problems. We try sometimes to forget the war, but it is always with us. Canada is making a notable contribution in regard to munitions and supplies, including tanks, guns, aeroplanes, and so on, thanks to the energetic work of the Minister of Munitions and Supply and to the loyal co-operation of factory owners and workmen. Canada's production effort was somewhat slow in starting, and I am inclined to apportion some of the blame for that to the Government, though honourable members opposite may think I am unfair in doing so. But this much is beyond dispute: the operators and workmen in our industries are making a contribution to the war effort that will compare favourably with the war production of any of the United Nations.

An Hon. SENATOR: Hear, hear.

Hon. Mr. HAIG: I think those operators and workmen will bring to that effort an enthusiasm as whole-hearted as that which animated our soldiers in the last war on the fields of France and Flanders—soldiers whose sons have valiantly upheld the glorious traditions of the Canadian Army in Norway and in Hong Kong.

Another important contribution to the war effort is our farm production. I say quite candidly that since the outbreak of war the Government has not, in my opinion, given as much thought and energy to assisting our farmers as it has devoted to other war problems. This is all the more regrettable because large surpluses of food piled up in this country will be of great importance when the war is over, and will, no doubt, assist us in making the right kind of peace. Peace may be a long way off, but we all feel the outlook is better now than it was a year ago, because to-day we have the mighty army of Russia fighting against the German hordes, and in addition we have as active partners against the Axis powers our good friends and neighbours, almost our brothers, across the line, with their tremendous industrial organization led by one of the great leaders of all time.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: As may be supposed, I am very much interested in the grain farmer,

but I want the Government to put as much energy into helping our farm production, no matter what particular branch, as it is putting into industrial production, since, as I have said, our reserves of food will undoubtedly be an important factor when we come to settle world peace.

Let me deal now with another war problem. I refer to man-power. It is no secret that right along there have been sufficient volunteers for the Naval Service, and the Minister of National Defence for Naval Affairs has told the country that as fast as the Government can build new ships there will be men ready to man them. And I am glad to know that our young men have volunteered in large numbers for the Air Force. I may say I have heard that in certain sections of the Dominion young fellows have been rejected because they lacked the scholastic training insisted on by the department. Such a high educational standard may be essential, and in this regard, of course, I bow to the judgment of those in authority, but it seems to me it might be well to lower the educational standard to some extent in order to afford equal opportunity to young men all over Canada who wish to join the Air Service. My own boy is in the Air Service, and I have the greatest respect for its personnel, for I realize the many hazards that our airmen have to face. Indeed, to use a somewhat grim word, if there is a "suicide" group in our fighting forces it is surely to be found in the Air Force.

I was disappointed when I saw the dress furnished to our soldiers. You may say that is a little thing, but boys are boys, and when you have boys of your own you can speak with all the more authority on their likes and dislikes.

Right Hon. Mr. DANDURAND: They have two dresses now.

Hon. Mr. HAIG: I know that. But two years have gone by. The boys in the dark blue uniform of the Navy, with their swaggering wide pants, and the boys in the light blue uniform of the Air Force, you notice as they walk down the street.

Hon. Mr. CALDER: So do the girls.

Hon. Mr. HAIG: Well, the Army boys do not like it. I am glad the Government has realized the situation and taken action. A friend of mine who came back from the last war with the rank of major said to me at the opening of the present war: "You should rise in your place in the Senate and point out that while a more dressy outfit may cost a little extra, the additional expense will be more than repaid by the desire which the more attractive dress will arouse in young men to join the Army." The mere attractiveness of the uniform is not important in itself, but it is something to be considered when you are dealing with young men from eighteen to twenty years of age.

As has been well said, this war will be won by the man behind the gun.

Hon. Mr. CALDER: And on the land.

Hon. Mr. HAIG: Yes, and on the land. It is, in the final analysis, the only place where it can be won. After we have won the war we shall have to feed the starving peoples of Europe. When you read the heroic exploits of the British Navy they fairly make your blood tingle, and, beyond doubt, without that great Navy we could not win the war at all. But to-day command of the air is all-important. In fact, each service is complementary to the other. We are proud of our great naval craft, of our superior fighting planes and bombers, and of our tanks and other mechanical equipment, but fundamentally we have to rely on the man behind the gun, who, following the traditions of Waterloo and of the last Great War, will carry the war to Germany and march victoriously into Berlin.

We Canadians this morning were disturbed when we read of the loss of the Lady Hawkins. It brings home to us with tragic emphasis that the war is right off our own coasts. We must be prepared to meet the threat.

The issue now facing Canada is whether the Government should be released from a certain pledge made some time ago. I do not think that a discussion along political lines would advance our war effort one bit. On the contrary, I believe honourable senators would be severely criticized if they provoked such a discussion. But I do submit that if the proposed plebiscite is taken, it will have to be for something more than the purpose of releasing the Prime Minister, or his Government, or his party from certain commitments; it will have to bring about the discontinuance of a campaign that the Liberal party has for twenty-five years carried on across Canada. In every election campaign since 1917 the Liberal party has stressed the fact that the Conservative party introduced conscription to send men overseas. Both by innuendo and directly the people were led to believe that the Liberal party would never invoke such a policy. Let me recall the elections of 1921 and 1925. It is interesting to note that in 1925, under the leadership of the Right Hon. Arthur Meighen, the Conservative party won as many seats in eight of the provinces as it did under Mr. Bennett in 1930. In 1925 the Conservative party carried 112 seats out of 180; in 1930,

under Mr. Bennett, it carried 113. But in the province of Quebec in 1925 only four Conservative candidates were returned, as against twenty-four in 1930.

What were the issues in the election of 1940? I shall give them in the order in which I think they should come. My right honourable friend may differ with me on that, but apart from the one issue the order makes little difference.

The first issue was the maximum war effort. The people of this country, rightly or wrongly, thought that the Government of the day, being already in the saddle and having carried on the war effort for six or seven months, was better qualified than any other body to continue that effort. That is one of the reasons why they voted for the Government in 1940.

The second issue in that election was the issue of conscription or no conscription. In the House of Commons in March, 1939, the present leader of the Government said he would not enforce conscription in this country, or used words to that effect. The Leader of the Opposition said that he was not in favour of conscription in case of war. And in the election they both adopted that policy. I must say quite candidly that in my own part of the country—and I think I know a little about it—the people who were opposed to conscription reasoned this way. They said: "The Liberal party since 1917 has been opposed to conscription throughout. Since 1919, when Mr. King became the leader of the party, he has been opposed to conscription. In 1917 Dr. Manion, the leader of the Conservative party, was a Liberal, and he switched to the War Ministry, which was in favour of conscription. If he is elected this time he will try to resist, but his party will overcome him. Therefore, if we are opposed to conscription we had better vote for Mr. King." That is the truth regarding the election in my part of the country. In every district in Manitoba where the people were opposed to conscription they voted almost unanimously for the Liberal party, and that was the issue.

The third issue was British sentiment. But that was not a permanent issue.

Such was the political situation in March of 1940. What was the war situation at that time? Practically speaking, there was no war in 1940. Officially we were at war with Germany—not yet with Italy—but there was nothing doing. As the American writers put it, it was a "phoney" war. In March of 1940 we were not war conscious, but by June of 1940 we were. By March of 1941 we were very war conscious. The skies were dark and overcast, and the situation was such that if it had not been for the innate determination of that great leader Winston Churchill, it is doubtful whether we would have carried on.

During the past year the Government has been conducting a campaign to obtain soldiers. We have now come to a point where it is impossible to get recruits.

An Hon. SENATOR: No.

Hon. Mr. HAIG: Yes, we are confronted with that difficulty. If we were not having that difficulty, does anybody in his sober senses imagine that the Government would be asking for a plebiscite in order to be relieved from its problems? If soldiers were coming forward by the thousands and hundreds of thousands there would be no call for that. But apparently the Government thinks there is need to be prepared for an emergency. So what does it suggest? It suggests that it should be relieved from its pledges. Mr. King has good ground for saying that when a man makes a pledge he should carry it out. I do not deny that. But the question is: If he made a pledge, can he override it? It is my contention that in 1940 that pledge to have no conscription for overseas service was overridden by a superior undertaking, namely maximum war effort.

But suppose the pledge was not overridden. We are asked to release the Prime Minister from it. The wording of the question, which appears in Hansard, and which I now quote from the Winnipeg Free Press of January 27, 1942, is this:

> Are you in favour of releasing the Government from any obligation arising out of any past commitments restricting the methods of raising men for military service?

If the majority of the people of this country answer in the affirmative, what will happen then? I asked that question of the honourable senator from Essex (Hon. Mr. Lacasse) the other day, and his view was that if the majority of the people voted "Yes," the Government would be released. But I think we should be told by the Government what the situation will be. I do not want any promise; I want only to know what the results are going to be. Is it the total vote of Canada that is to be taken as deciding whether the Government shall be released from its pledge, or is the vote to be taken by provinces or constituencies? Suppose that two provinces in Canada give a majority of a million in favour of release, and the other seven provinces by a majority of seven hundred thousand refuse it, is an over-all majority of three hundred thousand in favour of release to govern, or is it not?

Let me go further. Take the province of Manitoba, which to-day has seventeen seats in

Parliament. I prophesy that six of the constituencies in that province will give a majority in favour of releasing the Government from its commitments, and that the other eleven will vote the other way. Furthermore, I am persuaded that those six seats will give an overriding majority in favour of releasing the Government. To whom is the Prime Minister going to listen when the legislation is brought into Parliament? Is it reasonable to suppose that the eleven elected representatives are going to vote to release the Prime Minister from his pledge? I think we ought to know what is to be the effect of the release, and by what standard the Prime Minister will decide whether he is released or not. I think we are entitled to that information.

Further, let us assume for the moment that I am the Conservative member for Souris in the House of Commons, and that the east half of that constituency gives me a majority of five hundred, whereas the west half registers an adverse majority of four hundred. Suppose the people in the part of the constituency that gave me my majority voted to say, "No, we will not release the Prime Minister," and the majority of those in the other part were in favour of releasing him. To whom is he going to listen? Surely the people are entitled to know by what method the Government is going to decide whether that vote is affirmative or negative.

Suppose—I am not suggesting for a moment that this will be the case—but suppose the Maritime Provinces and Quebec vote solidly against releasing the Government, and Ontario and the Western Provinces vote solidly in favour of releasing it, and that in the total there is a small majority of the people who are in favour of release, what is the Government going to do? When the Government brings down the bill we should have that information. We are entitled to it. Then the people will know how they are voting.

Hon. Mr. ASELTINE: Why can we not have the information now?

Hon. Mr. HAIG: I do not know whether the right honourable the leader can give us that information. I doubt that he has it himself.

To continue: What will happen to the man in the street or the man on the farm when he comes to vote? Some people tell me, and I imagine it is true, that every honourable senator on the other side and every Government member in the other Chamber will go out to the highways and by-ways and tell the people what they are voting for. I think that while telling the people they are voting on the question of releasing the Government, they should also tell them what to expect if the Government is released. I do not believe anybody appearing before a public meeting can get away without answering the question: "If we vote in favour of releasing the Government from its pledge, what is Mr. King going to do?"

If I were in favour of conscription I would vote in favour of releasing the Government; if I were opposed to conscription I would vote against releasing the Government; and I suggest to honourable members that the man in the street and the man on the farm will do likewise. They will not make any fine distinction. You cannot mislead the ordinary people of this country. They are not going to listen to Mr. Godbout's promises. They are going to ask, "If Mr. King does not want to bring in conscription, why does he hold a plebiscite now?" I think that if you go to the man on the land and talk with him, the conversation will be somewhat like this: You will ask him, "Are you going to vote?" He will reply, "I think I will." If you ask, "Are you in favour of releasing the Government?" he will say, "What does that mean?" When you tell him, "That means that you leave it to the Government," he will inquire, "Does that mean the Government will give us conscription or not?" You may then say: "I don't know, but in the past Mr. King has never given you conscription. Can you not depend on that?" His reply will be: "No, sir. I have a big farm and I have only one boy to help me work it. I am going to vote against releasing the Government." Do you think that the people who are against conscription are going to vote for release? No, they are not; it is those who are in favour of conscription who are going to vote to release the Government.

Someone said the other day that the vote on the plebiscite would be a vote of confidence in the Government. If I am in favour of conscription I am going to vote in favour of release; if I am not, I am going to vote against it; but whichever way my vote goes it will not be a vote of confidence. I am persuaded that the men and women of Canada who will vote "Yes" believe the Government should have the power to enact conscription, and that those who do not believe it should have that power will vote "No." Furthermore, I believe that all the arguments of distinguished men on either side will not change the fundamental issue. It is my experience of politics that the people know pretty well what the issue is. In an election you can sometimes have a platform of five or ten planks, some of which will be objected to in one part and approved in another; but on this occasion there will be only one issue. The men to

whom I have talked and who are in favour of conscription think the Government should take the responsibility. I agree with that. I believe the responsibility rests on the Government and that it should submit to Parliament the question, "Will you give us this power?" My opinion is that the people in the part of the country that I come from think this ought to be done. Of course, I may be wrong. If I understand rightly, they say, "If we cannot get that, then give us the plebiscite." That is their attitude.

Honourable members, I have spoken longer than I intended, and I appreciate your attention. I ask the right honourable leader of the House (Right Hon. Mr. Dandurand) to remember that, after many years of service here, he is facing one of the crises of his life, and that our country itself never had to deal with a more serious situation than it has now. We are engaged in a bitter struggle all over the world. The war is not won yet, by any manner of means. On the contrary, the road that lies ahead to victory is long and hard. We are all one hundred per cent behind the Government in carrying on and in doing the utmost we can towards the country's war effort. We want to do our full share in helping to uphold the fair name of Canada all over the world.

The taking of the plebiscite will mean a loss of time. Though I criticize the Government for not assuming the responsibility for what should be done, yet if it feels it is taking the proper course, I bow to its judgment. But I do say this to the Government: When you bring down your legislation, be prepared to tell us, not what you are going to do when you are released from your pledge—I am not very much interested in that, because circumstances will force you to do certain things—but tell us on what basis you are going to form your judgment of the results of the plebiscite.

Hon. A. K. HUGESSEN: Honourable senators, I rise with some diffidence to take part in this discussion. I should like in the first place to congratulate my honourable friend who has just spoken, upon what I might call his generally dispassionate and non-partisan review of the present position. I hope very much that I shall be able to follow him in what I say, and to avoid giving any offence or any evidence of political rancour.

I want to discuss for a few minutes the two questions which are now so prominently before the country: first, that of compulsory overseas service, and secondly, that to which the Speech from the Throne made direct reference, the plebiscite to be submitted to the people.

I listened with a good deal of attention to the speeches of honourable senators on the other side of this Chamber yesterday afternoon. While I fully agree with everything that has been said about the eloquence of the honourable senator from Ottawa East (Hon. Mr. Coté), I do rather regret that he allowed himself to indulge in what I can only call a political diatribe against the present Government. I took down some of his remarks as he made them. He made contemptuous reference to the present Government and the Prime Minister. He accused them of cajoling for votes, of political adroitness, of attaining the enjoyment of power and the sweets of office by unworthy tactics. I regret that that sort of thing should be said in this day and at this hour in this House, because I do not believe that this is the time for embittered political controversy.

Hon. B. F. SMITH: But it is true.

Hon. Mr. HUGESSEN: My honourable friend from Ottawa East went on from there to appeal to the Government to change its attitude. I wonder if he really believes that an appeal couched in those terms, and made after his statements about the Government and the Prime Minister, will really have any very considerable effect. I am reminded somewhat of the words which Shakespeare put into the mouth of King Richard III, in the play of that name:

> Was ever woman in this humour woo'd?
> Was ever woman in this humour won?

Furthermore, my honourable friend from Ottawa East unfortunately disregarded the advice which was given—very properly, I think—by the honourable leader of the other side of the House, his own leader (Hon. Mr. Ballantyne), and he went back to the year 1917. I am sorry that that should have been done. I think that the passions aroused in the year 1917 had better be forgotten. They are at best old, unhappy, far-off things and battles long ago. I might be in a position to discuss 1917 with my honourable friend for two reasons. First, it would perhaps be appropriate that the statements made by a Canadian of French origin from the province of Ontario should be replied to by a Canadian of English origin from the province of Quebec. The second reason is that at the time of the 1917 election, in December, I was with the Canadian Expeditionary Force. I voted with my unit in the ruined suburbs of the town of Ypres, and I cast my vote in favour of the honourable gentleman who now leads on the other side of the House (Hon. Mr. Ballantyne). But I do not intend to go back to that old, unhappy history. One thing, though, I will say. It seems to me fundamentally im-

portant that we as Canadians should see to it in every possible way that there is no repetition in future of the divisions which separated us in the year 1917.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): What were the divisions?

Hon. Mr. HUGESSEN: Does my honourable friend require an answer? He can get that from somebody else.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Certainly we want an answer.

Hon. Mr. HUGESSEN: I am not going back to that. What I want to say is that I fully agree with the honourable colleague who sits behind me and who so eloquently seconded the Address (Hon. Mr. Gouin). I said to my honourable friend, and I say to everybody, that the one thing we have to do now is to see to it that we remain a united people, and that those unfortunate divisions which embittered political life in this country for many years shall not be repeated in the future.

Hon. B. F. SMITH: We have not very much unity at the present time.

Hon. Mr. MACDONALD (Richmond-West Cape Breton): That does not answer the question about divisions. I asked about the divisions that the honourable gentleman referred to, because I wanted to know what they were and what caused them. We were fighting a common enemy in 1917.

Hon. Mr. SINCLAIR: The honourable gentleman can make a speech later.

Hon. Mr. HUGESSEN: Now I want to discuss the question of compulsory overseas service—

Hon. Mr. MACDONALD (Richmond-West Cape Breton): Certainly. That is the question before us.

Hon. Mr. HUGESSEN: I want to discuss the question of compulsory overseas service in as calm and dispassionate a way as I can, in relation to our total war effort and to the available man-power that we have at our disposal. It seems to me that a certain amount of hysteria has crept into the discussions, not those in this House, but some of the discussions which we listen to outside of this House, and into some of the newspaper articles which we read. That, of course, is only natural. The war has been going on for more than two years. Men's minds are worried, their nerves begin to get frayed, and it is not surprising that some form of hysteria should appear in public discussions. It were very much better that this hysteria should not appear, but unfortunately it does.

I often think that the people who talk to us about compulsory military service in this war are making a rather common mistake of the military mind. They are thinking of this war in terms of the last war, and that is a very dangerous thing to do. If you want an example of the danger of trying to fight this war in terms of the last war, just remind yourselves of what happened to unhappy France, whose generals did try to do just that.

What was the fundamental characteristic of the last war? It was that vast numbers of men were required for the infantry, armed with rifles, to man a long system of permanent trenches. This war, in that respect, is entirely different. The demands are different, the requirements are different; the requirements of man-power, in particular, are different. I think the difference can be epitomized, perhaps, in that one word mechanization. This time there are far smaller numbers of men at the front, and enormously larger numbers of machines. We have been told that modern warfare requires from ten to fifteen men behind the line, working in factories, for every fully armed and fully equipped soldier at the front.

If you compare Canada's part in the last war with Canada's part in this war you will see wherein the difference lies. In the last war our principal contribution was virtually confined to the raising of a large army. Of course, we did produce a great deal of food and a very large number of shells. But the army and men for the army were the principal demand, and it was a demand which was filled. What is the demand upon Canada's man-power in the present war? It is very much more diversified and very much more serious.

Take the things we are called upon to do as our contribution to the common cause. We have to produce vast quantities of food. Our role in that respect is very much more important than it was in the last war, because then Great Britain had access to the markets of Denmark and a large part of continental Europe, which are now closed to her. In the second place, we are called upon in a way never before imagined to act as a tremendous arsenal, not only for Britain, but for all the democracies who are fighting on the common front. Figures have been given me to the effect that the number of Canadians actually engaged in our munitions industries at the present time is somewhere between 600,000 and 750,000. In the third place, we have been called upon to provide and man perhaps the largest military air training scheme that the world has ever seen. In the fourth place, we have been called upon to build, to equip and to man a navy on both our Atlantic and our

Pacific shores. As was said a few moments ago by the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig), everyone knows now that the war is at our shores and realizes how important it is and has been to keep our Navy at the greatest strength possible. Then, of course, we have to provide an Active Army both for service overseas and at home, as well as a great number of men for maintenance of the ordinary services of Canada. Let me remind honourable members that in a very large and widely extended country such as this, with a comparatively small population, it needs a fairly large proportion of our man-power to keep those ordinary services in operation.

That is the man-power problem with which we are faced in this war, and honourable senators will see how vastly it differs from the man-power problem which faced us in the last war. As I have said, there are to-day much larger demands on our man-power, and they are made in many more directions than they were between 1914 and 1918. Having those facts in mind, I believe it is true to say that the provision of men for our overseas Army is relatively less important now than it was at that time. I do not wish to be misunderstood. I would be the last man to say that Canada should confine her efforts to producing food and munitions. Our boys are red-blooded, they want to go out and fight just as their fathers did before them, and no man and no government which tried to prevent them from doing so would have a moment's chance. But I do say that the actual provision of men for the Army is not relatively as important at the present time as it was during the last struggle.

Hon. Mr. BALLANTYNE: Surely the honourable senator is not serious in saying there is less demand for men in this world war than in the last war? He must know there is a great demand for men.

Hon. Mr. HUGESSEN: There is certainly not less demand, but the demand is in different directions from what it was. I will deal with my honourable friend's statement in a moment or two. Let me take his suggestion of two days ago that this country should send an expeditionary force to Australia or the Far East. I wonder whether that would be the best way in which the efforts of this country could be directed. I remember at the beginning of last week listening in Montreal to a most interesting speech given before the Canadian Club by the High Commissioner for India in the United States. He talked about the war effort of India, and told us that that country was producing a certain number of the more elementary munitions of war, and that so far it had raised a million men for the Army. "But," he said, "with our warlike races in India we could raise 8,000,000 men if we had the munitions, supplies and equipment for them."

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HUGESSEN: He concluded his remarks with an appeal to the United States and to this country to provide India with more planes, tanks and munitions to equip those 8,000,000 men. Now I do suggest to my honourable friend who leads on the other side (Hon. Mr. Ballantyne) that it would be far better for Canada to continue the man-power we are now employing in providing munitions and supplies and the ships to carry them to those men in the Far East, rather than attempt to send an expeditionary force there.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HUGESSEN: That is one example of the difficulty of determining the best manner in which the man-power of this country can be applied.

What is our present man-power problem? As the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig) has said, we have had so far no trouble in providing men for the Air Force and the Navy. Up to the present we have been able to provide all the men that our greatly expanded war industries have required. But it is a different story in regard to agriculture. And let me remind honourable members that agriculture is a tremendously essential part of our war effort. I happen to know that in two different sections of the country agricultural labour is becoming very scarce. In that part of Northern New Brunswick where I happen to have a summer cottage, and where, incidentally, the French-speaking and the English-speaking populations are about evenly divided and have equally enlisted in very large numbers for overseas service, agricultural labour is becoming very scarce. The same is true of the Eastern Townships.

Hon. A. L. BEAUBIEN: And Western Canada.

Hon. Mr. HUGESSEN: I noticed in the newspapers this morning reports which lead me to believe that that is true of other sections of Canada. There is a suggestion to-day by the Director of Farm Training in the Ontario Department of Labour that the Federal Government should import Italian war prisoners to help as Canadian farm labourers. The reason why the importation of farm labourers is necessary is, as he says,

that out of nine hundred farms that he had visited only forty were planning increased production for the coming season, while many were considering a decreased output—a situation due almost entirely to the difficulty of obtaining labour.

To-day's Ottawa Citizen contains a report of a speech by Mr. Hannam, president of the Federation of Agriculture. He said:

> The challenge of increased production to Agriculture could only be met—
>
> increased production for war purposes as part of our war contribution—
>
> —by long-term postponements from military training for key men on farms.

I come now to the question of our overseas Army. Frankly, I do not as yet know, and I do not think it will be known for some time, whether the system of voluntary recruitment for the overseas Army is becoming insufficient or not. It certainly has not been insufficient up to the present time. I am as eager as any honourable member here to see our overseas Army supported. I am in much the same position as two honourable senators who have already spoken, particularly the honourable senator from Winnipeg South-Centre, because my eldest son is in the Canadian Air Force at the age of eighteen. My feeling is that, in view of the great demand from all these different directions upon our available man-power, we shall not be able to increase our present overseas forces to any great degree.

What we can do, it seems to me, is what has been suggested in the Speech from the Throne: we can mechanize our overseas forces to a greater degree than they have already been mechanized; but I doubt whether we can largely increase those forces. This being the case, I think we ought to try to visualize this question of conscription in its proper proportions. I do not believe it is nearly as important a part of our war effort as we have sometimes been led to believe by the highly paid agitations that have been going on during the last few weeks. I would suggest that in the event of conscription for overseas coming into effect, what will happen will be this: the men who are now being called up and trained by conscription for home service will be made available for reinforcements wherever wanted, either in Canada or overseas. It will amount to that; nothing more and nothing less.

If I am right in that point of view, then I should like to challenge the statement made by the honourable senator from Peterborough (Hon. Mrs. Fallis) yesterday, when she talked about the evil effect of the delay of three or four months which would result from the proposed plebiscite. There will, I submit, be no evil effects. If after the plebiscite has been taken the Government decides that compulsory service is necessary for overseas, the men who will have been called up will be undergoing their four months' training and they will be available, just as they are at present available for the defence of Canada.

I have a few more references to make to the second branch of the subject I wish to discuss this afternoon, the proposed plebiscite. The honourable senator from Winnipeg South-Centre referred to the statement made by the Prime Minister in 1939. It was not made only then. I intend to read four different statements by the Prime Minister. The first statement is that of March 30, 1939, to which the honourable senator referred. It is in these words:

> The present Government believes that conscription of men for overseas service would not be a necessary or an effective step. Let me say that so long as this Government may be in power, no such measure will be enacted.

The second was made at the outbreak of war on September 8, 1939:

> I wish now to repeat the undertaking I gave in Parliament on behalf of the Government on March 30 last. The present Government believes that conscription of men for overseas service will not be a necessary or an effective step. No such measure will be introduced by the present Administration.

The third, mark you, was made after the election of March, 1940. On June 17, following, the Prime Minister said:

> 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.

And this is the fourth statement, made on June 20, 1940—three days later:

> Those (election candidates) who were anti-conscriptionist were against conscription for overseas service, and as long as this Government is in office we are going to maintain that position and see that effect is given to it.

Hon. Mr. GORDON: Shame on them!

Hon. Mr. HUGESSEN: How can any honourable member say to this House that that pledge was not oft repeated? It is not like the statements cited yesterday by the honourable senator from Ottawa East (Hon. Mr. Coté), made during the heat of an election. It is an oft-repeated pledge given by the present Government, and I submit that the only honourable way the Government can escape from that pledge is to do exactly what it proposes to do—ask the people for a release. I am amazed at the suggestion of some honourable members that a solemn covenant of that kind can be repudiated at the sole wish or desire or whim of the person who gave it.

Surely what we are fighting for in this war is to bring back a world in which solemnly given pledges shall be respected.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HUGESSEN: Otherwise we are simply lowering ourselves to the level of Mr. Adolph Schicklgruber.

I hope, honourable senators, that nothing I have said will give offence to anyone. I have tried not to introduce any element of political controversy, but to confine myself to what in my imperfect judgment appear to be the present facts of the matter.

One last thing I wish to say, and that is that Canada so far has made a magnificent war effort.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HUGESSEN: We on both sides of this House are proud of it. We are capable of doing even more. But do not let us spoil the effort we already have made by beginning to quarrel about one part of it and by injecting divisions, discussions and dissensions into the different parts of our country. After all, we all have the same end in view, the same object to serve—the winning of this war; and I do hope that we shall be able, conscientiously and without division, without the bitterness which so unfortunately injected itself twenty-five years ago, to arrive at a decision in this matter which will meet the conscience and the judgment of the vast majority of the people of this country.

Hon. Mr. BALLANTYNE: Honourable senators, I want to assure you at once that I am not rising to make a speech. I already have exhausted my right to do so. All I desire is, with the leave of the Senate, to be permitted to move an amendment to the Address in reply to the Speech from the Throne; an amendment which was not completed when I last spoke. If the Senate will allow me, I shall move the amendment, and say not a word about it.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. DANDURAND: I think we all realize that we should adhere to the rules of the Senate rather more closely than has been our habit in the past, and should apply them as fairly, as honestly and as equitably as we can. We should not, as has been the practice in years gone by, make two or three or even four speeches on the same question.

I have no objection to my honourable friend crystallizing the conclusion of his speech in an amendment, on the understanding, of course, that it will not be taken as a precedent.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BALLANTYNE: I thank you very much, honourable senators.

I move, seconded by Hon. Senator Haig, the following amendment to the motion now before the House:

That the following paragraph be added to the Address:

The Senate regrets that by the insertion in the Speech from the Throne of a paragraph setting forth the intention of the Government to seek release from an electoral pledge Your Excellency's advisers are taking a stand contrary to the spirit of our parliamentary institutions and to the principle of ministerial responsibility.

The proposed amendment was negatived, and the Address was adopted.

ADJOURNMENT OF THE SENATE

Right Hon. Mr. DANDURAND: Honourable senators, it is now my duty, in accordance with tradition, to move the adjournment of the House. It has been our custom, after the adoption of the Address and the formation of committees, to adjourn the Senate for some time in order to enable the Commons to deal with legislation which eventually would reach us here. After due consideration of what may be expected from the labours of the other House, I would move, seconded by Hon. Mr. Euler, subject to the authority given His Honour the Speaker to recall us if an emergency arises, that when the Senate adjourns to-day it do stand adjourned until Tuesday, the 24th of February next, at eight o'clock in the evening.

The motion was agreed to.

The Senate adjourned until Tuesday, February 24, at 8 p.m.

THE SENATE

Tuesday, February 24, 1942.

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

Prayers and routine proceedings.

PRECIOUS METALS MARKING BILL

FIRST READING

Bill 4, an Act to amend the Precious Metals Marking Act.—Right Hon. Mr. Dandurand.

HOUSE OF COMMONS—SECRET SESSION

The Hon. the ACTING SPEAKER (Hon. James Murdock): Honourable senators, I have the honour to inform you that the following resolution was passed by the House of Commons:

Friday, February 20, 1942.

Resolved, that on Tuesday, the 24th of February, 1942, the sitting of the House shall be a secret session until the House shall then otherwise order, and that all strangers be ordered to withdraw during such secret session; provided, however, that this Order shall not affect the privilege enjoyed by members of the Senate of being present at debates in this House.

(Signed) Arthur Beauchesne,
Clerk of the House of Commons.

THE LATE SENATOR GORDON

POSTPONEMENT OF TRIBUTES TO HIS MEMORY

Right Hon. Mr. DANDURAND: Honourable senators, I had intended to make reference at this time to the sudden demise, in the last adjournment period, of one of our esteemed colleagues, the Hon. George Gordon, but I received a letter from a friend of his, who could not be present this evening, asking that any such references be postponed to our next sitting. I have therefore agreed not to make any remarks about the late Senator until the 10th of March.

ADJOURNMENT OF THE SENATE

Right Hon. Mr. DANDURAND: Honourable senators, when last month I moved adjournment until to-day I expected that the discussion on the Address in the Commons would be comparatively short and that some legislation would come to us for attention by this time. But, whereas we passed the Address in forty-eight hours, the House of Commons disposed of it only after a month's debate. Taking cognizance of this fact, and bearing in mind the time which will probably be required for the Commons to send us some legislation, I move that when the Senate adjourns this evening it stand adjourned until Tuesday evening, March 10, at 8 o'clock.

The motion was agreed to.

The Senate adjourned until Tuesday, March 3, at 8 p.m.

THE SENATE

Tuesday, March 3, 1942.

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

Prayers and routine proceedings.

CANADA'S WAR EFFORT—PRODUCTION AND ENLISTMENTS

RETURN

On the inquiry by Hon. Mr. Tanner:

1. What is the number of tanks built in Canada, completely equipped and ready for active service? What is the number of them respectively sent to England, to Russia, to North Africa, and elsewhere?

2. At what date was the first lot of contracts awarded for the construction of steel cargo ships in Canada, (1) on orders and account of the United Kingdom, (2) on orders and account of Canada? How many ships did the orders cover respectively; and of what tonnage? What is the total number of such ships now contracted for, (1) on United Kingdom orders and account, and (2) on Canada's orders and account; and of what tonnages respectively? How many of these ships have been completed and are now in active service? Of what tonnages are they?

3. What is the total number of training aircraft built in Canada during the years 1940 and 1941 respectively? What is the number of training aircraft supplied by the United Kingdom to Canada in each of said years? What is the number of training aircraft brought to Canada from the United States in each of said years?

4. What is the number of fighter aircraft and bomber aircraft, respectively, built in Canada and equipped here in each of the years 1940 and 1941, (1) on United Kingdom orders and account, and (2) on Canadian orders and account? What is the number on United Kingdom account and on Canadian account, respectively, delivered ready for active service? Were any of the aircraft built on Canadian account sent to England, the Middle East or Russia; and if so how many of each class?

5. What is the number of men now in Canada who voluntarily enlisted in the Canadian army for service anywhere?

Right Hon. Mr. DANDURAND: I have an answer for the honourable gentleman, and it is a long one. I ask that the inquiry be taken as an order for a return, and I table the return forthwith.

EXPENDITURES ON PUBLIC HEALTH

RETURN

On the inquiry by Hon. Mr. Sauvé:

1. What is the total amount of the expenses made by the Government during the last five years to protect and improve public health and to repress diseases?

2. How much has the Government of each province spent during the same period for the said purposes?

Right Hon. Mr. DANDURAND: I would ask that this inquiry be taken as an order for a return, which I table forthwith.

WAR PRODUCTION—GRANTS FOR WINTER ROADS

INQUIRY

On the inquiry by Hon. Mr. Sauvé:

1. Has the Government granted, or has it the intention to grant, indemnities to rural municipalities keeping open winter roads for the transportation of labourers to war plants?

2. If not, why not?

Right Hon. Mr. DANDURAND: I will get in touch personally with the departments concerned and try to have an answer for my honourable friend to-morrow.

Hon. Mr. SAUVE (Translation): With regard to question 4, I should like to think that the Government will not await the return of summer road conditions before replying to my inquiry about the maintenance of winter roads.

Right Hon. Mr. DANDURAND: My honourable friend's hope that the answer will be forthcoming before the winter is over reminds me of a remark by Sir Wilfrid Laurier on a similar subject. He attended a conference concerning good roads in Arthabaskaville, at which a gentleman sent from Quebec to inspect the roads made a report on their betterment. When Sir Wilfrid was called upon to address the meeting he said he knew of only one party that really attended seriously to the roads: the sun. The sun is doing its work just now, but all the same I will get an answer for my honourable friend.

MONTREAL TERMINALS

ANNUAL REPORT TABLED

Right Hon. Mr. DANDURAND: I desire to lay on the Table a copy of the report of the work performed and expenditures made as of December 31, 1941, on the Montreal terminal facilities of the Canadian National Railways; also as to estimated expenditures for 1942. This information is required to be tabled each year in Parliament by the Canadian National Montreal Terminals Act, 1929. I suppose I do not need to furnish any information as to where the terminal is situated. I have heard it is near Dominion Square.

THE LATE SENATOR GORDON

TRIBUTES TO HIS MEMORY

Right Hon. Mr. DANDURAND: Honourable senators, it is my sorrowful duty to draw officially to the attention of the Senate the departure of one of our colleagues, Senator Gordon, who had been with us for many years.

His movements and appearance would not lead one to suppose he had passed the mark of three score years and ten, but I find he was born in 1865. I had been on familiar terms with him ever since he came to the Senate. He was well informed on many questions, and, both here and in our committees, frequently gave us the advantage of his knowledge and experience.

Born and brought up in the upper Ottawa valley, he became a lumber merchant and later achieved success as a lumber manufacturer. He was always interested in everything pertaining to the development of our forests, particularly in regard to transportation, which affected him vitally in his business, and we always listened to him with considerable interest.

The last conversation I had with him occurred when the members of the Senate had the pleasure of meeting in the rooms of His Honour the Speaker after the recent presentation to me of a bust. That conversation was a most agreeable and hopeful one. In reply to my statement that most of the senators around me, being younger than I, would attend the celebration of my one hundredth anniversary, Senator Gordon said he was pledging himself to be present. I have had occasion to remark that many of my contemporaries disappeared between the ages of thirty-five and sixty-five, and that anyone who had passed that critical period would seem to be justified by the actuarial tables in hoping to reach his eightieth year. But we never know when we shall be called, and hardly a week after my conversation with him the late senator fell by the wayside.

In the name of the Senate I tender our very warm sympathy to his widow and the members of Senator Gordon's family, who by death are bereft of a husband and father.

There is little I can add, because I did not know Senator Gordon intimately in a social way. There are, however, members of the Senate who had close contact with him, and they will desire to speak on this occasion.

Hon. C. C. BALLANTYNE: Honourable senators, an occasion such as this is always tinged with sorrow, but the circumstances of the passing of Senator Gordon are particularly sad. It does seem tragic that only a few days after meeting him here in his usual good health and jovial spirits, with a cheery word for everybody and a warm shake of the hand, we should suddenly be advised that he had been stricken down and was no more. I had not known Senator Gordon as long as had the right honourable leader of this House, but during the last ten years I certainly enjoyed the privilege of associating with him.

His passing is a distinct loss not only to this Chamber, but to Canada as a whole. Senator Gordon certainly must be considered one of the builders of Canada. He commenced his business life at a very early age, and in time, by means of perseverance, ability and integrity, became the owner of one of the largest businesses of its kind in this country. Canada always needs such men, particularly at the present time.

Senator Gordon was experienced in finance. He was a director of one of our largest and most important banks, as well as of many

other institutions, and his sound knowledge and judgment were always greatly sought after.

There was another side to Senator Gordon's character. I refer to his charitableness. I am informed that he gave largely, not only of his time, but also of his wealth to institutions of all kinds, regardless of race or creed. In the community where he lived he was highly respected, and his passing will be deeply mourned.

I join with my right honourable friend in expressing the deepest sympathy of honourable senators on this side of the House to Mrs. Gordon and the other members of the family.

Hon. J. J. DONNELLY: Honourable senators, may I add a few words to what has been so well expressed by the two leaders of the Senate? I am fully in agreement with everything they have said.

My first recollection of the late senator is of the time when he was elected to the House of Commons, in 1908. I was a member of the Commons at that time, and during that parliament my relations with Mr. Gordon were very pleasant. He was re-elected in 1911, but shortly afterwards resigned, and in 1912 was called to the Senate. I was transferred from the Commons to the Senate in 1913; so for more than twenty-eight years I was rather closely associated with our late colleague. For the last ten years we were deskmates.

As has been pointed out by both leaders, Senator Gordon was a very successful lumberman. In his early days he was associated with the late J. R. Booth. Afterwards he started on his own, and by his rare good judgment and industry he built up what at the time of his death was, if not the largest, one of the largest and best organized of the lumber industries in the province of Ontario. During the past forty years he was a very extensive employer of labour, and I never heard that he at any time had any serious labour trouble with his men. He took such a personal interest in all his employees that they thought, not that they were working for George Gordon, but that they were working with him. One result of this is that many of the men working in the Gordon industries have been employed there for a long term of years.

Besides being a very successful lumberman and business man, the late senator had another quality, which perhaps was not so well known. The honourable leader on this side (Hon. Mr. Ballantyne) has referred to it. I have been assured by many people in North Bay that Senator Gordon gave generously to every worthy cause that was brought to his attention. The day after the late senator died a friend of mine met a lady on a street in North Bay, who told him that as a canvasser for a deserving local charity she had called at the senator's office to sell a ticket, but instead she was given a cheque for $100, and told that his name was not to be mentioned in connection with the gift. She felt, though, that in fairness to his memory the incident should be mentioned.

As the honourable leader on this side of the House has said, Senator Gordon's givings were not in any way influenced by race or creed. A thrifty Scotch Presbyterian, he was at the time of his death Chairman of the Governors of St. Joseph's Hospital, a Catholic institution, at North Bay. He was not merely an honorary chairman; he was very active in his work on behalf of that institution. I have been assured by the Reverend Mother who had charge of that hospital for a number of years that his sound judgment was of very great assistance, and that he had also been very generous with financial assistance to the hospital. I know that people of all denominations at North Bay appreciated his generosity and thoughtfulness.

I shall always remember Senator Gordon as a kindly Christian gentleman. I feel his passing very deeply, and I also feel grateful for having had the privilege of being associated with him for so many years. He is survived by Mrs. Gordon, three daughters and one son. Early in the war the son volunteered for active service, and he is now overseas. I join with both leaders and all our colleagues in conveying to Mrs. Gordon and members of the family our deepest sympathy.

Hon. G. V. WHITE: Honourable senators, having known our deceased colleague for almost half a century, and probably more intimately than any other honourable member of this Chamber did, I should like to add my tribute to the memory of a man whose friendship I valued very highly. As the right honourable leader of the House (Right Hon. Mr. Dandurand) has said, Senator Gordon was a native of the Ottawa valley, having been born in the village of Pakenham. When he was a lad he came with his parents to Pembroke, where he received his education and spent his early manhood. His parents were Scotch; so he was a descendant of that indomitable race which has pioneered in so many sections of this country. After leaving school he procured employment with a lumber company, and went to the woods to familiarize himself with the various phases of the lumber industry.

At the beginning of the present century, having acquired some large timber limits in the north country, Mr. Gordon and his associates erected a large sawmill at Cache Bay, on the

shores of lake Nipissing, and in order to give personal supervision to his business he took up residence near this place. Visualizing the vast potentialities of the north country in both timber and mineral resources, he became identified on a large scale with the development of that territory. His business prospered, because of efficient management, and, as has been said, he became one of the largest lumber operators in that section of Canada.

In 1904 he was induced by his political friends to become a candidate for the House of Commons in the constituency of Nipissing, where he resided. Defeated by a somewhat small majority in his first venture to win a seat in Parliament, he was undaunted and again offered himself as a candidate in 1908. On that occasion he was elected, as well as in the general election of 1911.

After the election of 1911 Sir Robert Borden, desirous of giving representation in his Government to that north country, which was rapidly developing, offered the portfolio of Minister of Railways to the Hon. Frank Cochrane, who at that time was a member of Sir James Whitney's Government in Ontario; and it became necessary to procure a seat in the House of Commons for Mr. Cochrane. In order that the new Minister might represent the same constituency in the Commons as he had represented in the Legislature, George Gordon resigned his seat as the federal member for Nipissing. As has been said, he was then appointed to the Senate. That was in 1912; so he was a member of this House, a prominent member, for some thirty years.

Because of his keen business ability and sound judgment, George Gordon had many other interests apart from his lumber business. He was on the boards of numerous prominent Canadian companies, and was a director of one of our leading banks. He was a profound believer in the maintenance of our democratic institutions. He was an ardent Britisher, a patriotic Canadian, a loyal and generous friend. His passing will be deeply mourned by many people throughout the length and breadth of this country. I desire to associate myself with the previous speakers in offering sincere sympathy to his family.

BUSINESS OF THE SENATE

On the Orders of the Day:

Right Hon. Mr. DANDURAND: Honourable senators, I had hoped that some important legislation would reach us from the other House this evening. I am not quite sure that it will not reach us, and I would ask that the Senate suspend this sitting for some fifteen minutes so that inquiry may be made as to whether anything is likely to be sent over here to-night. I move that the Senate adjourn during pleasure, to resume at the call of the bell.

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, March 4, 1942.

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

Prayers and routine proceedings.

WAR PRODUCTION—GRANTS FOR WINTER ROADS

INQUIRY

Hon. Mr. SAUVE inquired of the Government:

1. Has the Government granted, or has it the intention to grant, indemnities to rural municipalities keeping open winter roads for the transportation of labourers to war plants?
2. If not, why not?

Right Hon. Mr. DANDURAND: These are the answers to my honourable friend's questions:

1. The answer is in the negative.
2. This is a provincial or a county responsibility.

CANADA'S WAR EFFORT—PRODUCTION AND ENLISTMENTS

DISCUSSION ON RETURN

On the Orders of the Day:

Hon. C. E. TANNER: Honourable senators, yesterday the right honourable leader of the House (Right Hon. Mr. Dandurand) laid on the Table a statement of replies to some inquiries that I had put on the Order Paper several weeks ago. I observe at the bottom of the introductory page this statement:

To stand as an order for a return, tabled forthwith. N. A. McLarty.

The Secretary of State, I presume. I presume also that he so signed the return as a matter of routine, without thinking. If I am in error, I should like to have it explained to me what authority the Secretary of State has to dictate to this House whether a reply shall be in the form of answers to questions or of a return. I think the procedure is our business, not his. I understand that in another place they have some rule regarding such matters.

But it does not affect us; we make our own rules, so far as I understand, and we do not take our rulings from them.

Right Hon. Mr. DANDURAND: When my honourable friend says "from them," is he referring to the Secretary of State or to the Commons?

Hon. Mr. MURDOCK: The Secretary of State.

Hon. Mr. TANNER: I am not saying that the Secretary of State did this with his mind on the subject. I fancy he just signed the return as a matter of course, not thinking; but I am entering a protest now for fear this method might be repeated.

Now, there is nothing in the return that could be prejudicial to the country; nothing whatever; but it does contain information that would be of interest to a considerable number of people. I would ask my right honourable friend the leader of the House to have the return printed in the Senate Hansard, in order that the answers may reach people who want to know about these things.

Right Hon. Mr. DANDURAND: Will my honourable friend kindly pass the document over to me, so that I may see whether there was any justification for transforming the inquiry into an order for a return.

Hon. Mr. TANNER: I do not think there is any reason for that at all. As to the question about tanks they say it is not in the public interest to tell. There is a full reply to the question about the building of cargo ships. On the question about the construction of trainer aircraft in Canada there is no information; they say it is not in the public interest to give any information. As to the question regarding fighter aircraft and bomber aircraft there is no answer. There is nothing in the document that could be prejudicial. I shall send it over to the right honourable gentleman.

STANDING COMMITTEE ON BANKING AND COMMERCE

MEMBERSHIP

Right Hon. Mr. DANDURAND: Honourable senators, when the striking committee organized the various standing committees of this House it endeavoured as far as possible to give each of the four areas of the country fairly equal representation. The province of Ontario, which had thirteen representatives on the Standing Committee on Banking and Commerce, has lost one member through the death of Hon. Mr. Gordon. This leaves twelve members from Ontario, the same number as from Quebec. I would move that Hon. Mr. Copp be appointed to replace Hon. Mr. Gordon on the committee.

The motion was agreed to.

BUSINESS OF THE SENATE

Right Hon. Mr. DANDURAND: Honourable senators, I am still expecting the important Bill for which we reconvened yesterday, and I would suggest that the House adjourn during pleasure, until, say, four-thirty o'clock, to meet at the call of the church—the bell.

Hon. Mr. BALLANTYNE: The church?

Right Hon. Mr. DANDURAND: I said "the church," perhaps, because the six months' hoist is being moved by a gentleman of that name in the other House. We shall reconvene at the call of the Chair.

After consulting with my honourable friend the leader on the other side, my idea is this: if the Bill comes to us before six o'clock, and if the Senate is agreeable, we could open discussion of the principle of the Bill on the second reading at eight o'clock this evening in order to advance matters. Our discussions, of course, are not as lengthy as those in the other House. If we followed the lead of that House, we should perhaps be here until the end of March. I do not anticipate that that will be the case, however. I would move, seconded by the Right Hon. Mr. Graham, that the Senate adjourn during pleasure.

The Hon. the SPEAKER: It is moved by Right Hon. Mr. Dandurand, seconded by Right Hon. Mr. Graham, that the Senate adjourn during pleasure.

Right Hon. Mr. DANDURAND: I find that I am mistaken as to the name of the member who is moving the six months' hoist in the other Chamber.

The motion was agreed to, and the Senate adjourned during pleasure.

After some time the sitting of the Senate was resumed.

DOMINION PLEBISCITE BILL

FIRST READING

A message was received from the House of Commons with Bill 10, an Act respecting the taking of a plebiscite in every electoral district in Canada and the taking of the votes at such plebiscite of Canadian Service voters stationed within and without Canada.

The Bill was read the first time.

SECOND READING

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

Right Hon. Mr. DANDURAND: With the leave of the Senate, I would move that the Bill be now read the second time. My suggestion is that we do not proceed with debate on this motion until eight o'clock this evening. The Bill has just come over to us, after having been given third reading by the other House. I am sure all honourable members are familiar with the ten sections of the measure, as originally worded, but they may not be aware of the various amendments that have been made. Between the present hour and eight o'clock they will have plenty of time to study this Bill as finally passed by the Commons. I intend to make a few remarks on the Bill, and I would ask His Honour the Speaker to call it six o'clock.

The Hon. The SPEAKER: On the understanding that we are to resume at eight o'clock this evening to take up the motion for second reading of this Bill, I now declare it six o'clock and leave the Chair.

At six o'clock the Senate took recess.

The Senate resumed at eight p.m.

Right Hon. Mr. DANDURAND: Honourable senators, I have in my hand the Bill which is now before us. It is intituled:

An Act respecting the taking of a plebiscite in every electoral district in Canada and the taking of the votes at such plebiscite of Canadian Service voters stationed within and without Canada.

Since we are all aware of the policy embodied in this Bill, I may considerably shorten my remarks, and certainly I do not intend to repeat the speech I delivered on this matter in our debate on the Address. On that occasion, I think, we went fairly well to the root of the difference which exists among us, here and elsewhere, as to the opportuneness of this proposed consultation of the people. Those who have the responsibility of explaining to the people what may be regarded as a change of attitude since the last election are naturally more concerned than are we with what they believe to be their moral obligation of pointing out to the people the seriousness of the present situation and the possible need for extending the right to call upon our young men to serve wherever the Government of Canada should deem it absolutely necessary for them to serve in the defence of Canada.

I am disposed to believe that if a majority of the candidates of the other party in the general election of 1940—candidates who joined with the candidates of the Government of the day in giving to the people a solemn pledge—had been elected, and their party were to-day in power, their Government would do just what the members of the present Government think should be done: that is to say, having given a pledge, not to Parliament, but to the people of Canada, their Government would deem it a duty to ask the people to release it from that pledge.

It may be said, indeed it has been said, that there are two other ways of consulting the people: either by dissolving Parliament and going direct to the electorate for endorsation of the new policy, or by instituting a referendum. Between the alternative of dissolving Parliament and going to the people to obtain a right which can be exercised, but which may not be for a time, indeed may never be, and the necessity of doing a thing which must in a certain event follow a referendum, there is a large margin. The Prime Minister has more than once expressed his view that at the present time there is no necessity for enlarging the scope of the compulsory principle so that it would apply to soldiers to serve abroad. In three or four speeches from his place in the House of Commons he has repeated that he was only asking to be released from his pledge in case the Government should feel there was absolute necessity for such action. When he was asked to give a pledge as to what would be done in the event of a majority replying in the affirmative to the question to be submitted to the people, he readily answered: "I cannot give any pledge as to what I shall do in three or six months or a year from now. I gave a pledge in 1940, and now I am asking to be released from that pledge. There are many reasons why I could not give a pledge now. This is a democratic country. The executive of Parliament—the Government—is composed of fifteen or sixteen members, and the Government will decide; not one man; not myself. When the matter is discussed in Cabinet I may find myself in a minority on whatever policy I propound. And the Government cannot now give a pledge as to what it will do if vested with increased power. Therefore I simply say the question of conscription is not to be discussed now. When we obtain a release from our pledge, and we deem the proper moment to utilize that enlarged power has arrived, then the Government as a body will have to decide to ask Parliament for authority to act. Action could be taken by repeal of that clause of the Mobilization Act which limits the compulsory power to service in Canada. If such a policy is ever presented by the present Government, it will be discussed on the floor of Parliament. We shall not ask the people then to pass judgment on the question. The Government will have been released from its pledge and will take its full responsibility on what I

would call a vital military matter. It will express its opinion, not to the people at large, but to the members representing the people, for they would be in a much better position to pronounce on such a policy than the people at large, who would have no exact knowledge of the real importance of the vote they would be called upon to cast."

Now, this plan has been accepted by the popular House, and the evidence of the fact is the Bill which has come from that House to-day. In the face of that decision by the people's representatives in the other House it will be for the Senate to say whether it will join in relieving the Government from the pledge it gave at the last election. I need not repeat that that pledge was given also by the leader of the Conservative party at the election of 1940, and it was implied in the speech of my right honourable friend Mr. Meighen wherein he declared—true, it was not yesterday that he did so—that if he were in power he would not allow an expedition to proceed abroad without the people being consulted.

The people understand exactly what is meant by the possibility of utilizing the release that is sought by the Government. The question to be put to the people is a very simple one. It is:

> Are you in favour of releasing the Government from any obligation arising out of any past commitments restricting the methods of raising men for military service?

The matter has been examined and studied on all sides. We know what has happened in Parliament and outside with regard to this matter, and I believe that this Chamber, whatever individual opinions may be, will feel that the Government should be relieved of the pledge it gave in 1940.

With these very few remarks I move, seconded by the Right Hon. Mr. Graham, that the Bill be now read a second time.

Hon. C. C. BALLANTYNE: Honourable senators, I desire to compliment my right honourable friend upon the brevity of his speech, and also upon having gone further than the Prime Minister or any other Minister in another place has gone. If I understood the right honourable gentleman correctly, he said that if the Government were relieved of this pledge they would send armed forces—he did not use the term "armed forces," but that is what he meant—to any part—

Hon. Mr. DAVID: Oh, no, he did not say that.

Hon. Mr. BALLANTYNE: That is the way I understood the right honourable gentleman, but if he says he did not say that, I will withdraw.

Right Hon. Mr. DANDURAND.

Right Hon. Mr. DANDURAND: Will the honourable gentleman repeat, so that I may understand, what he believes I did say?

Hon. Mr. BALLANTYNE: I understood the right honourable gentleman to say that if the Government were relieved of the unfortunate promise they made in 1940—

Right Hon. Mr. DANDURAND: That we all made.

Hon. Mr. BALLANTYNE: I will come to that.

Hon. Mr. DAVID: Liberals, Conservatives and C.C.F.

Hon. Mr. BALLANTYNE: —the Government then would take whatever measures were necessary to send men wherever they might be needed, without designating Canada only. Am I right in that, or am I wrong?

Right Hon. Mr. DANDURAND: Would the honourable gentleman repeat the last phrase?

Hon. Mr. BALLANTYNE: I understood the right honourable gentleman to say that our armed forces would not be limited to the defence of Canada alone, but would be sent wherever they were needed, provided the Government were relieved of their promise.

Right Hon. Mr. DANDURAND: I said that the Government, freed from that pledge, would, whenever circumstances dictated, examine into the necessity of helping wherever the interests of Canada were deemed to be vital.

Hon. Mr. BALLANTYNE: Quite so. That bears out what I said. The necessities of Canada are in all the theatres of war. Every shot fired at the enemy in this war, no matter in what field of battle, whether on the sea, on the land or in the air, has been fired in the defence of Canada; and I am glad to find so early in this debate that the right honourable gentleman and myself are in complete accord.

Now I come to the 1940 election. It is to be regretted that this promise, or commitment, as it is usually called, was made by either Mr. King or Mr. Manion. I never could see the necessity for any such commitment. The country at that time was at war. The King Government could have been returned to power with a very large majority—as they have been—without any such commitment as was made, and if my friend Dr. Manion could have been returned to power, the same statement would apply to him. Now, in the third year of the war, the Government find public opinion rising; they find the Press of Canada demanding a more vigorous war policy than we have at the present time. Although, to be

fair, I must say the Government have done excellent work in a great many ways, the public feel that more ought to be done, and it is that feeling, I suppose, that has caused the Government to decide on this anaemic Bill calling for a plebiscite.

When the Speech from the Throne was being debated I had the honour of moving that the following paragraph be added to the Address:

The Senate regrets that by the insertion in the Speech from the Throne of a paragraph setting forth the intention of the Government to seek release from an electoral pledge Your Excellency's advisers are taking a stand contrary to the spirit of our parliamentary institutions and to the principle of ministerial responsibility.

We on this side still adhere to what was stated in that proposed amendment, although it was lost on division. Under our constitutional form of government all governments, in peace or in war, must assume the responsibility of dealing with the problems which come before them. They have to solve those problems and then come before Parliament and stand or fall by what they have done. The present Government, however, found themselves in an uncomfortable position. I read the speech of the Prime Minister, in one part of which he stated that Canada was in what he called, I think, an unfair position, by reason of the feeling of our Allies that they were engaged in an all-out effort and we were not; and he expressed the view that the time had arrived to ask the people to free the Government so that they might take more active measures.

My right honourable friend (Right Hon. Mr. Dandurand) has stated that the public clearly understand the meaning of this plebiscite. If that is so, all I can say is that I and the people I have met and talked to are very much more dense than the public of Canada, for I can make neither head nor tail of it. There is not a single commitment here. The Government are asking an intelligent Parliament and an intelligent people to vote for this thing which means nothing at all; and when the Prime Minister and other Ministers in another place were pressed to say what action they would take if the plebiscite carried, the answer was merely, "Trust the Government." If the people of Canada know what steps the Government are going to take should the vote be "Yes," they have far more intelligence than I should have thought it possible for anyone to possess in regard to this matter when the Government have not indicated in the slightest degree what they are going to do.

The difference between the Government and the senators on this side of the House is that in view of the very serious war situation which exists to-day we believe there is no need whatever for this plebiscite. I say nothing about the occupied countries now dominated by the Nazis, but when we consider that within the short space of two months we have lost the great naval base of Singapore, the great and rich country of Malaya, the Dutch East Indies and part of Burma, and that Australia and New Zealand are threatened, time surely means something. Yet, while so great a war is raging, the Government are going to present a plebiscite to the people of Canada. I read the speech by the Secretary of State, and learned that after the Bill is passed in Parliament some ten weeks more will elapse before the vote is taken. I presume it will be some time in June or July before all the returns are in from the whole of Canada and from overseas and the Government know the final results of the voting. The seriousness of the war demands immediate action, yet all this time is going to be wasted. This long process of taking a plebiscite is to be followed, with the appointment of returning officers, deputy returning officers, enumerators, poll clerks, and so on, at a cost to the country of $1,500,000, whereas the whole thing could have been avoided if the Government had followed a constitutional and proper course, which I think was the only course to follow.

I have been reading a little about the United Kingdom, to see whether a plebiscite was ever taken over there, and I have found that in all the hundreds of years since the Mother Country has had parliamentary institutions there never was a plebiscite. If the seriousness of the war situation had been placed before honourable members of the other House by the Prime Minister of Canada, in a vigorous speech, as he is so well qualified to do it, then, to quote his own words, which I have just read, Parliament would have freed his hands. Why was that course not pursued? "Oh," the Prime Minister says, "I made a promise not only to Parliament, but to the people, and there is a moral as well as a legal side to the question." He was tremendously impressed with the moral side of the question, and that is the reason for putting this plebiscite to the people and in consequence delaying by nine months, or probably a year, the taking of further vigorous action for the prosecution of the war.

If the vote on the plebiscite is an overwhelming "Yes," then there will be more delay. Should the Government decide there is need for compulsorily sending men to theatres of war outside of Canada, there will have to be a debate in Parliament. Well, by the time all the ballots are in, Parliament may not be in session. In that event we shall have to wait until Parliament is assembled again, and

then wait until the debate is finished; and Goodness only knows what state the war may be in by that time. With the mechanized forces that all the warring countries have now, armies move rapidly, and decisions must be made quickly. I cannot understand how a Government carrying the responsibilities that our Government carry to-day could have failed to follow the constitutional course of getting parliamentary authority for prompt action, and then taking whatever steps they deemed necessary.

I want to say to my right honourable friend (Right Hon. Mr. Dandurand), who comes from the same city as I do, that the majority of the people of this country were shocked and depressed when they heard that a plebiscite was to be taken on this question. Many people have spoken to me about it. A large number of them have told me they think they had better vote "Yes," but they do not know what action the Government intend to take afterwards if released from their pledge. I say, speaking not only for this side of the House, but, I believe, for the majority of the people in Canada—

Right Hon. Mr. DANDURAND: That is not quite certain.

Hon. Mr. BALLANTYNE: Yes, I think it is. I say we are depressed, indeed, and dissatisfied, because the Government are proceeding by this circuitous method instead of acting in a constitutional way and appealing direct to Parliament.

Hon. Mr. DANDURAND: Would my honourable friend allow me?

Hon. Mr. BALLANTYNE: Certainly.

Right Hon. Mr. DANDURAND: My honourable friend has cited the Prime Minister, but without quoting a statement that he made. We have full power to raise all the men required for the defence of Canada on our own territory. We shall seek to do the right thing under our obligations to help defend our neighbour at both ends of the country. And at the present time more men are being enlisted for service abroad than we can train or equip. So no time is being lost just now by this procedure which my honourable friend says will cause undue delay in our war effort.

Hon. Mr. DAVID: Will my honourable friend allow me just a question? As a Canadian, in his heart, in his soul, does he believe that asking the opinion of the people through a plebiscite is democratic or anti-democratic?

Hon. Mr. BALLANTYNE: That is not the question I was discussing in this honourable Chamber. I was discussing the constitutional way in which a government should proceed when they are carrying the responsibilities that our Government now carry. Of course we all know that we are living under a democratic system. I say to the Government: "Instead of leading the people, you are asking the people to lead or advise you." And I ask the Government this question: "Why should you deviate from the constitutional way of doing things that has been followed for so many hundreds of years by the Mother Country?" My honourable friend from Sorel (Hon. Mr. David) will not deny that it will be six or seven months before we know the results of this plebiscite. Can we and the Allies afford to wait so long? And then can we afford to wait until Parliament is called and a great many speeches are made for or against any action proposed by the Government?

My right honourable friend (Right Hon. Mr. Dandurand) is more experienced in parliamentary and public affairs than I am. He knows that governments must be strong and must lead, especially in war time, and that when a government show solidity and strength of leadership the people will follow. If my right honourable friend wants to discuss the military situation, I could take issue with him. Perhaps I should do so briefly, since he suggests there is no difficulty in getting men. But for the fact that I do not want to take up the time of the House, I could quote the opinion of General Panet, of General Vanier and of Recruiting Officer Scott, all diametrically opposed to what has been said on the floor in another place and here to-night. Voluntary recruiting has absolutely broken down. That is one of the reasons why the Government are submitting this plebiscite.

Some Hon. SENATORS: Oh, no.

Right Hon. Mr. DANDURAND: The Hon. Mr. Ralston does not say that.

Hon. Mr. BALLANTYNE: My honourable friend from Wellington (Hon. Mr. Howard) shakes his head. What did the Minister of Defence say a few nights ago? He said that if he noticed a lag in recruiting he would adopt some other measure. I do not want to get into a debate on that, because I think I must adhere to this plebiscite Bill; but I will say if my good friend the Minister of Defence cannot notice a lag in recruiting, a great many others can.

I have only this further to add. My right honourable friend Mr. Meighen, not long ago, in the course of a speech, said the Conservative party was ready to serve inside the Government or outside. I reiterated his statement

when I was speaking on the Address. I repeat it to-night. The Government have shown no evidence whatever that they desire the assistance of the Conservative party inside. That being so, let me conclude by saying: we have no desire to impede or retard the Government's war effort, and outside we will do all that we possibly can to co-operate.

Some Hon. SENATORS: Question!

The Hon. the SPEAKER: The question is on the second reading of this Bill. Is it the pleasure of honourable members to adopt the motion?

Some Hon. SENATORS: Carried.

Hon. Mr. SAUVE: On division.

Hon. Mr. BALLANTYNE: Carried on division.

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

REFERRED TO COMMITTEE

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

Right Hon. Mr. DANDURAND: I move, seconded by Right Hon. Mr. Graham, that this Bill be referred to the Standing Committee on Banking and Commerce.

The motion was agreed to.

Right Hon. Mr. DANDURAND: I desire to inform my colleagues that the Committee on Banking and Commerce will meet to-morrow morning at 11 o'clock, to examine into the desirability of some amendments touching only the form of the Bill.

Let me repeat what I have affirmed so often, that honourable senators who are not members of the Banking and Commerce Committee —which is composed of forty-two members— should attend the meeting, where, except for the right to vote, they will have all the powers of committee members in presenting their views. Do not let my friends who are not members of the committee hesitate to attend. I can assure them that the committee will welcome their presence and their opinions.

Hon. Mr. SHARPE: Why not refer the Bill to Committee of the Whole House and have done with it? We shall all be here.

Right Hon. Mr. DANDURAND: I have considered that procedure, but it would be somewhat difficult to draft technical amendments and discuss their merits if we were not all around a table. There will be this other advantage too: probably we shall have before us the Minister who guided this Bill through the other House.

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

44567—5½

THE SENATE

Thursday, March 5, 1942.

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

Prayers and routine proceedings.

DOMINION PLEBISCITE BILL

REPORT OF COMMITTEE

Hon. J. W. de B. FARRIS, Acting Chairman of the Standing Committee on Banking and Commerce, presented, and moved concurrence in, the report of the committee on Bill 10, an Act respecting the taking of a Plebiscite in every electoral district in Canada and the taking of the votes at such Plebiscite of Canadian Service voters stationed within and without Canada.

He said: Honourable senators, the Standing Committee on Banking and Commerce, to whom this Bill was referred, have instructed me to state that they have examined the said Bill and now beg leave to report the same with certain amendments. I am prepared to give a short explanation of these amendments at any time the House wishes.

Some Hon. SENATORS: Dispense.

Hon. Mr. FARRIS: I shall do it now if that is the wish of the House.

There are several amendments, but they do not in any way change the principle of the Bill. The first amendment is to section 2, the definitions section. The two paragraphs, (a) and (h), which define "Canadian Service voter" and "ordinary voter," are now combined without any substantial change. The provision in paragraph (b) relating to the "Chief Plebiscite Officer," which now appears in the definitions, is made a substantive section. The same is true of paragraph (g), in relation to "returning officer." The words "during the plebiscite" in paragraph (c) have been eliminated, because they do not appear elsewhere in the Bill. Paragraph (d), in regard to electoral districts, has been redrawn so as to state more accurately what is intended.

The next amendments are to section 3, on page 2 of the Bill. The words "as defined in this Act" are dropped out of subsection 4, being superfluous, and subsection 5 is redrawn to express in better language what the committee thought was intended as regards publication in the Canada Gazette.

I come now to section 4. Paragraph (b) of subsection 2 has been redrawn in order to correct an inaccurate citation of the National

War Services Regulations, which are referred to therein. A similar correction has been made in section 5. From section 6 the words "taken under this Act" have been eliminated as superfluous.

Section 8 has been changed by adding the two sections of definitions to which I referred. Subsection 1 would provide:

The Chief Electoral Officer under The Dominion Elections Act, 1938, shall be the Chief Plebiscite Officer for the purposes of this Act. . . .

And subsection 2 would provide:

For the purposes of taking the plebiscite only, the Governor in Council may appoint a returning officer for the Yellowknife Administrative District. . . .

That is put in an affirmative statement rather than being left in the somewhat left-handed way that it was under the definitions in section 2. Section 8 itself, as it appears in the text, with one or two slight grammatical modifications, would become subsection 3 of section 8.

In section 9 there are one or two changes in language. The original wording is:

The Governor in Council may, for the purposes of this Act, make such regulations as are expedient for the effectual taking of the plebiscite. . . .

The words "for the effectual taking of the plebiscite" are either superfluous or misleading. The powers of the Governor in Council in making regulations should be for the purposes of the Act. If there is only one purpose, it is superfluous to add these words; and if there are more purposes than one, they should not be limited by these words. The amended section would read:

The Governor in Council may make such regulations as are expedient for the purposes of this Act. . . .

Subsection 4, which has been added to section 9, specifically gives the Governor in Council powers to impose penalties. These powers might have been inferred from the Bill as it read, but the implication was not clear. I understand an amendment is to be proposed to the new subsection 4.

Right Hon. Mr. DANDURAND: It was proposed in the committee this morning that section 9 be amended by adding subsection 4, the last phrase of which would provide:

. . . but no such penalty shall exceed a fine of two thousand dollars or imprisonment for any term exceeding two years, or both fine and imprisonment.

Our Law Clerk drew my attention to the fact that it would be advisable to drop the last phrase of subsection 4 of section 9. In section 9 the Governor in Council is required to make regulations in conformity with the Dominion Elections Act of 1938. Section 29 of that Act provides that persons guilty of the offences set out therein shall in addition to other penalties be disqualified from voting for a term of seven years. In order to preserve that particular penalty it would be advisable to delete the latter part of subsection 4 of section 9 of this Bill, and leave the subsection ending with the word "indictment" in the fifth line. If it is agreeable to honourable members, I will ask the honourable senator from Toronto (Hon. Mr. Hayden) to propose this amendment now.

Hon. Mr. HAYDEN: I move that the report be amended with respect to subsection 4 of section 9 as indicated by the right honourable leader of the House.

Hon. Mr. COTE: I do not wish to be technical, but I am wondering whether it is according to our rules to amend the report of a committee before a motion has been made for its adoption.

Hon. Mr. DANDURAND: We can either amend the report now or move the amendment on the motion for third reading. I thought that, as the report dealt with that clause, I should apprise the Senate of my intention to have this amendment moved. Though it may not conform with our practice, I think it would simplify matters to take action now.

The Hon. the SPEAKER: At the moment we are considering the motion to adopt the report. Is it your pleasure, honourable senators, to adopt the report with all the amendments that have been proposed?

Some Hon. SENATORS: Carried.

The motion was agreed to.

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

Right Hon. Mr. DANDURAND: I would draw attention to an amendment which was made in the French text of the question to be submitted to the electorate. The question as it came before us in committee this morning was as follows:

Consentez-vous à libérer le Gouvernement de toute obligation résultant d'engagements antérieurs restreignant les méthodes de recrutement pour le service militaire?

An honourable senator suggested that the word "recrutement" be changed to "mobilisation," and the suggestion was accepted. The question as amended now reads:

Consentez-vous à libérer le Gouvernement de toute obligation résultant d'engagements antérieurs restreignant les méthodes de mobilisation pour le service militaire?

This amendment is contained in the report. Since the committee adjourned it has been suggested that "enrôlement" would be a better expression than "mobilisation," but the mover of the amendment stands by his decision that "mobilisation" is a better word than "enrôlement." Since "mobilisation" effects its purpose and inasmuch as we have the Mobilization Act, it is useless to discuss the matter further.

THIRD READING

Right Hon. Mr. Dandurand moved, seconded by Right Hon. Mr. Graham, that the Bill, as amended, be read a third time.

The Hon. the SPEAKER: Honourable senators, it is moved by Right Hon. Mr. Dandurand, seconded by the Right Hon. Mr. Graham, that this Bill, as amended, be now read a third time. Is it your pleasure to accept the motion?

Right Hon. Mr. DANDURAND: Do I understand that the amendment proposed by the Hon. Mr. Hayden was accepted?

The Hon. the SPEAKER: I understand so, with leave of the Senate.

Some Hon. SENATORS: Yes.

Hon. ARTHUR SAUVÉ (Translation): Honourable senators, I wish to say a few words on the third reading of this Bill.

Right Hon. Mr. DANDURAND: Would you please speak a little louder so that we may hear you?

Hon. Mr. SAUVÉ: I will try. I know time is precious, and I do not want to waste it by repeating what has been said a hundred times in the other House. Still, I wish to say that I remain opposed to the measure at present undergoing its third reading.

I am opposed to it because I consider it ill-advised, devoid of constitutional authority and contrary to the fundamental principles of responsible government. Moreover, the arguments advanced in its favour are, to my mind, mere political pretexts and expedients.

The Government ask to be released by the people from their past commitments relating to the war and to participation therein, that is to say, to be released from their lack of foresight and, it must be said, their electoral exploitations.

I am opposed to this measure because the Government, in proposing it, offer no guarantee for the future. They refuse to state what they intend to do should they obtain the freedom of action they seek. That is why, honourable senators, this measure seems to me ill-advised. The Government also refuse to state the real reason for the plebiscite, thus continuing a political game that has already cost the country too much. The plebiscite will cost $1,500,000—perhaps more before we are through with it—although the country needs every cent it can raise to meet its increasingly heavy obligations.

We are going to spend $1,500,000, though the war has already cost us $3,000,000,000 and will require a still greater expenditure during the current year, and though the Government, without consulting Parliament, have made to England an outright gift of $1,000,000,000 and a non-interest-bearing loan of $850,000,000.

The Government's methods are, to my mind, a series of contradictions and violations, from the moderate participation which they promised to the extremely costly and badly organized system of voluntary enlistment, dangerously administered by too many favourites or obviously incompetent officials.

Of course, this statement is not meant to include all the officers, all the chairmen of boards and all the ten-per-cent contractors. There are notable exceptions.

Before proceeding by way of a plebiscite, with the unavowed object of establishing conscription, which the party at present in power has already shown to be so odious and revolting, the Government would have been better advised to institute an inquiry with the sole object of ascertaining the real needs of Canada and of the allied nations, the existing and potential capacity and requirements of our production for the protection of this country and of the allies, the extent of our military preparedness and the real needs of our defence. For it is essential to know our true position, our strength and also our weakness. We are reminded of the admiration expressed for our war effort by authorized representatives of our allies. These representatives are doubtless authorized, but are they authorized to make statements that are not within their province?

Hon. Mr. DAVID: Will the honourable senator permit a question? I think he sat in the Quebec House in 1917. Will he say how he voted on the matter of conscription?

Hon. Mr. SAUVÉ I knew beforehand that the honourable senator was about to interrupt me without knowing what I was going to say.

Hon. Mr. DAVID: I beg the honourable gentleman's pardon. He has no right to impugn my fairness in this House. I think I have always been fairer towards him than he has been towards me.

Hon. Mr. SAUVÉ: I have been hearing this profession for twenty-five years. The honourable gentleman has not changed.

An Hon. SENATOR: However it may be, he has not answered your question.

Hon. Mr. DAVID: No, he has not answered my question, and he will not answer it.

Hon. Mr. SAUVÉ: The testimony of people who have lacked foresight in their own country should have no value in Canada.

One does not have to look long, honourable senators, to notice the anomalies, the bluff on paper, the camouflage, the dangerous inefficiency, the various forms of exploitation, the glaring injustice, and the scandalous abuses with regard to the ten per cent. I do not hold the Ministers altogether responsible, for I know that they are quite busy; they must go through reports from the heads of their departments, who in turn receive reports from their subordinates. But, honourable senators, let me add that even there noteworthy exceptions are to be found. Besides, I shall discuss that matter again during this session.

We are told that the enemy is at our gates. Where are our defenders? What is their strength? What is their efficiency? That is what we ought to know definitely. The danger which threatens us can be appraised through the unfortunate examples given us by England, France, the United States and hapless Australia.

Hon. Mr. DAVID: I do not wish to interrupt the honourable senator needlessly, but in 1911, when the creation of a Canadian navy was proposed, was he in favour of a Canadian navy?

Hon. Mr. SAUVE: I hope that during this session it will be in order for the honourable senator to deliver a formal speech on the political affairs of that period, for I shall then be able to have a better recollection of what passed on both sides.

Hon. Mr. DAVID: At this time, that is past history.

Hon. Mr. SAUVE: At this time, the honourable senator is not more willing than I am to discuss a matter which is now out of order.

Hon. Mr. DAVID: I beg your pardon; I am quite willing to do so right now.

Hon. Mr. SAUVE: Well, that will be all for to-day. The danger which threatens us can be appraised through the unfortunate examples given us by the countries I have mentioned. We should not wait until disaster has overtaken us to hold an inquiry that should have been held long ago. Such an inquiry should be conducted not by partisans or creatures of the Government, but by free and competent men, able to set aside party considerations or personal interest, by men able to tell the truth to those who ought to know it, not to one party only, but to the representatives of the nation, in the Parliament of the nation.

I realize how difficult it will be to obtain such an inquiry so long as we have a strictly party Government, determined to select their members solely among their own followers, instead of a truly national government, a government composed of men who are not politicians, a government truly representing the nation, to ensure national unity in a logical way.

Is it not proper that we should realize this if we wish to avoid the grave political crisis, the signs of which are more apparent every day? If we demand a national government, it should not be in order to sacrifice our own country by a rash or excessively impulsive overseas contribution, but rather to better protect our Dominion and our allies, to better utilize our resources for war and post-war purposes. If a national government is necessary to undertake this essential study without delay, let us do our duty without hesitation; let us not wait until it is too late. Conscription should not be an issue until after a study of that nature has been competently conducted.

When conscription is proposed, I wish to be free to set out the loyal, honest and logical stand of the province of Quebec. We are being logical in opposing conscription for overseas; we are only following the political teaching and guidance of both political parties, whose leaders were and still are English-speaking. We are convinced that, in the present conflict, the Canadian war effort, to be the most efficient for our allies, must be accomplished within our borders. We want to know whether this is right. We would submit to the findings of an inquiring body composed of competent Canadians. It is not through hatred, prejudice or egotism that we oppose conscription for overseas; we are becoming more and more opposed to this measure because the efficiency of our own territorial defence becomes more doubtful every day, because the peril ever increases, as our best authorized military men have acknowledged. In perusing their statements we should not forget their implied meaning nor the limitations imposed by the high position of these officers.

My opposition to this Bill is based on no other reasons. I am opposed to it in the best possible spirit and my past conduct stands witness to this fact, although that is, it would seem, of such little importance that certain men who consider themselves as very outstanding appear to have forgotten all about it.

Right Hon. Mr. DANDURAND: Would the honourable senator allow me to ask a question?

Hon. Mr. SAUVE: Certainly.

Right Hon. Mr. DANDURAND: The main idea expressed by the honourable senator is the conducting of a national study of our production capacity, our assets, our own nature.

Hon. Mr. SAUVE: Of our natural resources.

Hon. Mr. DAVID: Everything told, it would be a study conducted by Conservatives.

Right Hon. Mr. DANDURAND: However, unless I am mistaken, a national government is one from which politicians would be excluded.

Hon. Mr. SAUVE: Not at all. It would not necessarily include politicians only, if competent men could be found in other fields. I am convinced that such a study, to be complete and impartial and to represent all the nation, in these difficult times, should be undertaken under a national government, for in this way only would national unity be logically and really preserved.

Right Hon. Mr. DANDURAND: Has the honourable senator thought of submitting a list of men who would represent his ideal of this national government?

Hon. Mr. SAUVE: The honourable leader knows perfectly well that the naming of these men is not my responsibility. Possibly he wishes to take the place of my friend from Sorel in asking awkward questions, but he may rest assured that I shall not fall into the trap.

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

PRIVATE BILLS

FIRST READINGS

Bill B, an Act to incorporate the Canadian Dental Association.—Hon. Mr. Coté.

Bill C, an Act to change the name of the Saskatchewan Life Insurance Company to Fidelity Life Assurance Company.—Hon. Mr. McGuire.

TRADE AGREEMENTS WITH CHILE, BRAZIL AND ARGENTINA

CONSIDERATION POSTPONED

On the Order:

Consideration of a message from the House of Commons to acquaint the Senate that they have approved trade agreements entered into with Chile, Brazil and the Argentine Republic and to ask the Senate to concur in the said approval.

Right Hon. Mr. DANDURAND: Honourable senators, there is a possibility that the Senate may be sitting to-morrow, though I hope it will not. My idea was that we should discuss the trade agreements on Tuesday next, but in case we are meeting to-morrow and are waiting for something to do, we could consider them then. I therefore would move that this Order be discharged and placed on the Orders of the Day for to-morrow.

The motion was agreed to.

BUSINESS OF THE SENATE

Right Hon. Mr. DANDURAND: Honourable senators, the Plebiscite Bill which we have just sent back to the House of Commons with some amendment, may be discussed there and returned to us before six o'clock. So I would ask that the Senate adjourn during pleasure, in the expectation of being reconvened, at the call of the bell, between five and six o'clock.

The Senate adjourned during pleasure.

After some time the sitting of the Senate was resumed.

Right Hon. Mr. DANDURAND: Honourable senators, the world belongs to the optimist. I am told that the Deputy Governor will be here at ten minutes to six to sanction the Plebiscite Bill, it being assumed that by then our amendments will have been accepted by the House of Commons. If honourable members share the hope that has been instilled into me, we can suspend the sitting until a quarter to six. If at six o'clock the amended Bill has not reached us from the other House, we shall have to arrange for Royal Assent at a later hour this evening.

The Senate adjourned during pleasure.

After some time the sitting of the Senate was resumed.

DOMINION PLEBISCITE BILL

COMMONS AGREEMENT TO SENATE AMENDMENTS

The Hon. the SPEAKER: Honourable senators, a message has been received from the House of Commons agreeing to the amendments made by the Senate to Bill 10, an Act respecting the taking of a Plebiscite in every electoral district in Canada and the taking of the votes at such Plebiscite of Canadian Service voters stationed within and without Canada.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Right

Honourable Sir Lyman Poore Duff, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 5.50 p.m. for the purpose of giving the Royal Assent to a certain Bill.

The Senate adjourned during pleasure.

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

An Act respecting the taking of a Plebiscite in every electoral district in Canada and the taking of the votes at such Plebiscite of Canadian Service voters stationed within and without Canada.

The House of Commons withdrew.

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

The sitting of the Senate was resumed.

The Senate adjourned until Tuesday, March 10, at 8 p.m.

THE SENATE

Tuesday, March 10, 1942.

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

Prayers and routine proceedings.

DIVORCE JURISDICTION BILL

FIRST READING

Hon. Mr. COPP presented Bill D, an Act to amend the Divorce Jurisdiction Act, 1930.

The Bill was read the first time.

The Hon. the SPEAKER: For what date shall this Bill be placed on the Order Paper to be read the second time?

Hon. Mr. COPP: For next sitting.

Right Hon. Mr. DANDURAND: With leave of the Senate.

HONG KONG ATROCITIES

INQUIRY

On the Orders of the Day:

Hon. C. E. TANNER: Honourable senators, before the Orders of the Day are called, I should like to inquire of the right honourable leader of the House (Right Hon. Mr. Dandurand) whether it is his intention to make any statement to the Senate in reference to the very disturbing reports that are coming from Hong Kong. I should suppose that we in this country are much interested, having about seventeen hundred men over there, survivors of two regiments, one from the province of Quebec and the other from the province of Manitoba.

I observe that to-day, in the Imperial House of Commons, Mr. Eden, Secretary of State for Foreign Affairs, made a very strong statement in respect of what he says are the shocking atrocities committed by Japanese soldiers against British prisoners of war and the civil population. I presume a similar statement was made in the House of Lords. I should think that this Senate is entitled to receive information from the Government of Canada, so that we and the country may know what is and what is not true in respect of these very disturbing reports. I take it for granted that the Government has all the information on which Mr. Eden based his statement, and I suggest that this is no time to be silent or to shut our eyes to facts which may not be pleasing. We should know with certainty what is happening, especially having in mind that, as I said a moment ago, we have about seventeen hundred Canadian soldiers where these atrocities are being committed. I submit to my right honourable friend that he is the man to give us the facts. There can be no secrecy about the matter, for Mr. Eden announced that the facts which he gave to the House of Commons—I may say that I heard only a brief radio report of his address—were to be put into every language and sent all over the world, so that the world would know the kind of savages these Japanese are. We have twenty-five thousand or more Japanese people in this country, and we have been treating them as if they were the most gentle and well-behaved people in the world. Now, we want to know what is happening to the Canadians over in Hong Kong, and I ask my right honourable friend to tell us. He may not be able to do it to-night, but to-morrow at the latest he should give us a clear statement of the facts of the matter.

Right Hon. RAOUL DANDURAND: Honourable senators, it is needless for me to say that I concur in my honourable friend's statement that the Senate is entitled to all the information I can bring to it. As he will fully appreciate, it would be difficult for me to bring information here which the Minister of National Defence has not given

to-day or yesterday to the members of the House of Commons. I have not seen that any statement based upon information that has come to the Government, either through London or otherwise, was made in the Commons yesterday, and I do not know whether any such statement has been given there this afternoon; but my honourable friend may rest assured that I shall try to see whether any data can be given to this House. My honourable friend is aware, I suppose, that the Minister of National Defence for Air, who has a son at Hong Kong, is as much interested as any of us in what has been going on there. I shall try to get for to-morrow whatever information has been brought to the attention of the Government.

Hon. JOHN T. HAIG: Honourable members, a statement was given in the House of Commons this afternoon by the First Minister, and the leader of the Opposition discussed this very matter. I rise with some diffidence to speak on this subject, but the city of Winnipeg, from which I come, is very deeply concerned in it. There are more Canadians from the city of Winnipeg who are prisoners in Kowloon than there are from any other part of this country. Therefore the people of Winnipeg are vitally interested, and they feel very keenly the absence of news. I must express my surprise that we have not had a statement to-night.

Right Hon. Mr. DANDURAND: I reached Ottawa only this evening. A note has just been brought to me informing me that the Prime Minister did make a statement this afternoon. I shall see to it that we get that statement before the House rises.

TRADE AGREEMENTS WITH CHILE, BRAZIL AND THE ARGENTINE REPUBLIC

MESSAGE FROM HOUSE OF COMMONS—JOINT RESOLUTIONS REFERRED TO COMMITTEE

The Senate proceeded to consider a message from the House of Commons to acquaint the Senate that they have approved Trade Agreements entered into with Chile, Brazil and the Argentine Republic, and to ask the Senate to concur in the said approval.

Right Hon. RAOUL DANDURAND: Honourable senators, one of the resolutions which are to come before us reads as follows:

That it is expedient that the Senate and the House of Commons do approve the Trade Agreement between Canada and Chile, signed September 10, 1941, and that the Senate do approve the same.

There are three such resolutions, the other two concerning Brazil and the Argentine Republic. I would suggest that all three be dealt with at the same time, because they are all in virtually the same form. If there is no objection to that course, I shall be ready to give whatever information is desired on any of them by any honourable member of this House.

The first trade agreement, namely that between Canada and Chile, was signed in Chile on September 10, 1941, and has been provisionally in force since October 15, 1941. The agreement between Canada and the Argentine Republic was signed at Buenos Aires on October 2, 1941, and has been provisionally in force since November 15 last. The third agreement, that between Canada and Brazil, was signed at Rio de Janeiro on October 17, 1941, and has been in force provisionally since that date.

While these trade agreements have been in force provisionally since the dates I have just mentioned, the continuance of their operation requires the approval of both Houses of Parliament by joint resolution, and subsequent ratification by the Secretary of State for External Affairs. Such is the position with respect to Canada, and a similar requirement would apply in corresponding manner to each of the administrations in the other countries concerned.

The first question which may arise in the minds of some honourable members of this House is as to how it has come about that an agreement has been signed and is even provisionally in operation without Parliament having had an opportunity of passing upon it in the first instance. It would be impracticable for public assemblies to discuss agreements between nations before they are actually signed. Honourable members will appreciate the many questions which arise in connection with the negotiation of any agreement. Negotiations are of necessity carried on among persons appointed for that purpose. The present stage of proceedings, therefore, is one wherein we seek to secure approval of the three trade agreements as negotiated.

The agreements themselves are all agreements affording most-favoured-nation reciprocal treatment between the countries which have entered into them. They are similar to other agreements of the most-favoured-nation type which have been entered into in recent years. Four such agreements have been signed recently. One between Canada and Uruguay was approved in the session of 1937; one between Canada and Gautemala was approved in the session of 1938; one with

Haiti received approval in the 1938 session, and an agreement with the Dominican Republic was approved in the session of 1940. I believe that in the case of the first three agreements our Parliament proceeded by way of bills. However, with respect to the Dominican Republic agreement, the procedure was simply by way of resolution approving the agreement. The reason that no bill is required is that no statute is being amended in any way. All the agreement does is to provide for most-favoured-nation treatment to be given by one country to the other, and to ensure that the most-favoured attitude will be reciprocated by the other country. If the agreement did in any way change a statute, it would of course be necessary to proceed by way of a bill. However, having regard to the form of these agreements, and to their contents, approval by resolution is all that is necessary.

In the case of the three republics with which agreements with Canada have been entered into, a definite step forward has been taken in securing the advantages of improved trade relations. At this time of war the actual value in terms of trade may not be considerable, but there is great value in the fact that the treaties themselves serve to express friendship and goodwill between these particular republics in another part of the western hemisphere and the Dominion of Canada.

The Minister of Trade and Commerce has received word from our Ministers in the Argentine and Brazil since the establishment of our legations in South America that the trade mission which visited those countries has been greatly appreciated by the citizens. They felt that the mission itself had done a great deal to make Canada and its resources better known, had brought our country more to the fore than it had been at any time in the past. I might add that I have been told the same thing by the Hon. Doctor Pablo Santos Munoz, Minister of the Argentine Republic, and the Hon. J. A. Lius de Barros, Minister for Brazil, whom we are pleased to have at Ottawa as the representatives of these countries.

Honourable members will have noticed that the name of the Argentine Republic has come before us recently in reference to the protection which that country is giving to Canada's interest in Japan at the present time. I mention this as indicative of the closer relations and co-operation which our country in the last year has come to enjoy with South America.

To-day, when conditions have become so much more serious in all parts of the world and when North and South America have been drawn together to a degree that has never obtained heretofore, it is particularly fortunate that we should have established diplomatic relations with these countries through the legations which they have opened in Ottawa and which we have opened in Brazil, the Argentine and Chile. It is also fortunate that we should have established with these countries at this time of war the foundations for closer trade relations in the post-war era. When the war is over the way will already have been paved for the immediate development of trade on as large a scale as may be possible. This service will be due in no small measure to the trade mission which the Minister of Trade and Commerce headed last fall. This Chamber will, I feel sure, permit me to extend to him the congratulations of honourable senators upon the success of the mission and his leadership of it.

I desire to complete this general statement by reading some excerpts from the very valuable information given to the other House by the Minister of Trade and Commerce, who negotiated these treaties. I will limit my review of that information to commercial features, but I would suggest that honourable members who have not read the whole discussion would be well advised to do so. They will find it in the House of Commons Debates of February 27. It not only deals with the situation in those countries and gives figures as to their various productions, but also refers to the exceptional development that has taken place in South America.

The Minister says:

> The success of our trade mission was unique, inasmuch as we accomplished our objective in each country visited.

He pays tribute to the personnel of the party and mentions as one of the principal negotiators the Deputy Minister of Trade and Commerce, Mr. Wilgress, whose experience in matters of external trade is well known to every honourable senator. Another member of the party was Mr. Yves Lamontagne, Director of Commercial Relations in the Department of Trade and Commerce, who, the Minister says, was of great strength to the mission, "and his inclusion in it, with his bilingualism, made a definite appeal wherever we went." Then the Minister goes on:

> Mr. Escott Reid, of the Department of External Affairs, not only ably represented that department in familiarizing himself with conditions in the various countries visited, but by his tact and courtesy made a definite contribution. The very important and exacting work of secretary of the mission was most capably handled by Mr. A. C. L. Adams.

The objective of the mission was not immediate results, although we hoped to get and are getting these, but rather the laying of the best possible foundations upon which after-the-war trade can be effectively built.

Countries visited included Ecuador, Peru, Chile, Argentina, Uruguay and Brazil, all south of the equator.

The mission's visit had several aims. The general objective was exploratory. We desired to investigate opportunities for the development of reciprocal trade between Canada and the countries visited and, when and where possible, remove obstacles which hindered progress in commercial relations. Powers were conferred upon me by the Governor in Council enabling me to conclude most-favoured-nation trade agreements, thereby removing or preventing discrimination against Canadian products in respect to tariff matters and exchange control.

An important aspect of the visit was the furtherance of goodwill. The mission found during its tour that in all the countries visited there was the highest regard for Canada and a general desire to strengthen trade relations.

The mission was received with the utmost courtesy on its arrival in each country. We were accorded the greatest hospitality and every possible facility was extended to us.

In each country visited the Press devoted very considerable space to the activities of the mission and stressed the character and importance of the visit.

We first visited the countries on the Pacific coast, Ecuador, Peru and Chile, in the order given.

Up to the time of our visit Canada possessed no trade agreements with these countries. A feature of Canada's trade common to all three countries is the fact that over the last decade their balance of trade has been favourable to Canada. The favourable balance for 1940 with the three countries was $2,181,000, and for 1941, $654,000.

Compared with Canada's trade with the world, our trade with the countries on the western coast of South America is small, but the figures assume greater significance to them because their export and import trade is on a considerably smaller scale than ours.

Trade is an exchange of goods, a two-way process, and if we are to continue to sell our products abroad we must be ready to reciprocate. To the extent at least that we can increase our purchases from all the Latin-American countries, we shall make it possible for them to increase their purchases from Canada.

It is interesting to note that while the balance of trade between Canada and Argentina and Brazil was favourable to Canada in 1938, it became favourable to these two countries in 1940. The volume of trade in both directions has in fact expanded, which is a satisfactory development. In 1941 Brazil increased its favourable balance, but the balance became favourable to Canada in regard to Argentina.

With respect to Uruguay, we find that taking 1939 and 1940 together, our exports to and imports from that country are about balanced, whereas in years prior to 1939 the balance of trade has been in Canada's favour. In 1941 the balance was again substantially favourable to this country.

The six countries of South America visited by the mission are inhabited by 75 million people. Brazil has about 45 million inhabitants, Argentina about 13 million, and Chile a population of 5 million. The total population of this group of countries, therefore, is 63 millions, or approximately 84 per cent of the total population of the six countries visited.

The total imports of these six countries amounted to an aggregate value of $956,800,000 in United States dollars in 1938, Argentina, Brazil and Chile together accounting for 88 per cent of this total (United States, $838,500,000). This gives an idea of the purchasing power available in these three countries alone.

The aggregate exports of these six countries were approximately $1,020,000,000 in United States dollars in 1938, the share of Argentina, Brazil and Chile being 86 per cent of this total (United States, $872,400,000).

In 1938 Canada's exports to the six countries totalled $9,961,000 (in each case United States dollars), of which $8,801,000 or 87 per cent were consigned to Argentina, Brazil and Chile. In 1940 our total exports to the six countries amounted to $14,874,000, of which Canadian exports to Argentina, were $6,107,000, to Brazil $5,063,000 and to Chile $1,436,000, or 85 per cent of the total. In 1941 the total was $20,092,000 —$7,172,000 to Argentina, $8,097,000 to Brazil and $1,788,000 to Chile, these three countries again taking 85 per cent of the total.

Canada's total imports from the six countries in 1940 amounted to $14,129,000 ($12,960,000 or 92 per cent from Argentina, Brazil and Chile), and in 1941 the total was $28,134,000, of which 87 per cent came from these three countries.

As a matter of reference, I should like to put these figures on Hansard in tabular form:

Population and Trade of Six Countries Visited

	Population (estimated)	Imports 1938 U.S. $	Exports 1938 U.S. $
Argentina	13,000,000	442,600,000	437,600,000
Brazil	45,000,000	292,700,000	296,100,000
Chile	5,000,000	103,200,000	138,700,000
Ecuador	2,800,000	10,300,000	11,700,000
Uruguay	2,200,000	48,600,000	58,900,000
Peru	7,000,000	59,400,000	77,200,000
Total (A)	75,000,000	956,800,000	1,020,200,000
First 3 countries	63,000,000	838,500,000	872,400,000
P.C. of total (A)	84 per cent	88 per cent	86 per cent

Trade of Canada with the Six Countries Visited

Canadian Dollars

In 1938—	Canadian exports to:	Imports from:	Balance of trade
Argentina	4,675,000	2,149,000	+ 2,526,000
Brazil	3,522,000	769,000	+ 2,753,000
Chile	604,000	179,000	+ 425,000
Ecuador	52,000	28,000	+ 24,000
Uruguay	216,000	137,000	+ 79,000
Peru	892,000	3,005,000	— 2,113,000
Total (B)	9,961,000	6,267,000	+ 3,704,000
First 3 countries	8,801,000 (87%)	3,097,000 (50%)	+ 5,704,000
In 1940—			
Argentina	6,107,000	6,542,000	— 435,000
Brazil	5,063,000	6,243,000	— 1,180,000
Chile	1,436,000	175,000	+ 2,261,000
Ecuador	131,000	26,000	+ 105,000
Uruguay	610,000	431,000	+ 179,000
Peru	1,527,000	712,000	+ 815,000
Total (C)	14,874,000	14,129,000	+ 745,000
First 3 countries	12,606,000	12,960,000	— 354,000
P.C. of total (C)	85 per cent	92 per cent	
In 1941—			
Argentina	7,172,000	4,764,000	+ 2,408,000
Brazil	8,097,000	19,444,000	— 11,347,000
Chile	1,788,000	233,000	+ 1,555,000
Ecuador	162,000	170,000	— 8,000
Uruguay	931,000	688,000	+ 243,000
Peru	1,942,000	2,833,000	— 891,000
Total (D)	20,092,000	28,134,000	— 8,042,000
First 3 countries	17,057,000	24,443,000	— 7,386,000
P.C. of total (D)	85 per cent	87 per cent	

Previous to our visit Canada had no direct trade treaty with Chile.

In 1931 Chile and the United Kingdom concluded a trade arrangement on the basis of most-favoured-nation treatment, and in the past certain countries had been granted special concessions by Chile in trade agreements, but these advantages had not been extended to Canada.

Negotiations between Canada and Chile had been undertaken early in 1936 on the basis of most-favoured-nation treatment, but little progress was made, one of the main reasons being that the balance of trade between the two countries was unfavourable to Chile. Another problem was the granting of foreign exchange by Chile for the purchasing of Canadian goods. Chile, however, was anxious to obtain the advantages of the Canadian intermediate tariff as regards one of its most important exports—nitrates.

A trade agreement between Canada and Chile was signed at Santiago on September 10, 1941. Based upon mutual concession of most-favoured-nation treatment in matters pertaining to tariffs, import quotas and foreign exchange control, the treaty provides—

I do not know whether the particulars are of interest to honourable members, but I will give them for Chile, taking it for granted that they cover similar ground in the other treaties. I mention them also for the benefit of honourable senators who have had something to do with negotiating trade treaties. These matters appear as difficulties to be met and solved in every trade treaty negotiated by Canada. The treaty provides:

(a) For the extension to Chile of the benefits granted under Canada's intermediate tariff as regards imports into Canada from that country. In return, Canadian goods exported to Chile enjoy the rates of duty under the minimum tariff.

(b) On the basis of most-favoured-nation treatment, Canada enjoys the benefits of any reductions which may be granted to other countries by Chile, and, conversely, Chile is granted any reductions under the intermediate tariff which Canada may grant as a result of tariff negotiations with other countries or otherwise.

(c) The tariff advantages which Canada may grant to imports from Empire countries are excluded under the provisions of the agreements, as well as the treatment which Chile may reserve to imports from contiguous countries.

Where governments have established monopolies which affect the production, sale or importation of certain products, provision is made for fair and non-discriminatory treatment by the respective signatories of the trade agreement.

The agreement also provides against discrimination with respect to internal taxes and charges on imports.

Provision is made for consultation between Canada and Chile on the various matters covered by the agreement so that mutually satisfactory adjustments may be effected when measures are taken which may impair any of the objects of the agreement.

Exemption from the provisions of the agreement is made with respect to measures relating to public security, the enforcement of police or revenue laws and regulations, and the measures affecting imports and exports of gold and silver, and of war materials.

Special advantages granted to adjacent countries in order to facilitate frontier traffic and any advantages accorded to a third country resulting from a customs union are also exempted from the provisions of the agreement.

The agreement is for a period of two years.

I am outlining the agreement with Chile in detail as the agreements signed with Argentina and Brazil are practically identical, except that in the agreement with Argentina the special situation existing between that country and Peru as regards matters pertaining to foreign exchange is recognized. This agreement also recognizes the situation which exists as regards the conditions which govern trade between Argentina and the United Kingdom at the present time, although this matter is not referred to in the text of the agreement.

In brief Canada and Chile extend to each other most-favoured-nation treatment as regards tariff and all matters relating to control of foreign exchange and imports, with certain derogations relating to advantages granted by Canada to the British Empire on the one hand and, on the other, by Chile to its contiguous countries.

The agreement also provides that products of Canada and Chile imported into the other country are not to be subject, with certain specified exceptions, to internal taxes, fees, charges or exactions higher than those payable on like articles of national origin or any other foreign origin.

Provision is also made that nitrate of soda and iodine, two important natural products of Chile, shall not be subject on importation into Canada to any form of quantitative control of imports less favourable, nor to duties or charges higher than, like products, natural or synthetic, originating in any other foreign country.

The trade agreement provides that it is to come into force thirty days after exchange of ratifications, and provides that it is to remain in force for two years.

Advantages to Canada. By assuring reciprocal most-favoured-nation treatment in respect to tariffs and exchange control, the trade agreement signed between Canada and Chile guarantees Canadian exports against discrimination in the event that Chile should conclude agreements with other countries providing for reductions below Chile's minimum tariff.

There are in force in Chile some conventional rates of duty, lower than the normal tariff, which will be accorded to imports from Canada under the agreement. These arise mainly from a trade agreement between Chile and France signed January 16, 1936. Among the products to which these reduced duties apply are preserved meats and vegetables, certain cotton yarn and cloth, medicinal preparations, gloves and certain other leather manufactures, wool and silk clothing, certain chemicals, structural iron and steel, toilet preparations, wallpaper and some other paper manufactures.

Advantages to Chile. The trade agreement assures Chile of the benefits accruing from Canada's intermediate tariff and removes the 3 per cent special excise tax on the duty paid value of imports when such imports are dutiable under Canada's general tariff. Canada's imports from Chile have consisted mostly of sodium nitrate, manila fibre, field seed and fresh onions, manganese oxide and undressed furs.

The principal commodities which Canada exports to Chile are: newsprint, rubber tires, farm implements, asbestos, rubber, boots and shoes, electric apparatus, iron pipes and fittings, rubber belting, wood pulp, soda and sodium compounds. Sawn lumber has recently been added to this list. Among the minor items are herrings, dry-salted; whiskey; canvas shoes with rubber soles; artificial silk manufactures; veneers and plywood; wallpaper; needles; hardware; storage batteries; telephone and telegraph apparatus; medicinal preparations and brushes.

I see a note here that may be of interest.

We have instituted an intensive study of what additional purchases can be made from Chile, for an unbalanced trade can not be continued with satisfactory results indefinitely. With European wine supplies cut off indefinitely there might be a market in Canada for the excellent Chilean wines which are held in high favour wherever used.

Then I come to Argentina, and the advantages that we hope to derive from the agreement with that country, and those which that country may expect under the agreement. In order not to tire the Senate with the details, I would ask leave to place them on Hansard without reading them.

The trade agreement with Argentina is the first direct arrangement concluded between the two countries, and in many respects it is a most important agreement. It places our trade relations with Argentina on a secure basis.

Up till November 15 last, Canada's trade with Argentina had been regulated under the provisions of a Treaty of Amity, Commerce and Navigation signed by Argentina and Great Britain in 1825, or 42 years before Confederation. This treaty placed trade between Argentina and the British Empire on a reciprocal most-favoured-nation basis, but there had arisen doubts as to the rights which Canada enjoyed under the treaty. There was uncertainty, for instance, that Canada would be assured of the benefits of the reductions in rates of duty which Argentina was to grant the United States as a result of the trade negotiations which had just been carried on between Argentina and the United States. These were nearing conclusion when the Canadian trade mission arrived in Argentina. There were also uncertainties resulting from Argentina's foreign exchange control system.

As a result of the new trade agreement, the situation as regards foreign exchange control has been clarified. The agreement came into effect provisionally on November 15, and is to come definitely into force thirty days after the exchange of ratifications. It is to remain in force for a period of two years, and thereafter until termination by either government.

As Argentina was already enjoying the advantages of the intermediate tariff of Canada, it was not necessary to pass an Order in Council to implement the agreement.

The trade agreement contains an article (Article II) dealing with foreign exchange control which recognizes the special situation whereby the trade between Argentina and the United Kingdom is regulated under a payments agreement.

Argentina agrees to grant Canada treatment not less favourable than it accords to other countries in matters pertaining to the rates and the allocation of foreign exchange which Argentina makes available for commercial transactions, excluding, however, the special advantages which Argentina extends to imports from countries contiguous to Argentina, and to Peru.

This means that Canada is assured of as favourable treatment in the granting of exchange as that which Argentina may accord to the United States and other countries not excepted under the provisions of Article II.

It may be added that the United States, under a treaty signed with Argentina on October 14 last, also made substantially the same reservations that are provided for under Canada's trade agreement with Argentina.

Under the new agreement, Canadian exporters are assured against discrimination during the life-time of the agreement.

Canada will also enjoy, under the most-favoured-nation clause, the benefits of certain reduction in duties granted by Argentina to the United States under a treaty between the two countries which was signed at Buenos Aires on October 14, and which was applied provisionally on November 15 last, which by coincidence, is also the date on which our agreement with Argentina also, provisionally, came into force.

The main commodities of interest to Canada and the percentage reductions from the existing net duties in Argentina's customs tariff are shown below:

Commodities	Reduction Per cent
Canned salmon and canned mackerel...	40
Apples (October 1 to January 31).....	50
Pears (October 1 to December 31).....	50
Sardines, canned, in tomato sauce, mustard or cottonseed oil.....	30
Asbestos linings.....	25
Containers for storage batteries.....	12·5
Insulating board.....	20

Canada's total trade with Argentina during 1932 and 1933, at the bottom of the world economic depression, averaged $4,096,000 yearly. In 1941 the value of the total trade between the two countries amounted to $11,935,856, imports from Argentine being $2,408,000 less than Canadian exports to that country. Statistics for the period 1932 to 1941 are shown in the following table:

	Canadian exports	Imports from Argentina
1932.....	$2,961,854	$ 992,323
1933.....	2,653,386	1,584,598
1934.....	4,248,609	3,082,522
1935.....	3,968,421	3,286,791
1936.....	3,426,051	10,787,360
1937.....	7,294,191	6,242,263
1938.....	4,675,489	2,149,160
1939.....	4,116,923	4,406,456
1940.....	6,107,215	6,541,862
1941.....	7,172,104	4,763,752

(Note.—Imports from Argentina reached a high level in 1936 because of large imports of maize.)

Canada's main exports to Argentina in recent years have been newsprint, farm implements, seed potatoes, electric apparatus. Other exports include apples, lumber, asbestos, calcium carbide, manufactures of iron and steel, wrapping paper, woodpulp, wallboards, fox skins, paints, dried cod and other fish products.

Canada's chief imports from Argentina are: hides and skins, flax seed, maize, canned beef, quebracho (tanning extract), raw wool, horse hair, casein and glycerine for refining.

Under the new trade agreement, Argentina is assured of continuation of most-favoured-nation treatment, whereby goods imported into Canada from Argentina are subject to the rates under Canada's intermediate tariff, and to the benefit of reductions which may be granted to other countries.

Canada concluded a most-favoured-nation trade agreement with Uruguay in 1936. The provisions of this treaty, however, had not been fully implemented, as certain difficulties had arisen regarding the granting of foreign exchange for the payment of imports of Canadian goods into Uruguay.

The discussions, therefore, had as their objective the removal of the difficulties which existed. A very satisfactory understanding with the Government of Uruguay was arrived at, which was embodied in a signed memorandum. The effect of this agreement should be reflected by an increase in our exports to Uruguay, our trade in seed-potatoes and agricultural implements standing to benefit most.

Uruguay is a most progressive republic and Montevideo a most beautiful city of over 800,000 people. Its people are very pro-democratic. We spent four days in all in Uruguay, returning to Buenos Aires before leaving for Brazil.

On October 6 we landed in Brazil, at Santos, the port for the tremendously rich Sao Paulo province, travelling the fifty miles from Santos to Sao Paulo city by a railway which carries trains up from the coast valley by a series of cables, some 2,500 feet in ten miles. The city of Sao Paulo is one of the most rapidly growing cities, I believe, of the western hemisphere. The city has a population of one million and a quarter and is fully modern and well planned. While the Canadian trade mission was in Brazil we were at all times the guests of the Government. We were in Rio ten days.

Canadian exports to Brazil are thus assured against discrimination in respect to tariffs and exchange control.

The Brazilian tariff consists mainly of a minimum tariff and a general tariff under which the rates are approximately one-quarter higher than the minimum tariff. Some rates, lower than the minimum, granted to the United States under an agreement with Brazil in February, 1935, are also extended to imports from countries enjoying most-favoured-nation treatment.

Prior to the war, Brazil was second to Argentina among the Latin-American markets for Canadian products, but an increase in Canada's exports to Brazil since 1938 made Brazil our most important Latin-American customer in 1941. Concurrently with an increase in Canadian exports to Brazil since the war

began, there has been a substantial rise in Canadian imports from that country, mainly due to our purchases of Brazilian cotton.

Canada's total trade with Brazil since 1932 is shown in the following table:

	Total exports to Brazil	Total imports from Brazil	Balance of trade
	$	$	$
1932.....	1,136,043	754,227	381,816
1933.....	1,897,688	543,090	1,354,598
1934.....	2,606,702	806,548	1,800,154
1935.....	3,500,440	996,339	2,504,101
1936.....	3,627,931	874,613	2,753,318
1937.....	5,002,552	847,805	4,154,747
1938.....	3,521,766	768,915	2,752,851
1939.....	4,406,789	1,111,291	3,295,498
1940.....	5,062,829	6,243,344	— 1,180,515
1941.....	8,097,143	19,443,946	—11,346,803

Canada's most important exports to Brazil in recent years have included sewing machines, newsprint, lead in pigs, wood pulp, dressed furs, asbestos, malt, manufactures of felt, upper leather, iron pipes and fittings, rubber tires, rubber belting, electrical apparatus, farm implements, machinery, apples and dried fish.

Among the items of lesser importance the following may be mentioned: whisky, rubber goods, textile products, wall-board, hardware, lamps and lanterns, abrasives, fertilizers, mineral pigments, paints and calcium carbide.

Brazil's main exports to Canada include cotton, cotton seed oil, coffee, rice, iron ore, castor oil, and cattle hides. Under the agreement, Brazil enjoys the benefits of the Canadian intermediate tariff and any reductions in rates which may be granted under the tariff to other countries.

The officials of Brazilian Traction, both at Rio and at Sao Paulo, arranged that we inspect their huge projects at these points, and at all times during our Brazilian stay the officers of these great Canadian developments did everything to make our visit interesting and profitable. Time does not permit of an extended account of the kindnesses and hospitality extended to the Canadian mission in this entrancingly beautiful and interesting city of Rio de Janeiro and at Therezopolis and Petropolis.

Canada's new Minister to Brazil had arrived shortly before us and the result of this was that we participated in the great reception that Brazil extended to Mr. Desy. Brazil has welcomed Mr. Desy with open arms, and Canada is very happily represented in this great country larger in extent than the United States. Our Minister to the Argentine and Chile, the Honourable Mr. Justice Turgeon, passed us on his way to these countries while we were leaving Brazil.

The Latin-American countries are among the few markets which have remained open to us since the outbreak of the war in Europe over two years ago. They constitute markets which we did not cultivate sufficiently before the war.

Our trade statistics show that we can, and have been able to, increase Canadian exports to Latin America. In 1938 the value of our aggregate exports to the 20 Latin-American republics totalled $17,739,000. In 1940 these exports had risen to $26,190,000 in value, an increase of approximately 50 per cent. For the first ten months of 1941 the value of our total exports to the Latin-American republics exceeded by about $850,000 our exports during the twelve months of 1940, so that the figures for the twelve months of 1941 will show a considerable increase over 1940.

The three trade agreements signed in the course of the mission's tour in South America, the modus vivendi concluded with Ecuador, the arrangement effected with Uruguay as regards foreign exchange, the goodwill created and the publicity accorded to Canada in these countries and in Peru as a result of the tour constitute, we believe, very modestly, much progress in the right direction. These trade agreements were concluded with a view to improving reciprocal trade relations between Canada and the countries concerned, and the necessity of that trade being reasonably reciprocal must be borne in mind by our importers and exporters and by Canadians generally.

With this information, I will move the adoption of these resolutions. If there are any questions that any honourable member of this House desires to put to me concerning Argentina or Brazil, I shall take pleasure in endeavouring to answer them, but I feel confident that the answers will be found in the statement, which will appear on Hansard.

Hon. C. MacARTHUR: Honourable senators, I am wondering why such an important matter as this was not considered in committee in the other House, or why that House did not have some details of the concessions granted. Usually when you make concessions there is a quid pro quo, and we ought to know whether we are gaining or losing. It seems that the Minister of Trade and Commerce is handling this matter entirely on his own, and, as there are several other countries in South America, they no doubt will be coming along with other agreements. Boiling down all the verbosity we have had, what does it amount to? What is it we have given to these countries, and what are we getting? So far as I am able to see, in all this long discourse there is no mention of the articles manufactured in those countries, what their industries are, or what we are getting from them or are giving to them. I think matters of this kind should be considered in committee in the other place, and that we should have upon Hansard some definite information as to what items of the manufacture of these countries are being exported to us, and what we, in return, are exporting to them. In short, I should like to know how this all works out. It may be favourable or it may not. I have every confidence in the ability of the Minister of Trade and Commerce to make a good bargain; but in order to make a bargain there have to be concessions. There must be give and take.

What bothers me is why this matter should come to us in this form. It seems to me we should have some idea of the articles on which

these countries are making concessions and the articles on which we are asked to make concessions, so that we might strike a balance and see how we stand. The right honourable leader referred to our trade with several countries in South America that are not mentioned in the three agreements. That does not come into this matter. What we have to deal with are the agreements with these three countries. We should be told something of what their imports have been and what ours have been, and then we should try to strike a balance between what we are giving to them and what they are giving to us. I am positive that another resolution will be introduced in the House of Commons with regard to several countries in South America, and I cannot understand why the Minister of Trade and Commerce did not make a job of it at one time, instead of doing the thing piecemeal like this. We talk about reciprocity with the United States, and it is still a live question whether we are gaining or losing under our arrangements with that country. It is just as important to know how we are to come out under these agreements with the South American countries. We desire to be friendly, of course. We do not want to bicker about a few dollars, but we should know whether or not we are on the right side of the books.

Hon. J. A. CALDER: Honourable senators, by these resolutions this Chamber is asked to approve three treaties. We have had a very lengthy and, in many ways, interesting statement from the right honourable gentleman who leads the House (Right Hon. Mr. Dandurand), but I feel certain that the majority of honourable members present at this time, at any rate those who are interested, would like to have an opportunity of at least peeping at the treaties. I have not yet seen one of them. I do not know whether they have been distributed. Nevertheless, we are asked by these resolutions to approve them. It seems to me we should take a little time about this. Personally, I thoroughly approve of the idea of most-favoured-nation tariffs, or whatever they are called. There are tariffs that we have with nations that make reciprocal arrangements: I am not acquainted with the technical terms that are used with regard to them. As I say, I thoroughly approve of the idea. It is a very desirable thing; there is no question about that. In the past this House has approved a goodly number of treaties of the character of the ones now before us. But as to these, all the information we have had is what has been given us by the right honourable leader to-night. While he was speaking there was a good deal of whispering going on around me, and a good deal on the other side of the House; so I very much doubt if we have taken in all the information and understood what it all means.

I am convinced that honourable members of this House would like to know a little more definitely just what they are being asked to approve. I think it is desirable that we should let this matter stand over until at least to-morrow, and in the meantime it would be an advantage if we could get a copy of these treaties, so that we might look them squarely in the face and see just what they are. Then we should be in a better position to justify any vote we might give.

There is no question at all in my mind that from now on Canada will have to do all she can to improve her trading relations throughout the world. We all now have a fairly good picture of the conditions that exist in what was to a very large extent a good market for us, a vast territory on another continent, probably on two other continents, that has been completely overrun and left in a terribly disorganized condition, in so far as purchasing power is concerned. That is the situation we have to face, and it seems to me the more attention we can give to a continent like South America, where such conditions do not exist, the better for Canada.

I feel quite sure that the Government has proceeded along well defined lines that have been followed in the past, and that everything in the treaties is reasonably sound. Nevertheless, I believe it would be wise to allow the resolutions to stand over long enough to give honourable members who may be interested an opportunity to look over these documents.

Right Hon. Mr. DANDURAND: I desire to state that these agreements were laid on the Table in November last, but were not printed nor distributed. I would suggest to my honourable friend that we might refer these resolutions to the Committee on Banking and Commerce.

Hon. Mr. CALDER: I agree.

Right Hon. Mr. DANDURAND: We could have the Minister and Mr. Wilgress, the Deputy Minister, appear before the committee and tell us what these agreements would mean for Canada. If that is satisfactory to honourable members, I shall gladly arrange to have these gentlemen present. I should like to remind the House that all senators, including those who are not members of the committee, are free to attend its meetings, ask questions and join in the discussion. All non-members who avail themselves of this opportunity will receive the same first-hand information as

senators who actually are on the committee. If it is agreeable, instead of moving that the resolutions be adopted now, I will move that they be referred to the Committee on Banking and Commerce.

Hon. Mr. CALDER: When I rose I had intended to move that the resolutions be referred to the Committee on Banking and Commerce, but I forgot to do so. I think the proper procedure is to deal with this matter before that committee. As stated by the honourable senator from Prince (Hon. Mr. MacArthur), what this House will want to know, as exactly as possible, is what we are giving to each of these nations and what they are giving to us. What privileges are we granting to Chili, Argentina and Brazil? On the other hand, what advantages do we get from them? That is the meat of the question. It should not take very long to get that information in the Banking and Commerce Committee.

Hon. C. P. BEAUBIEN: I thank the right honourable gentleman for the suggestion he has made. May I point out that the treaties themselves probably contain very little; usually they have only three or four clauses. We cannot judge the merits of these trade agreements unless we have a detailed list of imports and exports. By these trade agreements we are to give to Chile, Brazil and the Argentine Republic the best possible tariff treatment apart from what is accorded to Great Britain. Is it dangerous for us to do that? Since the Minister of Trade and Commerce recommends approval of these trade agreements, I assume there is no danger in our taking this course. But the Argentine produces a tremendous quantity of beef.

Hon. Mr. CALDER: And wheat.

Hon. Mr. BEAUBIEN: Yes. Their beef is forwarded to Great Britain in competition with ours. I know how cheap cattle are in the Argentine, for I have been there. They are brought to Buenos Aires practically on the hoof, and slaughtered, and the beef is sent directly to Great Britain in refrigeration boats. There its high quality commands a substantial price. The Argentine also exports wheat to Great Britain. I assume the Minister has given very serious consideration to those two items. Chile exports tobacco—another commodity which we produce. Therefore we have to protect our farmers with respect to cattle, wheat and tobacco. There may be other items as to which we must be very prudent, in giving substantial advantages in our market to exporting countries. I do not know how long these trade agreements are to run, or what notice is required for their termination, whether six months, a year or two years. We should also bear in mind the Atlantic Charter, sponsored by Great Britain and the United States, which clearly intimates that after the war there must be a much freer circulation of commodities throughout the world, the intent, it seems to me, being to get rid of tariffs as far as possible.

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. BEAUBIEN: I do not know whether that policy is possible so far as Canada is concerned.

Hon. Mr. DUFF: Why not?

Hon. Mr. BEAUBIEN: I do not know what would happen if we abolished our tariffs altogether. It might lead to economic disaster. But at any rate it is important that we should have full information on these points. So when the Minister of Trade and Commerce or someone from his department appears before our committee, I should like him to produce a detailed list of all exports from those countries.

Right Hon. Mr. DANDURAND: From those countries?

Hon. Mr. BEAUBIEN: Yes; their exportation. Their importation is not important. We have sold them all we can.

Hon. Mrs. WILSON: The Minister's speech contains very full details.

Hon. Mr. BEAUBIEN: I have not read the Minister's speech. Neither have I heard the right honourable leader of the House mention in detail the exports from those countries.

Hon. Mr. MURDOCK: Here are two paragraphs.

Hon. Mr. BEAUBIEN: It should be explained, for instance, how it is that beef from the Argentine will not be in competition with our own; and there may be other items in the same classification.

Hon. Mr. COTE: Before the resolution is submitted to the committee, may I say now what I had intended to say before the motion was made? I have a feeling that no member of this House would refuse his willing and ready assent to the resolution, for the treaties which have been signed are, I think, the expression of a popular desire in this country that Canada should by reciprocal arrangements increase its trade both ways with the South American republics. Whether we are giving more than we are receiving under the treaties I do not know, but I am not assuming that we are.

Right Hon. Mr. DANDURAND: The balance manifestly has been in our favour; which explains why those countries were somewhat reluctant to enter into trade agreements with us.

Hon. Mr. BEAUBIEN: Under the old system.

Hon. Mr. COTE: I am not challenging that statement. I have just said I am not assuming that we are giving more than we are to receive. I shall be pleased indeed to be given the details when the matter is discussed before the Standing Committee on Banking and Commerce.

But I do wish to add this in connection with South America. I for one welcome the enlargement of our diplomatic service by the accrediting of representatives to the Argentine Republic and Chile and Brazil. It is given to me so seldom to compliment the Administration—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. COTE: —that I think I should not miss this opportunity to commend it very highly for the two diplomatic appointments recently made. First is the appointment of Mr. Justice Turgeon as our Minister to the Argentine and Chile. Hon. Mr. Turgeon needs no introduction to the members of this House or to the Canadian public. He is a man of high commercial and legal attainments. The other is the appointment of Mr. Désy to Brazil. I know him well. I met him in Paris when he was Secretary to our Legation there. Later he went as our Minister to the Netherlands. He is well known as a man of broad culture, wide knowledge, and great skill and tact. The names of these two Ministers have not been mentioned during the course of the debate, but I feel that by their presence and their work in the capitals of the Argentine and Chile and Brazil they must have been in large measure responsible for the very successful mission that the Minister of Trade and Commerce headed to Latin America.

Some Hon. SENATORS: Hear, hear.

The motion to refer the resolutions to the Standing Committee on Banking and Commerce was agreed to.

PRECIOUS METALS MARKING BILL

SECOND READING

Right Hon. RAOUL DANDURAND moved the second reading of Bill 4, an Act to amend the Precious Metals Marking Act.

He said: This is a very short Bill. Its purpose is to bring the Precious Metals Marking Act of Canada into line with the regulations of the United States regarding the marking of precious metal, as imposed by the Bureau of Standards in that country. A large part of the spectacle ware used in Canada is imported from the United States and complications have arisen owing to the fact that there is a slight difference between the imported article and the domestic product. At the almost unanimous request of the Jewellers' Association of Canada—an association which comprises all manufacturers as well as retailers—there being only one dissenting voice, this legislation is introduced to make the regulations uniform. The effect is trifling, and as regards the protection of the general public there will be no difficulty whatever.

With this explanation I move the second reading of the Bill.

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

THIRD READING

Right 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. L. COTE moved the second reading of Bill B, an Act to incorporate the Canadian Dental Association.

He said: Honourable senators, the Canadian Dental Association is an unincorporated association which has been in existence for forty years. Its membership consists of the dentists and the dental surgeons in the various provinces of Canada, in each of which the association has a branch. The object of the association is to promote the art of dentistry; to elevate and maintain professional standards; to disseminate knowledge as to the necessity of dentistry, and, as it is expressed in the Bill, of "oral hygiene" throughout the country.

The members of the association now desire to become incorporated in order that they may better achieve their objects, and the purpose of the Bill is simply to incorporate the existing Canadian Dental Association and give it powers which seem to be wholly proper and within the province of this Parliament to give.

When the Bill has been read a second time, I shall move that it be committed for study to the Standing Committee on Miscellaneous Private Bills.

Hon. Mr. FARRIS: Does the Bill purport to give the dentists powers of regulation and discipline?

Hon. Mr. COTE: It interferes in no way with provincial rights.

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

REFERRED TO COMMITTEE

Hon. Mr. COTE: I would now move that the Bill be committed to the Standing Committee on Miscellaneous Private Bills.

Right Hon. Mr. DANDURAND: I suppose there are provincial associations throughout the country. Are they joining in this movement?

Hon. Mr. COTE: I may inform the right honourable leader that all the provincial associations, which are branches of the main body, are joining in the application.

Hon. Mr. FARRIS: But the dental societies of some of the provinces do not belong.

Hon. Mr. COTE: They all belong.

Hon. Mr. FARRIS: British Columbia?

Hon. Mr. COTE: Yes. My information is that all the provincial associations either belong as branches to the parent body or are affiliated with it, and they are joined in this application. In any event, this is a question of fact which can be taken up when the Bill comes before the standing committee for consideration.

Right Hon. Mr. DANDURAND: I do not know whether my honourable friend is a member of that committee.

Hon. Mr. COTE: No, I am not.

Right Hon. Mr. DANDURAND: I would suggest that consideration be given to the propriety of postponing the discussion in committee until the associations in all the provinces have been notified.

Hon. Mr. COTE: Oh, yes. The Bill can go to the committee on the understanding that notice will be given.

Right Hon. Mr. DANDURAND: I think it would be proper that the various provincial associations should be notified, and that they should be given an opportunity to be represented.

Hon. Mr. COTE: That is quite a proper suggestion. I will tell the promoters of the Bill to ask the Clerk of the Committee to notify all provincial branches and associations.

The motion was agreed to.

HONG KONG ATROCITIES

STATEMENT IN REPLY TO INQUIRY

Right Hon. RAOUL DANDURAND: Honourable senators, I have the statement which was made in the other House by the Prime Minister this afternoon, and to which the honourable gentleman from Winnipeg South-Centre (Hon. Mr. Haig) drew my attention. It reads as follows:

The following is the text of a question and answer given in the House of Commons at Westminster at 12 noon to-day, March 10, on the subject of Hong Kong atrocities. The question was as follows:

"To ask the Secretary of State for Foreign Affairs whether he is yet in a position to make a statement regarding treatment of military prisoners and civilians by Japanese army at Hong Kong after capitulation."

To this question the following Government statement was made in reply by the Right Hon. Anthony Eden, Secretary of State for Foreign Affairs:

"Yes, sir. Out of regard for the feelings of the thousands of relations of the victims, His Majesty's Government have been unwilling to publish any accounts of Japanese atrocities at Hong Kong until these had been confirmed beyond any possibility of doubt.

"His Majesty's Government are now in possession of statements by reliable eye-witnesses who succeeded in escaping from Hong Kong towards the end of January or early in February. Their testimony established the fact that Japanese army at Hong Kong perpetrated against their helpless military prisoners and civil population without distinction of race or colour the same kind of barbarities which aroused the horror of the civilized world at the time of Nanking massacre of 1937.

"It is known that 50 officers and men of the British were bound hand and foot and then bayoneted to death. It is known that ten days after capitulation wounded were still being collected from the hills, and Japanese were refusing permission to bury the dead. It is known that women, both Asiatic and European, were raped and murdered, and that one entire Chinese district was declared a brothel, regardless of status of inhabitants.

"All the survivors of the garrison, including Indian, Chinese and Portuguese, have been herded into a camp consisting of wrecked huts without doors, windows, light or sanitation. By the end of January 150 cases of dysentery had occurred, but no drugs or medical facilities were supplied. The dead had to be buried in a corner of the camp. The Japanese guards are utterly callous, and the repeated requests of General Maltby, the General Officer Commanding, for an interview with the Japanese Commander have been curtly refused. This presumably means that the Japanese High Command have connived at the conduct of their forces. The Japanese Government stated at the end of February that numbers of prisoners in Hong Kong were British 5,072, Canadian 1,689, Indian 3,829, others 357, total 10,947.

"Most of the European residents, including some who are seriously ill, have been interned, and, like the military prisoners, are being given only a little rice and water and occasionally scraps of other food.

"There is some reason to believe that conditions have been slightly improved since the date on which the eye-witnesses, whom I have quoted, escaped, but the Japanese Government have refused their consent to a visit to Hong Kong of a representative of protecting power, and no permission has yet been granted for such a visit by representative of International Red Cross Committee. They have in fact announced that they require all foreign consuls to withdraw from all territories they have invaded since the outbreak of the war. It is clear that their treatment of prisoners and civilians will not bear independent investigation.

"I have no information as to condition of our prisoners of war and civilians in Malaya. The only report available is a statement by the Japanese official news agency of March 3 stating that 77,699 Chinese have been arrested and subjected to what is described as 'a severe examination.' It is not difficult to imagine what that entails.

"I am sorry that I have had to make such a statement to the House. Two things will be clear from it, to the House, to the country and to the world. The Japanese claim that their forces are animated by a lofty code of chivalry, bushido, is a nauseating hypocrisy. That is the first. The second is that the enemy must be utterly defeated. The House will agree with me that we can best express our sympathy with the victims of these appalling outrages by redoubling our efforts to ensure his utter and overwhelming defeat."

The Prime Minister, Mr. King, added these remarks:

I am informed by our High Commissioner in London that, on the basis of information so far received, United Kingdom authorities agree that of all the reports of specific atrocities received to date none are alleged to have been committed against Canadians, but no reports show that in so far as general treatment of prisoners of war is concerned Japanese have made any differentiation between Canadians and other British troops.

Words cannot begin to express the sense of outrage and the feeling of bitter resentment to which this announcement of Japanese atrocities at Hong Kong is certain to give rise, among civilized peoples everywhere, and nowhere more than in the different countries of the British Empire and in the United States, with which Japan is at war.

Retribution for barbaric behaviour of the kind will follow in full measure in due course. Meanwhile, numbers of Canadians, both soldiers and civilians, in Hong Kong and in other parts of the Far East, are now and will continue for some time to be at the mercy of the Japanese forces. Remembering this fact, it is of the utmost importance that no act of vengeance should be permitted or taken against persons of Japanese origin in our country, since any such acts might be made an excuse for acts of retaliation upon Canadian soldiers or citizens in the Orient.

I may add that the Canadian Government, in conjunction with the Governments of Australia, India, the United Kingdom and the United States, are making every effort, both through the countries which are protecting their interests in enemy countries and through the International Red Cross, to get into personal touch with prisoners of war and others. The object of all these enquiries is twofold: to secure all possible authentic information, and also to bring such measure of relief in the nature of medical supplies, food and personal comforts, as can possibly be arranged.

EASTER RECESS

INQUIRY

On the motion to adjourn:

Hon. J. T. HAIG: Honourable members, I should like to ask a question of the leader of the House. I notice the Prime Minister has announced that the House of Commons will adjourn for the Easter recess from March 27 to April 20. Can the right honourable leader tell us what suggestion he will make for the Easter adjournment of this House?

Right Hon. Mr. DANDURAND: The House of Commons arranges its sittings and its adjournments to suit itself, and of course likewise the Senate is master of its own procedure. I have not yet looked into the question of when our Easter adjournment should begin and end.

Hon. Mr. HAIG: Honourable members, if I am permitted, I shall explain in a few words why I raised this question. It has been raised in this Chamber a hundred times before, I suppose, and I presume that after we all are gone it will be raised a hundred times more. We who live in distant parts of the country—and our number includes at least half the membership of this House—have to sit around day after day for considerable periods, kicking our heels. We certainly should like to have some idea of the dates of the Easter adjournment. Some of us have not much business, it is true, but we have at least a little to attend to, and I say to the right honourable leader that it is very unfair to us not to be informed of such dates at least two or three weeks in advance, in order that we may make certain necessary arrangements. The Prime Minister is giving the House of Commons nearly three weeks' notice of the adjournment of that House, and I think the Senate is entitled to at least as much notice.

Right Hon. Mr. DANDURAND: My honourable friend will recognize that my first duty is to find out what legislation must come to us before we adjourn. I shall try to get that information, through contact with my colleagues, as soon as possible, in order that I may make a statement to the House without any avoidable delay. It will be obvious that I must ask the Minister of Finance whether it is necessary that a money bill, in one form or another, be passed before we separate. I have

already made that inquiry and been told that that will have to be done, but I do not know when the bill may reach here, nor what it will cover.

I would remind my honourable friend that I am constantly preoccupied in trying to learn in due time what I can do in the interests of the country—for it is the country's interests that we are serving here—at the same time keeping in mind the convenience of honourable senators, especially those whose homes are distant. I repeat what I have often said, that I have considerable sympathy for honourable members who come from the extreme ends of the country, especially for those from the extreme West, who are unable to reach their homes in less than three or four days. They must naturally feel that we who live within one hundred miles of Ottawa are privileged, as we can pass our week-ends at home while they are waiting around here, sometimes doing nothing. I am aware of all this, and it is my particular interest to see that this family of ours which constitutes the membership of the Senate is treated as fairly as possible.

Before we adjourn I would express the hope that the Banking and Commerce Committee may meet to-morrow morning at eleven o'clock, to deal with the South American trade treaties. And if there is nothing on the Senate's order paper, we may continue to study these treaties in committee during the afternoon.

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

THE SENATE

Wednesday, March 11, 1942.

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

Prayers and routine proceedings.

TRADE AGREEMENTS WITH CHILE, BRAZIL AND THE ARGENTINE REPUBLIC

REPORT OF COMMITTEE—AGREEMENTS APPROVED

Hon. F. B. BLACK presented the report of the Standing Committee on Banking and Commerce on a message from the House of Commons acquainting the Senate that they had approved the trade agreements entered into with Chile, Brazil and the Argentine Republic and asking the Senate to concur in the said approval.

He said: Honourable senators, I may say for the benefit of those who were not at the meeting of our committee this morning that we had before us the Minister of Trade and Commerce and his Deputy, who gave us a very clear exposition of the points on these trade agreements, and answered all questions put to them to the satisfaction, I believe, of all members present. I move that the report be concurred in.

The motion was agreed to.

Hon. J. H. KING: Honourable senators, the right honourable leader (Right Hon. Mr. Dandurand) will not be present this afternoon, but he is desirous that we proceed with and approve these agreements.

As the Chairman of the Standing Committee on Trade and Commerce (Hon. Mr. Black) has stated, the committee this morning had before it the Minister of Trade and Commerce and his Deputy. I think their evidence was satisfactory, not only to members of the committee, but also to other honourable senators who attended. It should seem that we are fortunate in having concluded these trade agreements with the South American republics. The Minister, in his statement to the House of Commons, dealt very fully with the trade carried on by these countries with Canada up to the year 1941, and anyone who takes time to read that statement will find it very instructive. The Minister very properly and wisely, I think, referred to the courtesy and hospitality shown to him and to his delegation while they were visiting those great republics to the south. We in Canada do not fully realize the development that has occurred in those countries, and the great opportunity for trade and commerce with them.

I do not think it is necessary to extend my remarks further. I would move the resolutions, three in number, relating to the countries of Chile, Argentina and Brazil. The first is:

That it is expedient that the Senate and the House of Commons do approve the Trade Agreement between Canada and Chile, signed September 10, 1941, and that the Senate do approve the same.

Hon. J. A. CALDER: Honourable members, from what I hear, the clouds which appeared on the horizon yesterday have all disappeared. This, I understand, is chiefly because the agreements contain no details at all. They do not refer to specific imports or exports or anything of that kind. All they do, as I understand it, is to provide that each of the countries concerned shall give favoured-nation treatment to the other. Consequently I should think there can be no objection on the part of

any person. These agreements are very similar to, if not the same as, agreements we have made previously with other countries.

The motion was agreed to.

Hon. Mr. KING: I would move:

That it is expedient that the Senate and the House of Commons do approve the Trade Agreement between Canada and the Argentine Republic, signed October 2, 1941, and that the Senate do approve the same.

The motion was agreed to.

Hon. Mr. KING: In regard to the agreement between Canada and the Republic of Brazil, I would move:

That it is expedient that the Senate and the House of Commons do approve the Trade Agreement between Canada and Brazil, signed October 17, 1941, and that the Senate do approve the same.

Hon. Mr. MURDOCK: Honourable senators, I do not know anything about these agreements, and I doubt whether there are three members of this Chamber who have seen them. While it may be quite right and proper to adopt them, we are just being asked to become rubber stamps and approve of something we have never seen or read, and probably shall not see for some time, if ever.

Hon. Mr. KING: I think my honourable friend is hardly fair. This matter has certainly been discussed in the House of Commons, and the Minister made a very comprehensive statement there. My honourable friend, as a member of this Chamber, surely cannot have acquainted himself with all the information which was given in the House of Commons.

Hon. J. T. HAIG: Honourable senators, I had the pleasure of attending the meeting of the Committee on Banking and Commerce this morning. I went there in a quite critical frame of mind; my attitude was very much like that which has just been expressed by the honourable gentleman from Parkdale (Hon. Mr. Murdock); but when I heard the explanation given by the Minister, and especially that by the Deputy Minister, I had no criticism whatever to offer. They simply told us that they made the same agreements as are made with other countries. The Government of each of these countries agrees to extend to us whatever preferences it may give to any other country, and we in turn agree that any preferences we give to other countries shall be extended to these three countries. There are no special concessions on anything. These three nations apply favoured-nation-treaty provisions to us, and we do the same to them. It is not a case of our signing something blindly.

Hon. Mr. CALDER.

Last night I agreed with the honourable senator from Prince (Hon. Mr. MacArthur), but I changed my mind after attending the committee meeting this morning. I think I can say that at the committee we were completely convinced by the Minister, and especially by the Deputy Minister. I might say under my breath that I was delighted with the Deputy Minister. In my opinion the Government has made a good deal. The agreement will not result in a great volume of trade just now, on account of the war and the lack of shipping. That is the problem, the lack of shipping. But a good atmosphere has been created. I gathered from the Minister and the Deputy Minister that these countries feel friendly towards Canada, and that these agreements are but the beginning. I am not trying to defend the Government; I am simply saying that after what I heard at the committee I consider that a good deal, a reasonable deal, was made.

Hon. Mr. MURDOCK: May I ask my honourable friend a question? Is it most-favoured-nation treatment that is involved, or the intermediate tariff?

Hon. C. P. BEAUBIEN: It is the same thing.

Hon. Mr. HAIG: It is favoured-nation treatment. If one of these countries negotiates with the United States, for instance, and makes some special concession to that country, it would have to make the same concession to us. That is favoured-nation treatment. We have to extend the same treatment to them. If we make any special concession to any nation in the same territory as Chili, Brazil or Argentina, we must extend that same concession to these three countries.

Hon. Mr. DUFF: That is, if we make any special concession to any country outside of the British Empire—to any foreign country.

Hon. Mr. HAIG: Perhaps the Minister did not intend to emphasize this, but I know what impressed me was the statement that these treaties created a good feeling among these South American nations towards Canada. The United States has been exerting itself to build up a good spirit with South America, and Canada so far has not been very well known to the countries down there. Now they are welcoming us as traders. I honestly think that agreements like these will help not only Canada, but the British Empire, to have a better understanding with the countries involved.

Hon. Mr. MURDOCK: We had an unfavourable balance of trade of $11,346,000 with Brazil last year.

Hon. Mr. KING: I just want to inform the Senate that these agreements were tabled in the Senate on November 3 last year. If honourable senators did not familiarize themselves with these papers, it is surely a reflection on no one but themselves.

The motion was agreed to.

Hon. Mr. KING: Then I would move:

That a message be sent to the House of Commons to acquaint that House that the Senate has approved trade agreements entered into with Chile, Brazil and the Argentine Republic.

Hon. CREELMAN MacARTHUR: Honourable senators, one might consider that the adoption of the report brought in by the Chairman of the Committee on Banking and Commerce would bring about the happy consummation of these treaties, if the three South American countries concerned had ratified them; but now we find several further resolutions to be passed. I may be wrong, but I think they are superfluous. We certainly expected when we went to the committee this morning that something would be placed before us in the way of a paper that would show the industries of the different countries affected, their exports, their imports, and the total amount of money involved in one way or another. But we did not have that. However, it was felt generally by the committee that the Minister and the Deputy Minister made out a good case, and the committee accepted the agreements. I do not think there should be any apprehension as to their outcome. At the same time it seems to me that this House has not been treated fairly in the way of being given information; I believe we should have more detailed information about the whole transaction and the agreements.

Agreements will be made with five or six other South American countries, in all probability, and we shall have to go all over this kind of thing again. I do not understand why the Minister did not line up all the republics of South America when he was down there, and why he did not present all the agreements to us at one time, when we could have before us details of the givings and the takings, so as to know where we stood. We did not get that information this morning. But there was a disposition to be lenient to the Minister and his Deputy because they seemed to present a good case and to satisfy the committee that everything was lovely. Well, it may be, but we do not know for certain. It is not a big matter, in one way, but we should know on which side of the books the balance is struck and we should know more about the items that are to be imported and exported. I am not objecting to these agreements. I have every confidence in the Minister of Trade and Commerce, because he married a girl from my town, and that counts for something. I do not think we need worry about being at any disadvantage. At the same time, when we are dealing with treaties we should not have too much sentiment and too much of this goodwill factor. We should know where we stand with regard to our trade undertakings and our rights. That is my position.

Hon. B. F. SMITH: Honourable senators, it seems to me that in this period of Canada's life it is highly desirable that we should try to reach out and secure all the markets we possibly can, because trade has been so disrupted by the war that we cannot tell just where we shall be after the war is over. I have read these agreements very carefully, and I know they affect that portion of New Brunswick from which I come; and I have this to say, that I think they are highly commendable. There may be some points in them that one could find fault with, but I wish to voice my sentiment as being, generally speaking, in favour of them.

The motion was agreed to.

WAR PLANT EMPLOYEES

RETURN

On the inquiry by Hon. Mr. Sauvé:

1. Is the Government keeping any supervision or checking on the number, the classification and the protection of persons employed in war plants?

2. Are those persons granted any indemnity in case of disease contracted in war plants?

Hon. Mr. KING: I would suggest that this inquiry be treated as an order for a return, and I table the return forthwith.

PRIVATE BILL

SECOND READING POSTPONED

On the Order for the second reading of Bill C, an Act to change the name of The Saskatchewan Life Insurance Company to Fidelity Life Assurance Company.

Hon. Sir ALLEN AYLESWORTH: Honourable members, the honourable senator from East York (Hon. Mr. McGuire), who introduced this Bill, is not able to be here to-day, and I would suggest that the second reading of the Bill had better stand until next week.

Some Hon. SENATORS: Carried.

The motion for the second reading of the Bill was postponed.

DIVORCE JURISDICTION BILL

SECOND READING POSTPONED

Hon. A. B. COPP moved the second reading of Bill D, an Act to amend The Divorce Jurisdiction Act, 1930.

He said: Honourable senators, the Bill standing in my name is exactly the same Bill which this House passed late in the last session of Parliament. The Bill went over to the House of Commons, but, owing to it being put at the foot of the list of orders there, it was not reached.

Hon. Mr. COTE: Does the honourable gentleman know that the Bill has not yet been distributed?

Hon. Mr. COPP: I know. I was going to refer to that.

This Bill was referred to a special committee of this House, which gave it careful consideration and made some amendments to it. Later it was passed by the House. I have no desire to rush the Bill through if anybody objects that it has not been distributed, but, as I have said, it is exactly the same Bill as the one passed by this House, and I thought it might be accepted.

Hon. Mr. COTE: I for one should like to have the Bill in my hand before it is proceeded with.

Hon. Mr. COPP: Next sitting.

The motion for second reading stands.

SITTINGS OF THE SENATE

DISCUSSION

Hon. Mr. KING: Honourable senators, we apparently have reached the end of the Order Paper. The right honourable leader (Right Hon. Mr. Dandurand) has expressed the desire that when the Senate adjourns to-day it should stand adjourned until eight o'clock on Tuesday next, and I would so move.

Hon. Mr. HAIG: Before the motion is put, I should like to suggest that we adjourn to the following Monday, the 23rd of March. That would leave us a week in which to attend to any bills coming from the other House.

The members of the other Chamber, I understand, are discussing the Wheat Bill, which is a very contentious measure, and I am convinced that the discussion will take some time. The only other bill they have is the bill for the rehabilitation of returned soldiers, which also will take some time. If we come back next Tuesday, it looks to me as though we should have to sit around on Tuesday and Wednesday, and then adjourn again. Would it not be just as satisfactory to the Government if we were to adjourn now until the 23rd of March. If some contingency should arise, His Honour the Speaker could call the House together again, as was done a week ago. An adjournment to the 23rd would give members who live at a distance a chance to go home. I am not desirous of going home if there is anything to be done here, but it is a terrible job just sitting around Ottawa doing practically nothing.

Hon. Mr. MURDOCK: The Divorce Committee will be sitting every day.

Hon. Mr. HAIG: The Divorce Committee is not essential to life.

Hon. Mr. LITTLE: It is to some people.

Hon. Mr. HAIG: I suggest that we adjourn to the 23rd. The Government, of course, will have an Appropriation Bill, but when we come back that can be put through in a very short time. I can see no reason for a long debate in this House on the Wheat Bill. The Rehabilitation Bill may require some consideration, but it does not need to be rushed. So far as the Divorce Committee is concerned, it could sit during the recess.

Hon. Mr. MURDOCK: The honourable gentleman is a member of the Divorce Committee, and it is going to sit every day between now and next Tuesday.

Hon. Mr. CALDER: Honourable members, the right honourable leader on the other side (Right Hon. Mr. Dandurand) has indicated his desire to have the House sit on Tuesday. We know from experience that when he reaches a decision of that kind he does so after consultation with those who are watching very closely the proceedings in the other House. I am inclined to agree that the situation is about as it has been outlined by the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig), but our leader must have had some reason for desiring us to meet again on Tuesday night. In the circumstances it seems to me that the motion had better stand as it is.

Hon. Mr. KING: I may say, honourable senators, that the honourable gentleman from Peel (Hon. Mr. Marshall) made a suggestion similar to that just made by the honourable gentleman from Winnipeg South-Centre (Hon. Mr. Haig). However, after I heard from the right honourable leader (Right Hon. Mr. Dandurand) I was talking to the Prime Minister, and I learned it is the desire of the Government that we should meet next week. The day and hour for resuming have been set by the right honourable leader of the Senate, and I should hesitate to consider any

change unless I had time to confer. I know the Government is desirous that we meet next Tuesday evening at eight o'clock.

Hon. Mr. HAIG: Then I make this suggestion to the acting leader of the House (Hon. Mr. King), that he ask the Government to send the Supplementary Supply Bill over to us next week, so that we may adjourn next week.

Hon. Mr. KING: I think that is the hope.

Hon. Mr. HAIG: Let it be more than hope. Let it be a fact.

Hon. Mr. CALDER: We cannot control the House of Commons.

Hon. Mr. HAIG: It seems to me that senators who live in Ontario or Quebec, as well as those who live in remote parts of the country, but do not go home often, might give some consideration to those of us whose homes are distant and who want to get to them when there is nothing for us to do here.

Hon. Mr. LACASSE: It is another case of being too near and yet too far.

Hon. Mr. HAIG: I believe that if the leader of this House asked the Government to send over the Supplementary Supply Bill next week, we could adjourn next week.

Hon. Mr. KING: I think that is the hope of the Government, and the intention, if it can be carried out. We may get through next week and adjourn.

Hon. Mr. MacARTHUR: Honourable senators, I would suggest that we should never fix Monday as a day for resuming sittings of the Senate; that it should be Tuesday at the earliest; because it is impossible for any person to get here on Monday from Prince Edward Island, unless he leaves on Saturday. There is no Sunday crossing to the mainland; and if we leave on Monday it takes us all our time to get here by Tuesday night. I appeal to the honourable senator from Cardigan (Hon. Mr. MacDonald) and the honourable senator from Queen's (Hon. Mr. Sinclair) to confirm what I say. What my wife and I went through on Monday and Tuesday of this week, in trying to get here for Tuesday night, makes me even want to resign from the Senate.

Most honourable members have no idea how bad the C.N.R. service is at Sackville and Moncton. The management—there is no management. We do not intend to put up with it. We are going to have a strong delegation, with a view to shaking up the C.N.R. and getting some kind of service. When my wife and I were coming up here we could not fly, because it was raining; we had to take a train. There were broken wheels on the Ocean Limited; a man was killed by the Scotian which we were on; and instead of arriving at Montreal at 8.55, we got there only at a quarter to two. We took the 4.30 train and arrived here just in time for me to take my seat in the Senate Tuesday evening. That kind of thing is too strenuous; the indemnity is not enough to compensate for it. I do not want to lose a day, to be penalized $20 a day for not being in my seat, but I do not intend to come here on a Monday. Senators whose homes are on the main line have no difficulty in making connections and getting here in a reasonable time, but our situation in Prince Edward Island is far different. We intend to have a delegation, and to shake up the Intercolonial end of the C.N.R.

Hon. Mr. DUFF: What about a new ferry-boat?

Hon. Mr. MacARTHUR: That does not come into this. So far as Prince Edward Island is concerned, in a very short time it will either be a province of Canada or it will not. It is the only province in the country whose population has decreased. We are not getting the service we are entitled to. Here is the Government about to spend $1,500,000 on a plebiscite, enough to get a new boat to replace the one that was sunk. Evidently, according to the latest reports, no attempt is to be made even to salvage the former ferry, although a million dollars of insurance was collected on her; it seems she is to be allowed to lie where she is. Down off New Zealand, where the water is much deeper and salvaging conditions are far more difficult, millions of dollars' worth of gold were retrieved. But up here we can only let our ferry lie on the bottom.

Hon. Mr. WHITE: Why not build a tunnel?

Hon. Mr. MacARTHUR: When you get to Sackville or Moncton you might as well be in a village, so far as the C.N.R. is concerned, for there is no information to be obtained at either place, there is no management or anything else. I could tell you of a business man who came to Moncton and was given three or four conflicting sets of instructions about how to get to a certain place, and who at last decided it would be wiser not to go by train at all, but to go by bus.

As I have said, we came up on the Scotian. We had no observation car, such as there was on the Ocean Limited. We paid extra for a Pullman, but we were put on a second-class car; and when we got into Montreal it was

nearly two o'clock, instead of 8.55, as it should have been. That is the service we are getting. Something must be done. We intend to get a delegation or a committee to see that something is done very soon.

The motion was agreed to.

The Senate adjourned until Tuesday, March 17, at 8 p.m.

THE SENATE

Tuesday, March 17, 1942.

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

Prayers and routine proceedings.

THE LATE SENATORS DANDURAND AND RHODES

TRIBUTES TO THEIR MEMORY

Hon. J. H. KING: Honourable senators, when we met last Wednesday I advised this Chamber that the Right Honourable Senator Dandurand would not be present, but that it was his desire that we should carry on and complete the business on the Order Paper, and adjourn until Tuesday evening of this week. That direction was characteristic of the right honourable leader. Since that time the hand of fate has removed him, and also the Honourable Senator Rhodes. The passing of these two senators, I know, has brought deep sadness and regret to the heart of each and every one of us in this Chamber.

Our late leader, Senator Dandurand, rarely if ever complained that legislation was not sent over to us from the House of Commons when, from time to time, many members of the Senate thought it should have been. He was an old parliamentarian and knew better than some of us younger members the relationship of the Senate with the House of Commons. He tried to instil in the group on this side of the House the idea that the Senate should so conduct itself as to be a revising body carefully considering in a non-political way, and where necessary revising, measures passed by the House of Commons, and thus contributing to the welfare of this country. Among us on this side he discouraged political caucuses. I think I can truly say that our caucuses were held only for the purpose of selecting what is commonly known in parliamentary circles as a whip, a party representative to consult and be in contact with those who might have views opposed to ours. At the time of coming to this Chamber every senator is an adherent of a political party. From my experience in this House and in its committees over the last twelve years, I believe it was the real desire and hope of Senator Dandurand, while he was our leader on the left of the Speaker, as well as since we moved to the right, that in dealing with legislation we should avoid partisanship, and I am sure he did succeed in converting many of us who when we came here brought our political views with us from the other House or elsewhere.

Our right honourable leader was, I think, the oldest member of this Chamber. He was born in Montreal on November 4, 1861, received his degree of LL.B. from Laval University in 1882, was received at the Bar of the province of Quebec in 1883, and was summoned to the Senate by Lord Aberdeen on January 22, 1898. He has at all times actively engaged in the work of this assembly. He presided as Speaker of the Senate during the years 1905 to 1909. On the formation of the King Administration in 1921 he became Minister of State and continued as leader of the Liberal party in this body until his passing last Wednesday.

He had a remarkable career, not only in the political life of Canada, but also in educational and university circles, having been honoured with the degree of LL.D. by McGill University in 1910, by the University of Toronto in 1925, and by Queens in 1927. In 1934 he became president of the University of Montreal.

In the financial and industrial life of Canada he took a prominent part, being president of the Montreal City and District Savings Bank and the Fire Insurance Company of Canada, and a director of the Montreal Trust and Deposit Company, the Montreal Cotton Company, the Sun Life Assurance Company and the Western Canadian Collieries. From a conversation I had with him, I understand that he joined the directorate of the Sun Life Assurance Company as representative of the stockholders.

He practised his profession in the city of Montreal.

The late Senator Dandurand was also well known in the international field of politics, being one of the Canadian representatives at the Assembly of the League of Nations in Geneva in 1924. He became President of the Assembly in 1925. He was a delegate to the Council of the League from 1927 to 1930. He was also honoured by the President of the United States, having been appointed to act as arbitrator under the terms of the Treaty of Peace with the Republic of Brazil. I may add that while connected with the League of Nations he was always noted for his support of minority groups in that organization.

He will be greatly missed in this assembly, and his going will be our loss.

The Honourable Mr. Rhodes was born in Nova Scotia, and was a graduate of Acadia and Dalhousie universities. He became identified with the profession of law, and was a director of the Rhodes-Curry operations at Amherst, a very large and important industrial activity in the Maritimes. He also was identified with the military life of this country, being an honorary colonel of the Cumberland Highlanders. He had an outstanding political career. He was first elected to the House of Commons in 1908, and was re-elected in 1911 and again in 1917. He became Deputy Speaker of the House of Commons on February 3, 1916, and was elected Speaker of that House on January 18, 1917, continuing in that position during 1917 and 1918. If one will look up Hansard, I think one will find that it was during his term of office that Sir Wilfrid Laurier, who was then in opposition, suggested to the House of Commons that it might be wise to adopt the British practice and make the Honourable Mr. Rhodes permanent Speaker of that House during his lifetime. No greater compliment could have been paid to any man.

In 1925, at the call, I suppose, of his party, Mr. Rhodes went back to the province of Nova Scotia and was elected to the Legislature. He became the Premier and Provincial Secretary in July, 1925. He was re-elected at the general election of October, 1928.

On August 11, 1930, he resigned the premiership of Nova Scotia to accept the portfolio of Minister of Fisheries in the Dominion Government, a position which he held until February, 1932, when he was appointed Minister of Finance. I think all will agree with me when I say that during the depression years of 1932, 1933 and 1934 Mr. Rhodes had to carry a tremendous burden. No doubt this did much to affect his health, for it was only shortly after he came to this Chamber in 1935 that he suffered an illness which curtailed his usefulness here.

As I feel certain that many other honourable members desire to speak of their association with these two men, I shall simply conclude with the statement that I am confident of expressing the view and the wish of the Senate of Canada when I say that we part from these men with great regret and we offer our sincere sympathy to the members of the families they have left behind them in their passage to the great beyond.

Hon. C. C. BALLANTYNE: Honourable senators, I am sure that the heart of every honourable senator here to-night is filled with deep sorrow and regret as we remember that just a week ago to-night our late distinguished leader was with us in his accustomed place, speaking and leading this Chamber with his usual dignity and vigour, and we now realize that he will be with us no more.

The Right Honourable Senator Dandurand was an aristocratic gentleman of the old school. At the same time he was most unassuming and kind-hearted. He died as I am sure he would have wished—at his post of duty. Senator Dandurand's demise was unexpected, and came with great suddenness. He had lived a full life, and he will go down in history as one of Canada's most distinguished citizens, a man who for forty-four years in the Parliament of Canada, with great loyalty and devotion, gave of his talents and ability for the benefit of the country of his birth. His activities were not confined exclusively to Canada, for he was a figure in international world affairs. What a splendid record of achievement!

I have mentioned the great services rendered by our late leader during his long public career, but I wish to emphasize another side of his character, with which, perhaps, the public are less familiar because of his innate modesty. He did much for the poor and the needy, but did it in an anonymous way. He was particularly interested in education, and especially in Stanislas College, which he instituted.

I feel the loss of my old and good friend, Senator Dandurand, most keenly. It has been my privilege to know him for a very great number of years. During the past few weeks, while I have been acting leader on this side of the House, I have been brought into very close contact with him in regard to matters coming before the Senate. I was always gladly received by him and given a warm welcome when I entered his office, and it was an honour and a pleasure to be so closely associated with him. The Senate of Canada has been fortunate in having many brilliant leaders since Confederation, but none was more experienced, more talented or more highly thought of than the late Senator Dandurand.

The honourable the acting leader on the other side of the House (Hon. Mr. King) has mentioned the attitude and views of the late distinguished leader of the Senate as to the manner in which this Chamber should function. Speaking for myself, and, I think, for those associated with me on this side of the House, I certainly agree with the views of our late leader. I, like the acting leader opposite, came from the other House, where there is a more partisan atmosphere than in this Chamber. I know that on coming here first one must put a check on partisan feelings,

because the Senate does not lend itself to acrimonious political debate as does the other House. The Senate of Canada performs a very important work, and I am only sorry that more legislation has not been originated in this Chamber. I will go so far as to say that the committee work of this House is much more efficient and effective than that of the other House, the reason being, as our late leader would say if he were present with us to-night, that we are not thinking in a partisan way, but have in mind only one thing, namely, the improvement of the legislation before us.

I am sure there will be many other speakers to-night; so I shall close my remarks by simply joining with the acting leader of the Government in this Chamber in expressing the heartfelt sympathy and sorrow of all who sit on this side of the House.

In the death of Senator Rhodes another distinguished Nova Scotian has passed away. The province of Nova Scotia has given to Canada not only since Confederation, but before, many notable and illustrious men like Sir John Thompson, Hon. Joseph Howe and Hon. W. S. Fielding—to mention but a few. The name of Senator Rhodes is justly entitled to appear on that list.

I was in the House of Commons when Mr. Rhodes was appointed to the exalted post of Speaker, and I may say that he presided over that House with great dignity and efficiency. He was a master of the rules and his decisions were always fair. I cannot remember any of his rulings ever having been challenged by a single member of that House. On the contrary, I believe the acting leader of the Senate (Hon. Mr. King) was quite correct when he stated to-night that the late Right Hon. Sir Wilfrid Laurier suggested to Sir Robert Borden the wisdom and advisability of appointing Mr. Rhodes as permanent Speaker of the House of Commons.

Senator Rhodes entered public life at the early age of 31. He could, of course, have followed the profession of law, but his interest in public affairs and his desire to do all that he possibly could, not only for his native province, but for Canada as a whole, induced him to enter public life. I need not recount his political achievements, but may I concur in what the acting leader has said as to the difficulties of the time when the late Senator Rhodes was appointed Minister of Finance in 1930. England at that time had gone off the gold standard and the currencies of all the European countries were rapidly falling. Not only did our own financial affairs have to be adjusted almost daily to meet new situations, but our tariffs also required attention. About that time the Bank of Canada was formed.

I believe that those trying years in which Senator Rhodes performed the duties of Minister of Finance certainly impaired his health, and I will go even further and say that I think they shortened his life by at least ten years. In these modern times a man of 66 is not considered old.

I hope that the example set by Senator Rhodes in entering public life at so young an age will make an appeal to the young men of Canada, especially to the young lawyers. If ever there is a time when youth is required in Parliament, it is now. I trust that our young men will read about the life of Senator Rhodes, be inspired by it and try to do likewise. On behalf of those on this side of the House, I join with the acting leader in extending our most sincere sympathy to the son and daughter and other members of the family of Senator Rhodes in their great bereavement.

Right Hon. GEORGE GRAHAM: Honourable senators, I have sat here by the side of our late leader, Senator Dandurand, for a good many years and listened to remarks addressed to him by honourable members opposite. They always gave us something to think about. As I have looked across at honourable members on the other side of the House I have always known that they, like those who sat around me, were my friends. I hope that as long as I am a member of the Senate I shall be surrounded by friends, for nothing sustains a man's life stream like friendship. There is nothing better than to be associated with those who will say a good word for you, whether they are with you or against you.

My sitting with Senator Dandurand was always a tonic to me. Every time I met him he had something fine to say. Honourable senators behind me, as well as those facing me, believe that Dandurand was right in his soul. One day shortly after I joined him over here he called me to his office. That was nothing new to me, for I had been called into offices often over a good many years. He simply told me a thing or two. I said to him, "That sounds reasonable, but do you expect all of us to be reasonable?" He said, "No." Our close association lasted until the time of his death. I never knew a man easier to get along with than Senator Dandurand. You could live with him on a level keel all the time.

The acting leader (Hon. Mr. King) wants me to make a speech. I have given up making speeches, mostly because I do not like the job. Besides, other chaps always get up and make them ahead of me. In any event, there is no need for me to say much about Senator Dandurand's life work. It was almost bound-

less, and is well known to all of you. I had occasion to go to him once or twice, in years gone by, when he was sick, to find out what we should do. He would straighten up and make the whole thing clear to me, and everything would go along all right. He had friends on every side. He was not only a statesman; he was an educationist and an all-round man.

Mr. Rhodes was a much younger man. He too always did his work like a statesman. I do not know of any man who sat in the Speaker's chair in the Commons who was kinder or more compatible than he. I am not trying to make a speech at all. You know these men as well as I do. You know they were grand specimens of men, whose like will not soon be seen among us again.

It seems to me that in this Chamber we are not very partial in a political sense. Perhaps I was, but I do not think my friend Dandurand was. If he was, he did not say so. And I kept my mouth shut.

We have to face the future. Though some of our best men have departed, we still have able men in this House—and women too. When our lady members give us advice, they do it very well, in a quiet way. We have a duty to perform now to fill up the gaps and do all we can to help bring Canada out of the position in which she finds herself. I know that the men on both sides of this House, and the women too, will do their part, and more than their part, to make this country even greater than it has been in the past.

Hon. C. P. BEAUBIEN: Honourable senators, I wish to join in the laudatory remarks that have been made by the acting leaders of both sides (Hon. Mr. King and Hon. Mr. Ballantyne) and by the right honourable senator from Eganville (Right Hon. Mr. Graham) in reference to the late Senator Rhodes. In fact, I should like to make those remarks my own. There is no doubt that Mr. Rhodes was a noble gentleman and great parliamentarian who brought honour to this country. And I think everyone will agree that he gave the best he had to his countrymen, for on their behalf he spent his health. When he left the House of Commons he had in fact been crushed by work that really was beyond the powers of any man. I wish to join also in the expression of sympathy extended to his daughter and his son.

As to our late leader, Senator Dandurand, I wish to be permitted to add a few remarks of my own. I knew him for very nearly half a century. My contact with him in the first instance and for many years thereafter was in the heat of political fray. We came not only from different political parties, but from political schools as far apart as it was then possible to conceive. I say that because, with my early political training, I was far from sympathetically disposed towards him, and I feel now that I certainly can judge his life at least in full freedom and impartiality.

I well remember that continual and disheartening contest against Laurier at the period when he really dominated the province of Quebec. Virtually the whole merit of Laurier's success was credited to the old Liberal chieftain. I have often thought the senator's services were not altogether appreciated as they should have been at the time. Laurier was no doubt a great statesman, and his shining glory threw most of his collaborators into the shade. But as Laurier spoke before colossal and well-organized meetings, Dandurand was constantly on the battlefield organizing and directing the Liberal forces. His unbounded activity, resourcefulness, diplomacy, courage and optimism were a host in themselves.

After the elections of 1908 a Liberal said to a leading Conservative: "I was surprised at your defeat. You had a good chief, a good policy and excellent candidates. What did you lack?" The Conservative answered in one word: "Dandurand." I need say no more to show the extent to which Senator Dandurand was valued by his political opponents.

But the senator was far from being a slave to his party. At the beginning of this century the municipal administration of Montreal was nauseating. It was in the hands of some Liberals of doubtful reputation. The leading citizens determined to oust that coterie and they gathered around a few men of high standing, nearly all Conservatives. Dandurand joined with his usual vigour in that effort to cleanse the City Hall. Most influential friends of his party attempted to deter him from joining in the campaign, but he brushed them aside and helped to the last in purging the nefarious municipal administration. Everyone then was convinced that Dandurand was clean through and through. That was almost forty years ago. He has died as he has lived—without a blemish.

But the senator's activities were not all spent in his native land. On frequent trips to Europe he met and became intimately acquainted with many statesmen of Great Britain and especially of France. When, in 1925, he was proposed as a candidate for the presidency of the Assembly of the League of Nations, Canada assured for him the votes of the British Empire, but it was Dandurand's prestige that commanded the support of the delegation of France. The two great nations

gathered in their wake many of the other delegations, and our colleague was elected by a comfortable majority.

At his inauguration as president the senator spoke first in French, according to tradition, as 80 per cent of the discussions were carried on in that language. As he ended his oration, the official interpreter—a man of universal reputation as such—rose, as usual, to give the English translation. The senator waved him gently aside and made his speech anew in perfect English. The audience, astonished and enthused, gave him a rousing acclamation. Statesmen of Europe are not accustomed to such perfect bilingualism. Dandurand knew but the rudiments of the English language when he was young, but he toiled incessantly and perseveringly until he mastered it.

Dandurand was an indefatigable worker. The tasks confided to him were numerous and often difficult. He accepted them all without complaint, and fulfilled them with devotion, and, by reason of his great ability, almost always with success.

France could not but recognize the outstanding merit of the senator, and a few years before the war he was named a member of the great Institute of France—a very rare and highly prized honour. To celebrate his nomination a magnificent banquet was tendered to the senator in Paris, at which most of the important men of France were present. Our colleague made a ringing speech which brought the guests to their feet, cheering lustily. The senator had made an appeal for the collaboration of France in an effort to spread the highest possible French culture in Canada.

That collaboration he obtained from the French Government, from the French clergy through that most eminent prelate, Cardinal Verdier, of Paris, and from the Collège Stanislas, one of the outstanding educational institutions in France. Shortly after his return he also procured the substantial support of the Government of the province of Quebec and the city of Outremont, and secured contributions from some of his friends, and himself made the most generous gift. The Collège Stanislas of Canada is now almost ready for occupancy. It is a beautiful and most modern building. The professors are all fully licensed educators; none better can be obtained from France. The college is affiliated to the University of Paris. In a few months, a few weeks perhaps, hundreds of students will begin to benefit from the highest education bestowed in France or probably anywhere in the world.

Since 1937 the senator has devoted himself to this highly meritorious purpose. He conceived and built the college almost unaided. Such help as he obtained was due to his untiring efforts. Higher education, he knew, was the most precious gift he could leave to his compatriots, and his legacy will for all time serve his compatriots and bear witness to his public-spiritedness; for Dandurand was a great patriot.

There is a side of the senator's life that is little known, except to the many people whom he helped. Demands for succour abounded. Every apparently meritorious case he had investigated by the branch managers of his own bank, and if their report was satisfactory, his instructions were to give the necessary help and charge it to his account.

But, beside it all, the senator was a lovable man. Of that I need say nothing in this House, where he was so well known and so highly esteemed. A week ago almost to the hour, after giving the Senate explanations respecting the treaties of commerce with Argentina, Brazil and Chile, as the House adjourned and he passed before a group of his colleagues, he was singing gaily an old love song of Quebec. Some of us were filled with astonishment. Here were youth, vigour, undiminished interest in life, optimism always dominant. Life was an adventure for him, each new task another friend. Every day the sun for him seemed to rise brighter and his work to be more attractive. In fact the last day of his life he rose feeling in perfect spirits. He told me so, shortly after being stricken. He never uttered a complaint, and he died peacefully, almost in the midst of his intensive work. Such a death he would have wished.

The State funeral was most impressive, as many here can bear witness. The Prime Minister was extremely kind to his colleague. Without his efforts I doubt whether accommodation could have been found at the hospital. Twice he visited the senator during the day. He took a keen personal interest in the funeral. All the members of this House and the many other friends of the senator will be deeply grateful to him.

I have one more word to add. It is of a personal nature and for that I crave the indulgence of the House. As a result of a Canadian delegation to France in 1916, the purpose of which was to develop commerce between that country and our own, a trade agreement was entered into by the Governments of both countries. It was resolved that an exhibition train laden with French goods should circulate through Canada, and a similar train bearing Canadian products should be sent around France. The French train came to the Dominion in 1921 and was such

a success, and evoked such unbounded hospitality to the French mission, that the Government of France prepared for the coming of the Canadian train with great pomp and éclat. I was in charge of the Canadian train and repeatedly, but unsuccessfully, endeavoured to obtain the presence of a Canadian Minister at the opening function. Knowing the preparations made, I feared that the apparent lack of support from my own countrymen would dampen the enthusiasm of our friends in France and jeopardize the success of the venture. At the last minute I received a message from Senator Dandurand stating that he was on the way to attend the inauguration. His wife, to whom he was extremely devoted, was gravely ill. Notwithstanding, he took the first steamer, attended the function, gave it the prestige of his Government and the zest of a wonderful speech, spent three days perambulating with the Canadian mission, and returned by the very same steamer that had brought him to France. I cannot say how grateful I felt to him. The project I knew was sound, but it required to be dedicated on French soil with the full authority of the Canadian Government. Dandurand had faith in the venture, at a time when others feared its failure and prudently preferred to give it a wide berth. The venture was a colossal success, and the senator was rewarded for his courage and his generous help.

But I know that he had extended to me a helping hand at no small sacrifice to himself. Similar kindnesses were no doubt extended to others during his long life, and so a great many people mourn him—as I do myself, deeply and sincerely—from the bottom of their hearts.

The knell of the senator's demise resounded mournfully in high and distant spheres. His Majesty the King gracefully, and of his own volition, sent the following message to the senator's family:

> The King has asked me to convey to you and your family an expression of his deepest sympathy in your sad bereavement.

The Governor General kindly expressed his sympathy in these terms:

> My wife and I are deeply shocked to hear of the sudden death of your distinguished father, whose loss will be mourned not only by his many friends in Canada, but also throughout the British Empire. Will you please accept our sincere condolences in your sad bereavement?

In the name of all Frenchmen who strenuously uphold the cause of the Allies, General Charles de Gaulle cabled the following message:

> In my name and in the name of the National French Committee, please transmit to the Senate of Canada the expression of our heartfelt condolences at the demise of Senator Dandurand. He was a stout upholder of the Society of the League of Nations, and one of the first Presidents of that institution in which the nations of the world had placed their hope. As Frenchmen we cannot but be mindful of the part played by Senator Dandurand in the Committee of France-Amérique in preserving and fortifying the historical bonds existing between Canada and France. Fighting France as well as Canada is more than ever imbued with the sentiment of spiritual fraternity of which Senator Dandurand was the symbol.

The senator died as he would have wished, stricken in the full activity of life, with records cumbering his desk, his agenda full, and his mind already turned to the daily task. All that is over. We on both sides of the House will deeply regret his passing. His friends will miss his advice and support, and the needy hands stretched out in quest of help will remain empty. From the turmoil of the multitude amid which he lived so strenuously he has gone to the cold darkness and eternal solitude and silence of the grave. Great citizen of his country—I might almost say of the world—he has well earned a rest in peace!

Hon. FELIX P. QUINN: Honourable members, may I be permitted to blend my voice with those which already have been raised in tribute to the memory of our departed colleagues.

I did not become personally acquainted with our late leader until I became a member of this Chamber, but from that time on I found him most considerate of recently appointed members, and kindly, courteous and gentlemanly on all occasions. I tender to the Government, and to the late senator's family, my sincere sympathy.

I knew the late Senator Rhodes for many years, our acquaintance dating from the time when he attended the law school of Dalhousie University in Halifax. As his parliamentary career has already been referred to, I need not elaborate on that. I was his colleague in the House of Commons, and I came with him to this Chamber.

Mr. Rhodes was an outstanding athlete, fond of outdoor life; an expert rugby footballer and an ardent fisherman. These qualities developed in him a strong body and also a cheerful disposition. Shortly after his appointment to this Chamber he was stricken, as you know, with a severe illness, and it was this which deprived us of his sound advice and excellent judgment. His affliction he bore with the remarkable courage for which he was noted. One of his outstanding characteristics was his chivalrous courtesy to everybody. On behalf of the people of Nova Scotia, whom he served so faithfully, may I add my tribute to the memory of the Honourable Edgar Nelson Rhodes.

Hon. A. K. HUGESSEN: Honourable senators, I cannot refrain on such an occasion as this from adding a few words to what has already been said so adequately and so eloquently by the speakers who have preceded me.

We are met here to-day under a great sense of loss in the passing of the leader of this House, a loss which not only affects us in our corporate capacity as one of the Houses of Parliament, but which is very close to each one of us individually; for whatever may be our political sympathies, we feel, each one of us, that we have lost a personal friend—a friend of rare charm, kindliness, and distinction. Senator Dandurand met that test which is perhaps the most acid test of all human relationships: the more closely you became acquainted with him the more did your respect for him grow into admiration, and your admiration into affection for the man himself. That, during the last five years, has been my own experience, and I am sure it is an experience which has been common to all the members of this Chamber.

We shall no longer see in our midst that well known and distinguished figure in which the experience of many years of devoted public service combined with an abundant and overflowing energy to direct the proceedings of this House. We shall miss equally the kindly smile, the courteous bearing, and every now and again the flash of fire when controversial topics came under discussion.

Truly it can be said of the leader whom we have lost that he was, to use his own mother tongue, un chevalier sans peur et sans reproche. Our loss is grievous indeed, and for many of us, I am sure, this Chamber will never seem to be quite the same again.

We mourn our loss, honourable senators, but fortunately that is the only thing we have to mourn. As for our leader himself, the end came in just the way in which I am certain he would have wished and hoped for it to come—suddenly, like a thief in the night, while he was still in the full enjoyment of his faculties and standing at his post of duty. We, his colleagues who knew him well, will agree that for him the long, slow descent, the gradual decay of faculties and narrowing of vistas, which is the lot of so many men as life draws to its close, would have been an unbearable, intolerable burden. As it was, one might almost say he met death with the same quick step, the same resolute energy and the same indomitable spirit which he showed throughout his life, and which was so familiar to all of us here.

There is, too, another sense in which it can be said that the passing of our leader was a happy one. Of how many men in public life has it been said that they have outlived their usefulness? Of many statesmen it has been remarked, "If only he had died at the highest point of his renown, history would have been kinder to his memory, because then it would have been spared the record of the mistakes and failures of his later years." It is inconceivable that anything of that kind could be said of Senator Dandurand. He was, indeed, at the very peak and summit of his career.

Look over the record of the last few months. Only last autumn he received the honour of appointment to the Imperial Privy Council; in November he celebrated his eightieth birthday; and less than two months ago, in that touching and memorable ceremony within these four walls which we all so vividly remember, his friends and admirers in and out of this Chamber presented him with that bust of himself, a replica of which now stands in our own entrance hall as a fitting and permanent memorial of his long and distinguished service to this Parliament and this country.

And so I repeat, honourable senators, that for our leader himself there is nothing to regret. He died, as he lived for so long, in the enjoyment of the esteem of the country as a whole, and of the regard and affection of all who knew him; and he of whom that can be said is indeed a fortunate man! Our regrets are for ourselves, for our own loss of him and for the grievous loss which Canada has sustained in being deprived of one of its most experienced and valued statesmen. And it is fitting that we should pay our last tribute to his memory in this Chamber, which, for so many years, was the scene of his labours and his triumphs.

Hon. W. A. BUCHANAN: Honourable senators, I have been inspired to rise and say something by an observation that was made by the acting leader on the other side of this House (Hon. Mr. Ballantyne) when he was speaking of the late Senator Rhodes' entrance into political life at an early age and drawing to our attention the importance of encouraging young men to participate in the public life of this country. It is true that Senator Rhodes entered Parliament in his early thirties. I recall also that our late leader, Senator Dandurand, came to this Chamber in his thirties. But the thought that was running through my mind as I listened to the tributes to both these men who served our country with such distinction was of an evening last fall I spent with our late leader at his home in Montreal. He was speaking about the school in which he took a deep interest, and his concern in that conversation was about the future of the young

people not only in his own province, but throughout the whole of Canada. He spoke of his desire that we should have a trained youth, skilled to make a living and also trained in the mind so as to be able to serve Canada in the years to come. I was much impressed by the views he expressed that evening upon the training of our youth for the future.

Most of us who live in Western Canada are perhaps not as intimately acquainted as we should be with other parts of the country, particularly with the province of Quebec, but I think men of the distinction of our late leader, and men like the late Ernest Lapointe and others who have been associated with our public life since Confederation, have done more than any one else to bring about a proper feeling between the two races in the different parts of this country. Senator Dandurand was a broad-minded man. I looked upon him also as one of the hardest-working men whom I ever met in public life. He worked hard as the leader of the Senate, in his capacity as a member of committees of this House and in other public spheres. But above all, he was a courteous, kindly gentleman. I like to think of him also as being probably the most distinguished Canadian in the minds of many people in other countries of the world, for he came to be known throughout Europe and South America as an eminent, cultured and scholarly representative of this country at the League of Nations. Whenever I have had occasion to meet men from foreign lands, one of the first Canadian names to be mentioned in the conversation has always been that of Senator Dandurand.

I should like also to say something about the late Senator Rhodes, because I had intimate relations with him during the time I served in the House of Commons. I can truly say that I learned to love the man. It was in my early days in the House of Commons that he was Speaker, and he was always a good friend to me. No Speaker was more kindly and considerate than Edgar Rhodes. He deserves all the tributes that have been paid to him. I doubt if in the whole history of our parliamentary Chambers anyone has filled the position of Speaker with as great distinction as he did.

We are thinking to-day in terms of men falling on battle-fields throughout the world. I wonder if these two friends of ours did not fall on the battle-field of public service. One suffered an infliction that undoubtedly came from service he rendered during a period of great strain in the economic life of Canada; and the other, our late distinguished leader, served Canada devotedly until the last moment of his life, always industrious, always willingly assuming the tasks that it was his duty to perform as leader of this House.

Both our departed friends were splendid examples to us here and to Canadian citizens everywhere. If the youth of this country can follow the careers of the late Senators Dandurand and Rhodes, we need not fear for the future of our parliamentary institutions.

Hon. J. W. deB. FARRIS: Honourable senators, so much has already been said in the Press and in and out of Parliament by way of warm-hearted tribute to the late Senator Dandurand, that almost anything I might add now would be repetition; but I have within me a feeling that I should like to say a word about him, and that feeling is not vicariously satisfied, although what has been said already has been said more authoritatively, perhaps, and certainly better than I could say it.

Some honourable members who have spoken here knew Senator Dandurand for a long time, and intimately. That was not my privilege. I did not know him until I came to the Senate. On the night that I was introduced in this House, and before the introduction ceremony took place, the present acting leader of this House (Hon. Mr. King) took me to Senator Dandurand's room, where I was received with that kindliness and courtesy which were so characteristic of him. I think Senator Dandurand at that time had a suspicion that I was one of those fire-eating Westerners who needed a little guidance, and with great tact he led the conversation around to the Senate, to its functions and to its atmosphere of non-partisan co-operation. That made a lasting impression upon me. I hope it was not entirely necessary.

Years have passed since then, and my admiration and esteem for the late Senator Dandurand and his great ability as a leader have progressively grown. My personal liking for him became stronger and stronger. It may be a matter of comment on the qualities of those of us who are British, but of all the men in public life whom I have known and who have passed away, those who have left with me the strongest feeling of reverent affection have been two French Canadians—Sir Wilfrid Laurier and Senator Dandurand. I feel, as the honourable senator from Montarville (Hon. Mr. Beaubien) said a moment ago, that this Chamber will not seem the same again without Senator Dandurand. The Senate has always been associated in my mind with his presence and his leadership. His presence will abide in this Chamber, but his memory will extend far beyond these walls.

It will follow us all the days of our lives, and it will remain with the people of all Canada. To-night, just a week after he spoke here, we pay tribute to the former leader of this House, a great Canadian.

I would say a word about the late Senator Rhodes. He was a leader of men, a man of great ability in public affairs. There is no occasion for me to repeat at this time what has been said here and elsewhere about his public achievements. But I would speak to you for a minute about Senator Rhodes as I first knew him. We were students at Acadia University, at Wolfville, Nova Scotia, and attended classes together. We took part in the mock parliament of that institution, on opposite sides. We played football together. He succeeded me as the captain of the Acadia team. I was one of the select group who on Saturday nights used to go down to his rooms for a little poker game. I look back on those college days and our associations with feelings of emotion. After college our paths separated. He was in the East and I was in the West; so it was very rarely that I saw him again, until I came to the Senate. Then he was in his last illness. You know how he bore that affliction bravely and with a smile. For me it is hard to picture Ned Rhodes except as strong and vigorous, and I recall him as he was in our younger days. He was a vital personality, he was popular, he was a good friend and he was a good sportsman. And, honourable senators, during the years he continued to be a good sportsman and to play the game. This country to-day mourns him as a distinguished Canadian who has gone to rest.

Hon. ATHANASE DAVID (Translation): Your Honour and honourable senators, fifty years of public life, forty-four of which were spent within the precincts of this Senate, have given our departed colleague the opportunity to evince qualities of heart and mind which were reflected in his words and deeds. He was one of the men who had the best all-round qualifications among those I have ever known. As a lawyer, he published a law-book; as a public man, he brought to his party the help of his fluent and wise words; as the representative of his country abroad, he placed Canada in the limelight.

Whether at Geneva, as President of the League of Nations, or in France, as Canadian delegate, he evidenced by his speeches the inborn qualities of the race from which he had sprung. Through his urbanity, his courtesy, his kindness, as well as his distinguished bearing and his engaging personality, he formed everywhere lasting ties of friendship of which Canada reaped the benefit. In the business world he stood out as a shrewd administrator, and many financial or banking institutions were proud to number him among their directors.

With a deeply human insight, he knew how to discover those qualities which make us esteem our fellow-men and overlook their weaknesses.

His industry and energy were such that on many occasions he accepted tasks which would have discouraged many others.

Above all a Canadian, in spite of the great admiration he had for France, he always firmly believed, like his former leader and friend Laurier, that national unity could be achieved.

Through his integrity, his sense of honour, his moderation and his broadmindedness he won among our English-speaking friends an esteem that redounded upon the province of which he was one of the most distinguished sons.

Death has called him, as he had always hoped, in the full discharge of his duties. A worthy end to a noble life! This House will long keep, and draw inspiration from, the memory of that statesman who served his country so well—Raoul Dandurand.

Hon. C. B. HOWARD: Honourable senators, I could not let this occasion pass without paying my tribute to our mutual friend, Right Hon. Senator Dandurand, and expressing my most sincere sympathy with his family in their bereavement.

On behalf of the people of the Eastern Townships of Quebec, I desire to express their deep regret at the passing of the leader of this House. I shall never forget the first time I met Senator Dandurand. It was during the election of 1925. I had accepted the Liberal candidature for the county of Sherbrooke on the night before nomination. As I was somewhat late in the field, there were no outside speakers available. But, fortunately for me, Senator Dandurand came to Magog on a Wednesday night. At my request, he accompanied me to Sherbrooke, and he was the only speaker in my first campaign for a seat in the House of Commons. He addressed an exceedingly large meeting, and his frank and genial manner, his wonderful command of both languages, and his pleasant personality endeared him to the people in my section of the province.

Throughout the years he has left with me the most pleasant memories, and during my eighteen sessions as a Commoner was my personal friend. A great Canadian without an enemy, a credit to Canada in foreign lands, a man on whom from time to time

well-merited honours continued to be bestowed, he was always ready to befriend the most humble citizen. Canada has lost an honoured son, the Eastern Townships a great friend, the Senate a wise leader, and society a Christian gentleman.

I wish to join with those who have preceded me in expressing to every member of his family my sincere sympathy.

(Translation) I bow to the memory of this great Canadian, the Right Honourable Raoul Dandurand.

Hon. L. M. GOUIN: Honourable senators, I think it also my duty to pay a brief tribute to our honoured leader, whose passing we all deeply regret.

Senator Dandurand was both a great aristocrat and a great democrat. He was also a distinguished statesman, an accomplished diplomat and an agreeable and forceful speaker.

He believed ardently in freedom and justice for all. In particular, he displayed admirable zeal for the sacred cause of education, which he firmly believed to be the foundation of true and sound democracy. The honourable senator from Montarville (Hon. Mr. Beaubien) has referred to the founding of the Collège Stanislas. Our lamented leader used to say that it was the last of all his works, but probably the best.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. GOUIN: The honourable senator from Montarville has been too modest, for from the very beginning he was one of the patrons of the Collège Stanislas. Other members of this House, including myself, have been glad to co-operate with our leader in this great educational undertaking. Our 250 pupils are now receiving the kind of instruction which Senator Dandurand wanted for young Canadians of French origin. To all those boys our leader was really just like a dear old grandfather. In the new building of the Collège Stanislas we shall piously place a replica of the bust which now adorns the entrance hall of this Chamber. When those pupils pass in front of it they will salute their benefactor as we, too, shall salute our friend when we pass before his bronze here, and with the same emotion make this solemn resolve: Leader, rest in peace. We will carry on. Your work shall not die with you. We will continue your work as you wanted it to be carried on, combining what is best of the great cultures we have inherited from our two mother countries.

Some Hon. SENATORS: Hear, hear.

Hon. ARTHUR MARCOTTE (Translation): Mr. Speaker, honourable members, if I am allowed to do so, I should like to add a few words to the eloquent tributes paid to the memory of the honourable senators, particularly to that of the Right Hon. Raoul Dandurand.

From what I can see and have heard, it is quite probable that of all those present here to-day I have enjoyed the longest acquaintance with the right honourable senator. I was under the impression that the honourable senator from Montarville had known him before I did, but I was wrong. My acquaintance with the Right Hon. Senator Dandurand dates from fifty years ago, which shows that I, too, am growing old and that I may join him before long.

In any case, it was in 1891 that I left college to study law in Montreal, and one of the first persons who came to my attention there was a young lawyer named Dandurand, who employed as his clerk one of my former classmates. I myself served in the same capacity with Augé, Leclair and Chaffers.

Those of my generation will recall the outbursts of violence that marked the campaign of 1887 in Quebec. Coming after the Riel affair and in the heyday of the Hon. Mr. Mercier, these contests were bitter in the extreme. And again in 1892 it was the same story. My employer was engaged in the struggle, and lawyer Dandurand was already one of the Liberal party organizers. That is how I met him. Those who admired here his unfailing zest for life, the youthful way in which he carried his years, would have enjoyed seeing him in action at the age of twenty-eight or thirty. I was just starting out in politics at the time, and, besides listening to more experienced men, sometimes addressed political rallies. For the first time in my life I was conscious of having met a great man. However, we were victorious and my employer, Mr. Augé, was elected. Like all law students, I used to carry legal documents from one office to another, as was the custom at the time. On one such trip to his office, Mr. Dandurand said this to me: "My young friend, do not forget to congratulate your employer, but beware—we shall meet again!" Meet again we did in 1897, and the Hon. Senator Gouin knows something of this, for it was his father, Sir Lomer Gouin, who defeated my employer that year.

And there you have a glimpse of the Right Hon. Senator Dandurand's character: his industry, his ceaseless activity, his perseverance and his will to win. "You won this election," he would say, "but we shall meet

again!" That was his whole life. He met with rebuffs at times, but he persevered until the obstacle was surmounted. We have been in a position to appreciate this here for quite a number of years.

I shall not undertake to repeat the tributes already paid him, but I should like to recall a scene that occurred when I entered the Senate. One of the first Liberals to welcome me was that great and gentle man, the Hon. Jacques Bureau, and standing at his side was the Right Hon. Senator Dandurand, who said: "I remember you well." How thoughtful of him to remember me. He could easily have forgotten the young student I was at the time, whereas I could not forget him who had become such a leading figure in the country. He stands as an example to youth and to those who, with enough youth left to serve the wisdom of their years, wish to tread in the footsteps of the regretted leader of this House.

As for our honourable friend Senator Rhodes, whom I knew for a good many years, he fully justified the reputation which the province of Nova Scotia has come to acquire for producing eminent men, always frankly Canadian, always frankly British.

Hon. E. S. LITTLE: Honourable senators, I cannot add to the eloquence of the tributes which have been paid to our late right honourable leader, Senator Dandurand, and the late Senator Rhodes, but I feel I should be remiss did I not at this time acknowledge the great honour which it has been my fortunate lot to have had paid me by Senator Dandurand almost since the first month of my membership in this Chamber. It was my good fortune to be chosen, along with Senator Horsey, to represent the members on this side of the House in certain work which has to be done in the carrying on of our duties here, and from the very first I had the confidence of Senator Dandurand, whom I learned to respect and to love.

To me his loss is a very personal one, and I wish to join with those who have preceded me in paying tribute to him and extending sympathy to his bereaved family.

With regard to Senator Rhodes, I have known him fairly well ever since I came into this House, for at the time I left home to come to Ottawa one of my political Nestors, who had been in the House of Commons with Senator Rhodes, said to me: "Little, you are going to Ottawa, and I want you to look up Ned Rhodes. You will find in him, I think, the finest gentleman who ever sat in the House of Commons." That, we all know, was not at all wide of the mark, and I join with his closer friends in mourning his loss to-night.

Hon. Mr. MARCOTTE.

Before I sit down may I draw the attention of honourable senators to what were virtually the last words uttered by our leader a week ago to-night. He then said:

> I would remind my honourable friends that I am constantly preoccupied in trying to learn in due time what I can do in the interests of the country.

In those words there is surely a lesson for us all.

Some Hon. SENATORS: Hear, hear.

PRIVATE BILL

SECOND READING

Hon. Sir ALLEN AYLESWORTH moved the second reading of Bill C, an Act to change the name of The Saskatchewan Life Insurance Company to Fidelity Life Assurance Company.

He said: Honourable senators, I move that this Bill be now read a second time. I make this motion on behalf of the honourable senator from East York (Hon. Mr. McGuire), who is not able to be present to-night, but who hopes to be here to-morrow. If this Bill is given second reading to-night, I am prepared to move that it be referred to a standing committee, before which the honourable senator from East York will be able to make any explanations of the Bill that are necessary. The Bill is so simple in character that perhaps it needs no explanation.

I have not had any communication with the company interested, or with any representative of the company; so I am not able to offer explanations to any greater extent than anybody else who read the Bill. But the whole purpose of the enactment is to change the name of the Saskatchewan Insurance Company to the Fidelity Assurance Company. And the Bill provides that all rights and liabilities of the company are left altogether unaffected by the change.

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

REFERRED TO COMMITTEE

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

Hon. Sir ALLEN AYLESWORTH: I move that the Bill be referred to the Banking and Commerce Committee.

An Hon. MEMBER: No.

Hon. Mr. KING: I rather think, after what the honourable gentleman (Hon. Sir Allen Aylesworth) has told us, that the House would be inclined to give the Bill third reading now.

Hon. Mr. LEGER: I am not objecting to this Bill, but I would warn the Senate that I believe, though I am not sure, that there is already an insurance company of that name. It may be an American company. The existence of two companies with the same name might cause confusion. It would be just as well for us to look into the question.

Hon. Mr. KING: I think it might be well that the Bill go to committee.

Hon. Mr. HARMER: The honourable gentleman from North York (Hon. Sir Allen Aylesworth) thinks it should be referred to the Committee on Miscellaneous Private Bills.

The motion was agreed to, and the Bill was referred to the Standing Committee on Miscellaneous Private Bills.

DIVORCE JURISDICTION BILL

SECOND READING

Hon. C. W. ROBINSON moved the second reading of Bill D, an Act to amend The Divorce Jurisdiction Act, 1930.

He said: Honourable members, the honourable senator who sponsors this Bill (Hon. Mr. Copp) has been called away, and he has asked me if I would move the second reading. It is not my Bill at all. I do not know of any objection to the second reading. The Bill, no doubt, will be referred to the Committee on Miscellaneous Private Bills. All I can say is that this is not a new Bill at all, but one which passed this House on a previous occasion in identical terms. If there is no objection, I move the second reading.

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

REFERRED TO COMMITTEE

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

Hon. Mr. ROBINSON: I do not know what to say about that.

Hon. Mr. KING: It shall go to a committee, I think.

Hon. Mr. ROBINSON: The Bill has been in committee on a previous occasion, and has been carefully considered. Maybe it would be possible to read it a third time to-night.

Hon. Mr. ASELTINE: No. I am opposed to the Bill.

Hon. Mr. ROBINSON: Then I will move that it be referred to the Standing Committee on Miscellaneous Private Bills.

The motion was agreed to.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill E, an Act for the relief of Eleanor Adele Rea Barrett.

Bill F, an Act for the relief of Eleanor Edith McKechnie Barlow.

Bill G, an Act for the relief of Dorothy Agnes Henrietta Russell Cantlie.

Bill H, an Act for the relief of Irene Coadic Murphy.

Bill I, an Act for the relief of Lester Lewis Catchpaw.

Bill J, an Act for the relief of Annie Ruth Fisher Allen.

Bill K, an Act for the relief of Alice Adelia LaFleur Johnston.

Bill L, an Act for the relief of George Webb.

RIGHT HONOURABLE SENATOR DANDURAND

TRIBUTES TO HIS MEMORY

Hon. Mr. BALLANTYNE: Honourable senators, if it meets with the approval of this Chamber, I should like to move:

That the speeches of the Right Honourable the Prime Minister and others, delivered in the House of Commons with reference to our late leader, the Right Honourable Senator Dandurand, be included in the Senate Debates and form part of the permanent records of the Senate.

The motion was agreed to.

Following are the speeches made in the House of Commons.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, as honourable members are aware, shortly after sundown last night the life of the Right Honourable Raoul Dandurand, leader of the Government in the Senate, came to its earthly close. Less than twenty-four hours before, Senator Dandurand had been present in the Senate conducting its proceedings, as he had been wont to do in all but five of the last twenty years. Of the Senate itself, he had been a member for forty-four years. In years of service, he was, in fact, its oldest member. Indeed in years of continuous service, he was the oldest living member of the Parliament of Canada.

On November the 4th of last year Senator Dandurand celebrated his eightieth birthday anniversary. Some weeks later, when Parliament had reassembled, this anniversary was made the occasion of a presentation ceremony in the Senate, at which felicitations on his long and distinguished career were extended to him on the part of leaders and members of both Houses of Parliament.

Despite his great age, the Senator possessed a remarkable vitality of body and mind. He had suffered no infirmity in the course of his life. In the early morning of yesterday he felt as well as ever. At breakfast he experienced a sudden seizure of pain, which, however, did not last for long, but left him very weak. He rested throughout the day, at times conversing with his accustomed keenness of expression, with those at his side. The end came peacefully. One might truly say it was a fitting, indeed a beautiful close to a long, a great and a good life. Having sat in the Senate since the closing years of the last century, Senator Dandurand was in himself a link with the past —with the earlier political life of Sir Wilfrid Laurier, and of those others who have laboured to establish firmly the foundations of our nationhood. Like Sir Wilfrid, he strove, in public and private life alike, to promote understanding and co-operation between the two great races of the Dominion, and on this basis to preserve and strengthen the bonds of a common nationality.

Although his own career, and many of the traditions with which it came to be identified, had its origin in an earlier generation, Senator Dandurand did not live in the past. He took a keen and active interest in the questions alike of peace and of war. To the deliberations of the War Committee of the Cabinet he brought a wide knowledge of international affairs, and a strong sense of practical reality. To the last, his life was characterized by a spirit of helpfulness. As a former Speaker of the Senate, as Government Leader in that Chamber for many years and as a member of the Administration, he gave exceptional service to Canada.

Senator Dandurand was first and foremost a citizen of Canada, but he was also, in larger measure, I believe, than any other Canadian of his generation, a citizen of the world. His deep and abiding affection for the people of his native province and of his native land did not preclude a kinship with mankind which so broadened his interests as to embrace other lands and other races. There will be those in many other countries, as well as throughout our own, who will deeply regret the passing of one whom they had come to regard as a personal friend and as a tireless worker on behalf of international goodwill.

For six years in succession, Senator Dandurand represented Canada at the Assembly of the League of Nations, and in 1925 was elected President of the League Assembly. During practically the whole three years that Canada was a member of the League Council, he was a Canadian representative on the Council. At the League he won for himself an enviable international reputation as an authority on social questions and as a champion of the rights of minorities. The record of his devoted labours at the League is a part of the history of international affairs.

It has been well said of Senator Dandurand that there was about him an innate distinction of manner, combined with a gentleness of spirit which made him one of the most beloved as he was one of the most familiar figures in Canadian public life. He exemplified in his career the finest traditions of public service, and indeed helped, by precept and example, to add to them. His life and work may well serve as an inspiration to those of our own and of succeeding generations who seek to play a useful and honourable role in the administration of the affairs of our country.

Personally I cannot say how grateful I feel for all that the close association and friendship which I shared with Senator Dandurand has meant to me in the course of my public life. We had been friends over forty years. For fifteen of those years he and I shared responsibilities in the Cabinet and leadership of the Government, in the Senate and House of Commons respectively. During the still longer years I have had the responsibility of the leadership of the Liberal party, in opposition and in office, I doubt if I could possibly have begun to cope with many of the problems of one in that position without the wise counsel, guidance and loyal co-operation he so constantly and unswervingly accorded me. In all his personal and public relationships Senator Dandurand was fidelity itself.

Although his voice will be heard no more in the councils of the nations, in the hearts alike of his fellow-countrymen and of the friends of justice and peace in other lands, the memory will long endure of Senator Dandurand's continuous and untiring efforts to promote the common well-being of mankind.

Hon. R. B. HANSON (Leader of the Opposition): Mr. Speaker, this Parliament and the people of Canada have been greatly shocked by the announcement of the sudden death of the Right Hon. Raoul Dandurand last evening. His death marks the passing from the political scene of one of Canada's best known public men.

Born fourscore years ago in the city of Montreal, where he made his home, received his education and practised his profession, he rose to be a national figure in the fields of finance and statesmanship.

The friend of Sir Wilfrid Laurier, he was, at the comparatively early age of thirty-seven, appointed to the Senate. There his qualifications marked him out for advancement and he soon became a commanding figure. In 1905 he was appointed Speaker, and in 1921, when my right honourable friend became Prime Minister, Senator Dandurand was made a member of the Cabinet and the representative of the Government in the Senate, which position he occupied until 1930, and again in 1935 until the time of his death.

His achievements in the realm of international politics are well known, particularly in relation to the League of Nations, of which he was a warm supporter. He occupied respectively, the position of a Canadian delegate to the League of Nations, President of the Assembly and, later on, a delegate to the Council of the League, a reputation which no Canadian since Sir Robert Borden has surpassed.

Contemplating in retrospect the life and career of Senator Dandurand, one cannot help being impressed by the realization of what a full and happy life he had. Even prior to his appointment to the Senate, he had played a leading part in the public life of his native province; and during the forty-four years he was a member of the Senate, no one took a more important and active part in the deliberations of that body.

In July last he received the highest honour at present in the right of Canadians to receive —membership in His Majesty's Imperial Privy Council.

My own relations with him were friendly. I often met him in Ottawa and on the trains. He was an engaging personality and a first-rate raconteur. Many times I have enjoyed my conversations with him.

He was a vigorous champion of his own opinions and of the aspirations of his compatriots.

His passing leaves a very distinct blank in the Government of the country. I desire to extend to my right honourable friend and to his followers my sincere expressions of sympathy and regret.

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, we join in mourning to-day the passing of one whose life was both useful and full. That Senator Dandurand was what we seldom see in our own Dominion—and what we hope we may see more of in the years to come—a Canadian statesman with an international outlook, was recognized not only in our own country but in other countries of the world. He received distinguished honours at the hands of the people not only of Canada, but of France, from whose culture he derived so much inspiration. I shall always associate the late Senator Dandurand with the noble efforts that were made after the last great war to secure world peace. He was faithful to the ideals of collective security—sometimes called a noble experiment which failed; but I believe the day will yet come when upon the foundations laid by him and others like him will be erected a structure which will not fall and will not fail.

I did not know Senator Dandurand well, but I often used to see him in the corridors, and the picture which I shall carry in my mind as long as I remain in these associations is of a noble and friendly figure standing beside the Throne in the Senate Chamber, and bringing to my mind the words of Geoffrey Chaucer, "He was a verray parfit gentil knight."

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, naturally when one passes who has filled for so many years so large a place in the public eye as Senator Dandurand, the first reaction is one of shock and regret. But I believe that in the contemplation of this man's life and of his passing most people will feel that he has been blessed in his going hence as he had been in his living here. He has had a long, rich and abundant life, full of activity, full of striving for the ideals which guided him; a life crowned with a large measure of success. I do not know how anyone could ask of life anything finer. Now that he has closed that life without pain, without regret, I think there is cause for satisfaction and comfort.

We join with those who will extend sympathy to the bereaved ones, for no matter how far advanced one may be in years, when he passes there will be an empty place at the fireside and there will be hearts that are lonely because he is no longer here. To these we extend our sympathy and condolences.

Mr. THOMAS VIEN (Translation): Mr. Speaker, I have the honour to represent the electoral division of Outrement, where the Government leader in the Senate resided. He often did me the honour of calling me his member. He was the most illustrious of my constituents.

The death of the Right Honourable Senator Raoul Dandurand, a member of His Majesty's Privy Council, Minister of State, dean of the Senate and Government leader in the Upper House, is mourned by all Canada and particularly by the province of Quebec. Over eighty years of age and suffering for some time from an illness which was undermining his robust constitution, Mr. Dandurand could have looked forward to the enjoyment of a well-earned rest.

In the face of the daily worsening situation, following the example of Sir Wilfrid Laurier and of the Right Hon. Ernest Lapointe, whose valiant comrade in arms he had been, he remained at his post and in the service of his country to the very end.

In the late Senator Dandurand Canada has lost one of her foremost statesmen; Quebec, an illustrious son who was an honour to her in all circumstances and who had the signal privilege of becoming President of the League of Nations; the French Canadians, an able leader and intrepid defender; the Liberal party, a wise and courageous adviser; the members of the Senate and of the House of Commons, a distinguished dean, a faithful friend, a great and generous soul.

We who for the past quarter of a century have been associated with him in the public life of Canada will ever miss his noble presence and eloquent voice.

There remains for us to imitate his virtues. His career is a shining example of what can be accomplished by us and for us French Canadians, when native ability is supplemented by personal effort, study, uprightness and the conscientious performance of the given task.

May our young men learn from him to improve with age, never to let obstacles discourage them, to develop their natural gifts by ceaseless effort, to cherish high ideals and ever strive to attain them. May they learn that, while the lower rungs of the ladder are overcrowded in every sphere, there is always room at the top for men of ability.

May they take from him lessons of wisdom, level-headedness and understanding; may they imitate him in his unshakable faith in the glorious destinies which Providence holds in store for the Canadian nation.

Inspired by his noble example, let us stand up to our daily tasks; let us strive to break the bounds of mediocrity, and to shake ourselves free of mental sluggishness. We shall then find strength to endure all trials, to overcome all obstacles, to persevere until final victory.

Thus shall we honour, as he would wish us to, the memory of this great Canadian.

BUSINESS OF THE SENATE

DISCUSSION

Hon. Mr. KING: Honourable senators, I had hoped that we might have some business to carry on with to-morrow, but I am informed that there will be no work for us this week,

and I would move that when the House adjourns to-night it do stand adjourned until eight o'clock on Tuesday next.

Hon. Mr. BALLANTYNE: Could the honourable the acting leader give us any information as to when we may expect the bills in reference to the price of wheat, the acreages, and so on?

Hon. Mr. KING: I think that progress is being made on these bills in the other House, and it is hoped that they may reach us next week, when we may have an opportunity of dealing with them in committee.

I would move that the House adjourn.

Hon. Mr. HAIG: Honourable members, I did not hear the motion put that when this House adjourns it do stand adjourned until Tuesday next.

Hon. Mr. ROBINSON: That is the present motion.

Hon. Mr. HAIG: The present motion is the motion to adjourn. Before that there ought to be a motion that when we adjourn the House stand adjourned until Tuesday.

I want to point out to the acting leader of the House that if he will look at the report of March 11 he will find that the words uttered at that time are coming true to the letter. I do not want to say, "I told you so," but again I say I think it is very unfair to keep members from the outlying parts of Canada here for one night's work when they could have been at home for ten days or two weeks. I may say candidly that I do not think the wheat bills will be here on Tuesday, Wednesday or Thursday.

Hon. Mr. KING: They may be.

Hon. Mr. HAIG: You will be very lucky if you have them here by the 5th of May, because the House of Commons adjourns on the 27th of March and the discussion of the bills will undoubtedly go over Easter. There will be money bills here before the adjournment, no doubt. Are we sure that we shall adjourn next Thursday or Friday night? Again I protest most bitterly against holding this House here for one sitting when it was clearly pointed out in unmistakable language that there was no possibility of any legislation reaching this Chamber from the other House, if by "legislation" one meant the wheat bills. There is not a possibility of those bills reaching this House within any reasonable time. The wheat question is one of the most contentious subjects that have come into our politics since the wheat markets of the world were closed to free trade in wheat, and it will continue to be contentious, not only until the war is over, but until the markets of the world are free to trade again.

The way in which we have been carrying on is all right for men who are wealthy and can afford to sit here and let their business go to pot; it is all right for honourable senators from the province of Quebec and the province of Ontario—it is fine business for them; but it is not fine business for those of us who come from some other part of the country. I am willing to give my services to this country, but I am not willing to twiddle my thumbs for ten days in order to serve one day. I think that is an imposition on us who come from the far parts of Canada. Some of you may not feel as I do about this thing. I feel very keenly about it. In an endeavour to improve things I tried the gentle method and I tried the urgent method, but I found both were failures. Now I am going to try some other method. I intend to protest against this House being held in session for one day and then being adjourned for seven days. I will protest against that every time it is proposed. I may be a voice crying in the wilderness, but I will most certainly cry. Honourable senators, I protest against this motion. I think we should be held right here in session until next Thursday night, and then we should adjourn until Monday night. If there is nothing for us to do, let us meet and adjourn. In any event, we ought to be here and ready if there should be any business. I suppose that the Government leader will not be appointed until the Government has a chance to reconsider the whole situation; I think it is reasonable to expect that. The Government has lost two of its most distinguished leaders from one of our great provinces. It is a very severe blow to the Prime Minister of this country to lose these men, on whom he leaned for advice and guidance, especially as to public opinion in that great province. That is something that maybe all do not understand, but I can understand it. However, that does not justify our adjourning to-night, after this one sitting, and being turned loose again on the city of Ottawa, or wherever we happen to be, until next Tuesday night. That is not fair to the city of Ottawa and it certainly is not fair to us.

Hon. Mr. BALLANTYNE: Honourable senators, might I suggest to the acting leader that in the interim he try to get some clear idea as to when the wheat bills are likely to reach this House? If they are not likely to come for a week or more, as the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig) has suggested, then honourable members could be notified. I think it might be better if the

adjournment were for a longer period than until next Tuesday, and should the wheat bills be ready to be sent to us before the date set for our resumption, His Honour the Speaker could call us together, under the authority given to him at the beginning of the session. I do not know whether that would meet with the views of the honourable senator from Winnipeg South-Centre.

Hon. Mr. HAIG: We have to meet next week to pass supplementary supply, not only for current account, but also for the war estimates. Both these items must be passed by us and assented to before the 27th.

Hon. Mr. KING: I think my honourable friend is quite right. It was suggested that we might adjourn until to-morrow afternoon. But we have nothing on our Order Paper and there is no reason why we should meet to-morrow just to adjourn again. My honourable friend from Winnipeg South-Centre (Hon. Mr. Haig) suggests we may not have these agricultural bills over here before the 27th. He may know more than I, and more than the Government. It depends on the attitude of the House of Commons when they will come to us.

Hon. Mr. HAIG: The Opposition in that House.

Hon. Mr. KING: Yes. But I do know this, that there are certain financial measures which should be passed next week, before the Easter vacation. It is at least hoped that they will be ready for us some time next week, and that is why I am suggesting that when the House adjourns to-night it stand adjourned until next Tuesday night.

Hon. Mr. BALLANTYNE: I am perfectly agreeable to that.

The motion was agreed to.

The Senate adjourned until Tuesday, March 24, at 8 p.m.

THE SENATE

Tuesday, March 24, 1942.

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

Prayers and routine proceedings.

PRAIRIE FARM ASSISTANCE BILL

FIRST READING

A message was received from the House of Commons with Bill 14, an Act to amend the Prairie Farm Assistance Act, 1939.

The Bill was read the first time.

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

Hon. Mr. KING: With leave of the Senate, at the next sitting.

WAR APPROPRIATION (UNITED KINGDOM FINANCING) BILL

FIRST READING

A message was received from the House of Commons with Bill 15, an Act for granting to His Majesty aid for the purpose of financing United Kingdom war requirements in Canada and for national defence and security.

The Bill was read the first time.

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

Hon. Mr. KING: Honourable members, as this measure is different from the usual financial bills that come to us from the other House, may I suggest that the resolution which preceded it, and which was moved by the honourable Minister of Finance on the 18th instant, be incorporated in our Hansard.

I would suggest also that we proceed with second reading of this measure to-morrow, so that honourable senators may then have an opportunity to express their views upon it.

Hon. Mr. BALLANTYNE: Honourable senators, I do not think any objection can be taken to the resolution presented in another place being included in the report of our debates, especially in view of the fact that it contains much informative detail. In regard to second reading of this Bill, I understand that with the consent of the Senate it can be taken to-morrow.

Hon. Mr. KING: Yes, to-morrow.

The Hon. the SPEAKER: Is it the pleasure of honourable senators to adopt the suggestion just made?

Some Hon. SENATORS: Carried.

The following is the resolution referred to:

Resolved, that it is expedient to introduce a measure to provide:—

1. That sums not exceeding one thousand million dollars ($1,000,000,000) be granted to His Majesty towards defraying the expenditures that may be incurred during the present war for the purpose of enabling the Government of the United Kingdom to purchase in Canada aircraft, tanks, mechanical transport vehicles, guns, ammunition and other munitions of war, food-stuffs, raw materials and any other commodities and supplies essential to the conduct of the war and the maintenance of the people of the United Kingdom, and to assist in

enabling the Government of the United Kingdom to defray other expenditures incurred in Canada for war purposes.

2. That the Minister of Finance may be empowered to accept from the Government of the United Kingdom an obligation of the said Government in such form and subject to such terms and conditions as the Governor in Council may determine for a sum of seven hundred million dollars ($700,000,000) in exchange for an equivalent amount, at an exchange rate of $4.45 to the pound sterling, of deposits in pounds sterling held in banks in the United Kingdom, the said obligation of the Government of the United Kingdom not to bear interest until the termination of the war.

3. That the Governor in Council be empowered to make provision for the purchase of any or all unmatured securities or obligations of or guaranteed, either as to principal or interest or both or as to dividends by the Dominion of Canada or of or guaranteed either as to principal or interest or both by the Canadian National Railways, which are now or may hereafter be held by the Government of the United Kingdom.

4. That the Governor in Council be empowered to raise by way of loan under the provisions of the Consolidated Revenue and Audit Act, 1931, such sum or sums of money not exceeding in the whole the sum of one thousand million dollars ($1,000,000,000) as may be required for the purpose of defraying the expenditures and making the purchases referred to herein, the principal and interest of any such loan to be a charge upon and payable out of the Consolidated Revenue Fund.

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 Edith Morgan Black.

Bill N, an Act for the relief of Betty Leah Bregman Beloff.

Bill O, an Act for the relief of Malca Levitt, otherwise known as Atty Malcy Levitt.

Bill P, an Act for the relief of Jack Simon.

Bill Q, an Act for the relief of Marie Louise McCarthy Smyth.

Bill R, an Act for the relief of Marie Glenna Grace Thomas Reynolds.

Bill S, an Act for the relief of Isabel Jessica Black Jolley.

Bill T, an Act for the relief of Margaretha Elisabeth Buck Peereboom.

Bill U, an Act for the relief of Ethel May Marshall James.

Bill V, an Act for the relief of Anastasia Tkaczuk Wojtkowycz.

Bill W, an Act for the relief of Phyllis Wilda Valentine Park Evans.

Bill X, an Act for the relief of Louise Mehliss Jackson.

Bill Y, an Act for the relief of Bertha Beatrix Berlind Ripstein.

Bill Z, an Act for the relief of Lola McIntosh.

SECOND READINGS

On motion of Hon. Mr. Robinson, the following Bills were severally read the second time:

Bill E, an Act for the relief of Eleanor Adele Rea Barrett.

Bill F, an Act for the relief of Eleanor Edith McKechnie Barlow.

Bill G, an Act for the relief of Dorothy Agnes Henrietta Russell Cantlie.

Bill H, an Act for the relief of Irene Coadic Murphy.

Bill I, an Act for the relief of Lester Lewis Catchpaw.

Bill J, an Act for the relief of Annie Ruth Fisher Allen.

Bill K, an Act for the relief of Alice Adelia LaFleur Johnston.

Bill L, an Act for the relief of George Webb.

THIRD READINGS

The Hon. the SPEAKER: When shall Bills E to L be read a third time?

Hon. Mr. HAIG: Now.

Hon. Mr. ROBINSON: If there is no objection, I would move that these Bills be read a third time now.

Hon. Mr. DUFF: On division.

The motion was agreed to, on division, and the Bills were severally read the third time, and passed.

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

THE SENATE

Wednesday, March 25, 1942.

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

Prayers and routine proceedings.

PRIVATE BILL

REPORT OF COMMITTEE

Hon. C. E. TANNER presented the report of the Standing Committee on Miscellaneous Private Bills on Bill B, an Act to incorporate the Canadian Dental Association.

He said: The committee is reporting the Bill without any amendments. I might explain there was some discussion on the motion for second reading of this Bill, and

it was suggested that the dental associations of the provinces should be consulted on the incorporation. It appears that this association has been carrying on for many years, that it is an educational rather than an administrative body, and that it has been in close collaboration with all the dental associations of the provinces. Correspondence produced before the committee indicated that every dental association in Canada is very much in favour of this proposed incorporation.

THIRD READING

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

Hon. Mr. COTE: With leave of the Senate, in order to expedite the Bill being sent to the other House, I move that it be now read a third time.

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

PRIVATE BILL

REPORT OF COMMITTEE

Hon. Mr. TANNER presented the report of the Standing Committee on Miscellaneous Private Bills on Bill C, an Act to change the name of The Saskatchewan Life Insurance Company to Fidelity Life Assurance Company.

He said: The committee finds that the preamble of the said Bill has not been proven to its satisfaction. The committee has arrived at this decision on the ground that the passage of the said Bill would not be in the public interest.

The Hon. the SPEAKER: When shall this report be taken into consideration?

Hon. Mr. TANNER: At the next sitting of the House.

Hon. Mr. HAIG: Has the motion been put, Mr. Speaker?

The Hon. the SPEAKER: Next sitting of the House.

Hon. Mr. CALDER: May I rise just to make an inquiry rather than to speak to the Bill? This is a measure that affects a company in my own province. It has been intimated to me, whether correctly or otherwise I do not know, that in the consideration of the Bill the committee had the benefit of the presence of the Superintendent of Insurance, and that he said he could see no objection at all to changing the name of the company as proposed. We all know Mr. Finlayson, and we all have the very highest regard for him. He has proven himself a very strong administrator of the Insurance Act. From my knowledge of Mr. Finlayson I should judge that when he states something he means exactly what he says. In these circumstances I cannot understand why the committee thought best not to allow this company to change its name, and I should certainly like to have some further explanation from members of the committee before a vote is taken on this question.

Hon. Mr. MURDOCK: Next sitting of the House.

The Hon. the SPEAKER: Consideration at the next sitting of the House.

WHEAT ACREAGE REDUCTION BILL

FIRST READING

A message was received from the House of Commons with Bill 12, an Act respecting wheat acreage reduction.

The Bill was read the first time.

SECOND READING POSTPONED

The Hon. the SPEAKER: For what date shall this Bill be placed on the Order Paper to be read the second time?

Hon. Mr. KING: Honourable senators, this is one of three bills relating to Western farming conditions. I am going to ask consent of the Senate to have the motion for second reading made to-morrow.

Hon. Mr. BALLANTYNE: As the honourable acting leader (Hon. Mr. King) knows, it might be well to take second reading this afternoon, if the Senate is agreeable. Then this measure could be referred with the other wheat bills, if they are given second reading, to the appropriate committee.

Hon. Mr. KING: I appreciate that suggestion very much. If second reading could be given this afternoon, it would be well, for I know the Government is desirous of advancing the measure. As my honourable friend suggests, after second reading is given, the Bill could be referred to a committee—to the Committee on Agriculture.

Hon. Mr. BALLANTYNE: Some honourable senators will want to debate briefly the principle of the Bill.

Hon. Mr. MURDOCK: The Bill is not before us yet.

Hon. Mr. BALLANTYNE: Yes, it is here.

Hon. Mr. MURDOCK: I cannot find it. It is not on my file.

Hon. Mr. KING: I would suggest, honourable senators, that we let the matter stand for the time being. I am sure the Bill is in

print, and it can be distributed and taken up here later this afternoon. In the meantime we could proceed with other items.

Hon. Mr. HAIG: Honourable members, I must say that I have a little difference of opinion with some of my colleagues on this side of the House. These wheat bills are tremendously important, and I think it would be better to follow the original suggestion of the honourable acting leader and postpone the motion for second reading until to-morrow. Probably I am technically out of order, but I may be permitted by honourable senators to make just a few remarks.

There are three wheat bills to be dealt with by us. One is the Prairie Farm Assistance Bill, which would apply when there is a crop failure. Another is the Wheat Acreage Reduction Bill, which has just been given first reading, and under which, if a farmer switches from wheat to coarse grains or grass or summer-fallow, he will get $2 per acre for whatever part of his 1940 wheat acreage is so switched; and if he had no wheat acreage in 1940, then the computation would be based on his 1939 wheat acreage. The third bill is the one which provides for an increase in the price of 280 million bushels of wheat from 70 to 90 cents a bushel f.o.b. Fort William or Vancouver. Of course I think the Prairie Farm Assistance Bill should be passed, for it applies where the farmer has nothing; he has been dried, or grass-hoppered, or blown out. Then this Bill, which switches the crop from wheat to oats, barley, grass or flax, or summer-fallow, is an important measure and applies to every farmer. The third Bill, as I have said, relates to the price of grain. I really think the three Bills should be discussed together, so that honourable senators may better understand what is involved. That is why I am opposed to this motion for second reading being considered to-day, particularly as I expect the ninety-cent Bill will reach us to-morrow. I understand an effort will be made to-morrow morning to report that Bill out of committee of the Commons on condition that the committee be allowed to continue its sittings in order to examine the Grain Board's operations. Opposition from all angles in the other House was directed to that point. If that arrangement is carried out, it is hoped to get the Bill through the other House to-morrow. I suggest we do not proceed with the motion for second reading now.

Hon. A. L. BEAUBIEN: All the Bill involves is this. Under the Act the Governor in Council can declare an emergency year, provided the price of wheat or barley is below 80 cents a bushel.

Hon. Mr. MARSHALL: The honourable gentleman has the wrong bill. We are considering Bill 12.

Hon. A. L. BEAUBIEN: I beg pardon.

Hon. Mr. KING: We are discussing Bill 12. The Government has been carrying on under Order in Council, and the purpose of this Bill is to give legislative authority for such action. I hope my honourable friend will allow the motion for second reading to pass. It would enable us to get this Bill into committee to-morrow.

Hon. Mr. ASELTINE: Can the honourable leader of the House (Hon. Mr. King) tell us when the Wheat Board Bill will reach us?

Hon. Mr. KING: It depends on what happens in the House of Commons committee.

Hon. Mr. ASELTINE: Is it likely to reach us before the Easter adjournment?

Hon. Mr. KING: I think so.

Hon. Mr. ASELTINE: I am inclined to agree with the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig) that the three Bills are so closely related to one another that they should be considered at the same time.

Hon. Mr. MARSHALL: Is it agreed then that we proceed with the second reading of Bill No. 12?

Hon. C. P. BEAUBIEN: We have not got the Bill.

Hon. Mr. MARSHALL: No, we have not yet received the print of the Bill as it passed the other House. There it was slightly amended in Committee of the Whole. With the consent of the Senate, I will move the second reading of Bill No. 12; but if it is desired that we should not proceed with it further until we have the Bill before us as it finally passed the other House, I would suggest that we deal with it to-morrow.

Hon. Mr. SINCLAIR: There is no bill on our files.

Hon. Mr. MARSHALL: No, you have not got the third-reading form.

Hon. Mr. KING: I suggest that we facilitate the business of the Senate by proceeding with the other orders, and that if this Bill as it passed the other House can be distributed we take it up later.

Hon. Mr. MARSHALL: I agree it is not advisable to proceed with second reading without every honourable member having the Bill on file.

Hon. Mr. SINCLAIR: We have not yet received any copy.

On motion of Hon. Mr. King, it was ordered that the Bill remain on the Order Paper for second reading to be considered later this afternoon.

DIVORCE BILLS

SECOND AND THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the second and third times, and passed, on division:

Bill M, an Act for the relief of Edith Morgan Black.

Bill N, an Act for the relief of Betty Leah Bregman Beloff.

Bill O, an Act for the relief of Malca Levitt, otherwise known as Atty Malcy Levitt.

Bill P, an Act for the relief of Jack Simon.

Bill Q, an Act for the relief of Marie Louise McCarthy Smyth.

Bill R, an Act for the relief of Marie Glenna Grace Thomas Reynolds.

Bill S, an Act for the relief of Isabel Jessica Black Jolley.

Bill T, an Act for the relief of Margaretha Elisabeth Buck Peereboom.

Bill U, an Act for the relief of Ethel May Marshall James.

Bill V, an Act for the relief of Anastasia Tkaczuk Wojtkowycz.

Bill W, an Act for the relief of Phyllis Wilda Valentine Park Evans.

Bill X, an Act for the relief of Louise Mehliss Jackson.

Bill Y, an Act for the relief of Bertha Beatrix Berlind Ripstein.

Bill Z, an Act for the relief of Lola McIntosh.

PRAIRIE FARM ASSISTANCE BILL

MOTION FOR SECOND READING

On the Order:

Second reading of Bill 14, an Act to amend the Prairie Farm Assistance Act, 1939.—Hon. Mr. King.

Hon. Mr. KING: Honourable senators, I would ask that the honourable senator from Peel (Hon. Mr. Marshall) move the second reading of this Bill.

Hon. Mr. MURDOCK: Is that Bill before us?

Hon. DUNCAN McL. MARSHALL: This is an amending Bill of only one clause. Under the Act no year can be declared an emergency year unless wheat is less than 80 cents a bushel. The probabilities are that the price will be raised 10 cents above that level, and so the amending clause provides:

The Governor in Council may, for the purposes of this Act, declare any crop year to be an emergency year.

Hon. Mr. BALLANTYNE: Would the honourable senator be good enough at this point to inform us under what conditions the Governor in Council would feel justified in declaring any crop year to be an emergency year?

Hon. Mr. MARSHALL: The Act provides that when there is a bad crop in a certain territory the Governor in Council can declare the crop year to be an emergency year, and assist the farmers under the Prairie Farm Assistance Act. This Bill makes but one change. It provides that the Governor in Council may, if he considers there has been virtually no crop in a certain district, declare the crop year as to that district to be an emergency year, even though wheat is over 80 cents a bushel, and may proceed along the lines laid down in the Act, which, I believe, was passed last session.

Hon. Mr. BALLANTYNE: Wide open.

Hon. Mr. MARSHALL: No. The Act defines crop failures and lays down the conditions under which evidence is taken from municipalities as to crop failures, and the manner in which applications for assistance to farmers are to be dealt with. The purpose of the Farm Assistance Act is simply to help the farmer live through the year after he has had a crop failure. As we know, some form of national insurance was suggested, but the decision of the Privy Council discouraged any action along that line. For the last two years the Government has, under the Prairie Farm Assistance Act, been assisting farmers in those districts where crop failures have been declared.

Hon. C. P. BEAUBIEN: The amendment apparently leaves it entirely to the discretion of the Government. Is that discretion limited by the statute?

Hon. Mr. MARSHALL: The Government had that discretion before, but if wheat was 80 cents a bushel, or 10 cents above the fixed price, it was thought it would not be necessary to declare any crop year an emergency year. Now, as it costs more to raise wheat, the other House has passed a Bill increasing the price to 90 cents, and consequently under the Act no assistance could be given to the prairie farmer at all. This amendment removes the 80-cent block, so to speak, and allows the Government to proceed under the Act in any

year, no matter what the price of wheat may be, provided that certain districts are found to have a crop not large enough to sustain the farmers interested.

Hon. Mr. HAIG: May I ask the honourable gentleman a question? If the Bill is given second reading, is it his intention to have it sent to committee?

Hon. Mr. MARSHALL: I had thought of having this Bill referred to the Committee on Agriculture, or of suggesting that all these Bills should go to committees.

Hon. C. P. BEAUBIEN: Yes.

Hon. Mr. MARSHALL: If you please, honourable senators, this Bill can go to the Committee on Banking and Commerce. I think the Acreage Reduction Bill should go to the Committee on Agriculture. I shall be guided entirely by what this honourable body thinks. If the Bills were sent to different committees the work would be divided up to some extent.

The Bill increasing the price of wheat by 10 cents, being a trade and commerce Bill, should probably go to the Standing Committee on Banking and Commerce. I do not know whether that Bill will reach us to-morrow. There is hope that it will.

Hon. Mr. ROBINSON: Does this Bill apply to all of Canada?

Hon. Mr. MARSHALL: No; to the Prairies.

Hon. Mr. ROBINSON: What are the Prairies?

Hon. Mr. MARSHALL: The places where the wheat is grown.

Hon. CREELMAN MacARTHUR: This wheat question is a hardy annual. We have had it before us year after year, and year after year the Western farmers have received bonuses and help from the Government, which assistance is entirely absent from the Maritime Provinces. We in the Maritimes have potato problems, but the Government never gives any consideration to helping us by means of a ceiling, pegged prices or anything else of that kind. I am getting sick and tired of hearing of wheat, wheat, wheat every year, and of the Government giving bonuses of 30, 40 or 50 cents to help the Western farmer. Our Maritime farmers are struggling. They are losing money. Prices are low, and the farmers are discouraged. I think the Minister of Agriculture should consider the Maritimes, particularly Prince Edward Island, which is the best potato-growing country in the Dominion, to see if something cannot be done to get the farmers a reasonable price for their products. We are being taxed for wheat every year, but we are not going to stand for it for ever. We are paying for the Western farmers and receiving no recompense of any kind; we are getting nothing as a quid pro quo.

Hon. Mr. BALLANTYNE: Honourable senators, do I understand that the honourable senator from Peel (Hon. Mr. Marshall) is through with his presentation and discussion of the Prairie Farm Assistance Bill?

Hon. Mr. MARSHALL: Of the Prairie Farm Assistance Bill, yes—Bill No. 14.

Hon. Mr. BALLANTYNE: All I desire to say about Bill No. 14 is that the proposed statutory change, which leaves it entirely to the Minister or the Governor in Council to determine when and where an emergency exists, is a most extraordinary one. I should have thought the Government would be very careful to place restrictions around such a proposal, and to provide that such and such must be done before it would act. If I understand the honourable senator correctly, he says that this matter is left entirely to the Governor in Council.

Hon. Mr. MARSHALL: No. Under the Act the Governor in Council could proclaim any year an emergency year, provided the price of wheat was below eighty cents. The only thing this Bill does is to enable the Government to take the roof off that price in designating an emergency year.

The Act now on the Statute Book which we passed two years ago, I think, provides for the appointment of a Board of Review to examine the applications made for this assistance through the municipalities, and to report as to what should be done in the different districts. The Executive Council, in deciding whether an emergency exists or not, acts upon the information gathered from the municipal officers and the Board of Review as to crop conditions.

Hon. Mr. MURDOCK: Honourable senators, copies of Bill 14 are not yet before us, but I gather from the explanation given that the necessity for this Bill is predicated entirely upon a bill, yet to come from the other House, that increases the price of wheat to ninety cents a bushel. I, as one member of this honourable body, object strenuously to any proposal to go ahead with the present Bill before we have received the bill to which it relates.

Hon. Mr. MARSHALL: We will just leave the second reading. A motion for second reading is more or less out of order.

The Hon. the SPEAKER: There is nothing yet before the Chair. The second reading has not been moved.

Some Hon. SENATORS: Stand.

Hon. A. L. BEAUBIEN: Is there anything before the Chair?

Hon. Mr. MARSHALL: No. Stand.

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 A2, an Act for the relief of Stella Kathleen Marguerite Winnall Barwick.

Bill B2, an Act for the relief of Joyce Elizabeth Blackburn Gordon.

Bill C2, an Act for the relief of Kate Elizabeth Laidlaw McNiven.

Bill D2, an Act for the relief of Margaret Livingstone Turnbull Woodard.

Bill E2, an Act for the relief of Dorothy Sunsheine Steirman Cooke.

Bill F2, an Act for the relief of Doris Golt Rosner.

Bill G2, an Act for the relief of Anna Pohopoluck Yacobchak.

Bill H2, an Act for the relief of Myer Levine.

Bill I2, an Act for the relief of George Sutherland Cameron, junior.

Bill J2, an Act for the relief of Fred Catlow.

PRAIRIE FARM ASSISTANCE BILL

MOTION FOR SECOND READING

Hon. Mr. KING: Honourable senators, I should like to return to the order which we were discussing a few moments ago, for the second reading of the Prairie Farm Assistance Bill. My honourable friend from Parkdale (Hon. Mr. Murdock) is quite right in saying that this Bill is based on one which has not yet been received in the Senate. Nevertheless, this Bill is properly before the House. It was introduced last night, and it is quite proper that it should now come before us for second reading, though I do not wish to press it if there is any objection. True, the price increase provided for in the other Bill has made this amending Bill necessary, and I think the honourable senator is quite right in saying that the other Bill should also be before the House.

Hon. Mr. MURDOCK: This Bill is not on the file.

Hon. Mr. KING: I do not know. The Bill came over last night and got first reading. It should be on our file to-day. The order is on the Order Paper, but, as I say, I have no desire to urge for the second reading to be given now. We can let it stand.

Hon. A. L. BEAUBIEN: No Bill on the file?

Hon. Mr. KING: If there is any exception taken to the second reading, we will let the order stand.

Hon. Mr. MURDOCK: There has been exception. I take very strong exception to it.

Hon. Mr. KING: The honourable gentleman insists?

Hon. Mr. MURDOCK: Yes.

Hon. Mr. KING: The Bill could receive second reading now, but I will not press it.

Hon. Mr. MacARTHUR: What is the number of the Bill?

Hon. Mr. KING: Bill No. 14.

Hon. Mr. MURDOCK: It is not on the file.

Hon. Mr. MARSHALL: The other Bill is coming. Is it not in order to move the second reading of this Bill?

An Hon. SENATOR: Yes.

Hon. Mr. MARSHALL: Then I so move.

The Hon. the SPEAKER: It is moved by Hon. Senator Marshall, seconded by Hon. Senator Stevenson, that Bill 14, an Act to amend the Prairie Farm Assistance Act, 1939, be now read a second time.

Hon. Mr. MURDOCK: Honourable senators—

Hon. Mr. KING: Just a moment, please. The statement that the Bill is not on our files has been confirmed; so the Bill is not properly before us.

Hon. A. L. BEAUBIEN: It is on my file.

Hon. Mr. KING: I am advised by the pages that it has not been distributed. If it had been distributed it could be proceeded with.

Hon. Mr. HAIG: It is not on the file.

Hon. A. L. BEAUBIEN: Both languages being official, and the French version being on my file, I may proceed.

Hon. B. F. SMITH: It is not on my file either.

Hon. A. L. BEAUBIEN: This Bill is very simple. There is an Act of Parliament which authorizes the Government to pay to farmers so much an acre, provided the yield is below twelve bushels to the acre. Under the Act

the Governor in Council had the right to declare an emergency if the price of wheat was eighty cents or less.

Hon. Mr. BALLANTYNE: I do not like to interrupt my honourable friend, but the second reading has not yet been moved.

Hon. Mr. MURDOCK: I have tried three times to rise to a point of order. I distinctly object to this attempt at a hurried consideration of a Bill that is predicated entirely on the passage of another bill in another place, when that bill is not before us at all and the one to which it is suggested we should now give second reading is not on our files.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: I think the objection of the honourable senator from Parkdale (Hon. Mr. Murdock) is well taken. If the Bill is not on our files here, we should not proceed with second reading.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MURDOCK: Stand.

Hon. Mr. KING: Stand.

The Hon. the SPEAKER: Then I understand that as Bill 14 has not been distributed to honourable senators, the motion for second reading must stand for the present.

The motion stands.

WAR APPROPRIATION (UNITED KINGDOM FINANCING) BILL

SECOND READING

On the Order:

Second reading of Bill 15, an Act for granting to His Majesty aid for the purpose of financing United Kingdom war requirements in Canada and for national defence and security.

Hon. Mr. KING: Honourable senators, this Bill has been in my hands for some time and I hope it is on honourable senators' files. I have asked the honourable senator from Vancouver South (Hon. Mr. Farris) to move second reading.

Hon. J. W. deB. FARRIS: Honourable senators, I move the second reading of this Bill. The Bill has been printed and I think we all have it before us. It is a measure that I am sure every honourable member of the House has already considered. For purposes of explanation, it may be divided into two parts: one contains provisions for refinancing obligations already incurred by Great Britain in connection with war materials and foodstuffs; and the other part, which is in relation to the future, proposes a gift of a billion dollars' worth of goods as the British Government may require them.

I shall briefly explain the provisions of sections 4 and 5, relating to the refinancing of past obligations. May I say, in connection with this, that we now deal with billions as we used to deal with millions. The change of one letter in this word "million" involves an increase to one thousand million dollars, which in normal times would seem to be a somewhat large increase. Canada's war expenditures are of a two-fold nature, and it is necessary to keep that in mind in considering the provisions of this Bill. First there are what are known as direct expenditures, made for the production and use of our own materials for our own war purposes and in connection with our own war effort. I say "our own" there as distinguished from those of our Allies. The second kind of Canadian expenditures is indirect; and those in relation to Great Britain and other Allied countries come under that heading. The direct expenditures made last year have not yet been entirely before this House. I believe there is to be a supplementary vote in that connection, and when the total amount has been voted—it has already been expended—it will amount to $1,430,000,000.

The indirect expenditures are what I am talking about for the moment. In this connection there is this important fact to be kept in mind, that when another country purchases from us goods of any nature there are just a limited number of ways in which they can be paid for. They may be paid for by gold, which is the normal method of payment when it is possible. They may be paid for by the cancellation of debts which Canada may owe to that country. This method may be termed, and has been termed in the other House, repatriation of our debts. In the third place, they may be paid for by the exchange of other goods and other services, which of course is limited to the extent of our willingness to accept goods and services from other countries. The only other method of settlement is, to put it rather awkwardly, for the purchasing country not to pay for the goods at all, but simply to owe the debt and let it stand, with or without interest.

Bearing that in mind, I call attention of the House to this fact, that since the war started the total net deficit on the amount purchased in Canada by the sterling area has been $1,770,000,000. I take that expression "sterling area" from the Minister of Finance. The sterling area includes Great Britain and some other countries which use the pound sterling; but primarily and for our purpose of thinking it is largely the United Kingdom, Great Britain and Northern Ireland. This sum—I do not know whether honourable senators can take in

these tremendous figures at one thought—is the total net deficit, up to February of this year, on the indirect expenditure of Canada; for it is indirect expenditure when we are not paid back. That has been financed in accordance with the outline I have just given. Of that amount Great Britain paid some $250,000,000 in gold, all her gold payments having been made prior to December, 1940, considerably over a year ago. There has been no payment in gold of any portion of this tremendous sum of money to Canada since that time. Of the balance, $400,000,000 has been paid by repatriation of obligations of ours in government or railway bonds or debentures in Great Britain, securities which had not matured, but were paid or cancelled prior to maturity. That leaves a balance of about one billion dollars that has not been paid to Canada for goods already purchased and received in connection with this war. That is now an accumulation of sterling balances in London. So honourable senators will see from the statement up to date that except for the $250,000,000 in gold paid prior to December, 1940, the entire balance of this $1,770,000,000 has been financed by Canada, and one billion dollars of that is simply an accumulation of sterling owed to Canada in London by the British Government.

I do not intend to refer to the details of sections 4 and 5, for two reasons. They do not affect the principle of the Bill; and, secondly, the details of how these things are worked out being strictly technical, I think that no one other than technical advisers of the Department of Finance should undertake an explanation of them. It is provided by sections 4 and 5 that of the one billion dollars now standing as a debt to us in sterling, $700,000,000 is to be converted from a sterling obligation to an obligation in Canadian dollars. I call honourable senators' attention to the fact that that obligation for $700,000,000 is to remain in that form without any interest to be paid by the British Government during the rest of the war period, on the understanding that at the termination of the war adjustments will be made, not with regard to the past, but as to the future and the rate of interest then to be paid. That is all I need to say about sections 4 and 5.

The other provision of this Bill, and one that has been more in the minds of the public generally, relates to the so-called gift of one billion dollars. That has to be kept entirely separate from these past financial transactions about which I have been speaking. This part of the Bill provides for the payment for food-stuffs and munitions as they will be required by the British Government, to the extent of one billion dollars. As I have already commented, the extent of the increase in expenditures is indicated by our now speaking of a billion dollars as we used formerly to speak of a million dollars. I would emphasize that by pointing out that this one contribution is double the total expenditure of Canada in any one year prior to the war.

Hon. Mr. HOWARD: For all purposes.

Hon. Mr. FARRIS: Yes, for all purposes. I think it is unfortunate that from time to time the expression "gift of one billion dollars" has appeared. Somebody might say: "That is a strange thing to do. Canada is a new country, not financially a rich country. Great Britain possesses the accumulated wealth of generations. It is a strange thing for Canada to make a contribution of cash to Great Britain." The thing to be kept in mind is the fact that this is in reality nothing more or less than a contribution of food-stuffs grown in Canada and shipped to Great Britain, of munitions manufactured in Canada and shipped to Great Britain, of aeroplanes, of tanks and of anything else which we can produce here and ship to that country.

Hon. Mr. MacLENNAN: Britain will not be called upon to pay for those.

Hon. Mr. FARRIS: No. What it means is that the gift consists of these things. If you wanted to give a man a new suit of clothes, you could do it in one of two ways. You could either hand him over a suit you already have or that you might purchase specially for him, or give him a cheque and tell him to make the purchase himself. But in either case, if the money is ear-marked for that particular purpose, the thing in substance is not the gift of money, but the contribution of the goods. That I would emphasize in this connection.

This Bill has a preamble, a long Whereas clause. I am not disputing in any way the correctness of that preamble, but for the purposes of my explanation of the Bill I have written out what I think is a simpler statement of exactly what we are proposing to do by the Bill. It is this:

Whereas Canada in common with her sister members of the British Commonwealth of Nations and in common with the other Allied nations is at war with Germany, Japan and other countries; and whereas the safety of Canada, her freedom and her national preservation are dependent on the success of our common cause; and whereas Great Britain has been and is to-day the front line of our defence and her preservation is vitally

necessary for our success and in order to make effective our Allied strategy in an offensive programme to defeat and destroy our enemies: therefore this legislation is enacted for the purpose of providing food-stuffs, munitions and war supplies to be made available to Great Britain in aid of our common cause and in furtherance of our united war efforts. It is one step in the march to victory.

To summarize. Before the United States, our ally, was as closely identified with us in the war as she is to-day, there were some people in that country who, for the purpose of stirring up misunderstanding, had suggested that Canada's war effort was not as genuine as we claimed it to be, that it was in fact nothing but a policy of "cash on the barrel-head." When I recall to honourable senators that in the past year the direct contribution of this country was $1,400,000,000, and the indirect contribution already mentioned was $1,700,000,000, a very large portion of which was expended in one year, and that for this year there will be, in addition to this $1,000,000,000 contribution we are now making, another vote of Parliament for a further $2,000,000,000, or a total in cash to be taken this year from the Canadian treasury, in furtherance of our war effort, of $3,000,000,000—three thousand million dollars—there can be no suggestion that any cash-on-the-barrel-head policy is governing the war effort of this country.

Honourable senators, may I conclude with this thought. Whatever our cash contribution may be, the contribution of Canada towards winning this war cannot be measured by that alone.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: It must be measured by our ships and the sailors on our ships who sail under and over the oceans; it must be measured by our planes and the pilots of our planes who soar the skies in our defence and in defence of our Allies; it must be measured in terms of our armed forces who stand guard on every front and are prepared to fight the enemy wherever duty shall demand; lastly, it must be measured by the spirit of the Canadian people, which finds expression in their determination to do all and to give all until the foe is beaten and victory is ours.

Hon. C. C. BALLANTYNE: Honourable senators, I am sure I am speaking for everyone in this Chamber when I say how much we appreciate the lucid manner in which the honourable senator from Vancouver South (Hon. Mr. Farris) has explained our financial relations with the Mother Country. May I add that I hope the changes he has made in the preamble of the Bill will be adopted, for certainly they are a great improvement on the present drafting.

I heartily agree with the loyal and patriotic sentiments so eloquently expressed by my honourable friend. I would add one or two measurements to those he has already so wisely mentioned. We can never estimate the sacrifice of the 46,000 men, women and children crushed by enemy bombs in the United Kingdom, and of those persons, about equal in number, maimed probably for life. This measure most certainly will be approved not only by the Parliament, but by the people of Canada, and I think the Government are to be heartily commended for what they have done in a financial way. I am sure that Great Britain and our Allies appreciate it to the full. But we cannot compare any contribution that this country may make in pounds, shillings and pence, or dollars, to the sacrifices in blood and treasure by Great Britain, especially through 1939 and 1940, when she stood alone; and even now, when she is aided by gallant Allies, too much credit cannot be given to her.

I am delighted to know that this billion-dollar gift is to be made to Great Britain. It is not altogether a gift, for, as the honourable senator from Vancouver has so aptly pointed out, this billion dollars is to be spent in Canada not only for munitions and implements of war, but also for food-stuffs, and it will be of benefit generally to our people. Therefore it is with the greatest pleasure and with full-hearted appreciation that I agree thoroughly with the purpose of this measure.

Hon. A. MARCOTTE: Honourable members, if I rise to make a few observations on the present measure, it is not with the idea of opposing its principle, for I favour the decision to grant England all possible help. There are some who say that they would have favoured the postponement of such a gift, because they think it is premature. We are in this war until final victory, but we do not know how long the war will last, nor how much it is going to cost Canada. We could in the meantime supply the goods and munitions required and place the cost on the credit side, either as loan or advance. When the war is over and adjustment is made, it would be easy to decide what discount Canada would grant England. We should take into consideration the difference between the financial standing of the two countries. England has a tremendous power of financial recuperation, while Canada, a vast country with a small population, will take many years to come back to normal financially.

This is a matter of opinion as to the time of making the gift, not as to the gift itself. The giving to England of this money in the form of supplies free of charge is something that should appeal to everyone in this honourable Chamber. I am one of those who think that we owe England more than money when we weigh what we have received from her. I refer to our British institutions and to the liberties we have been, and are, enjoying under the British flag. It seems to me necessary at this time to bring back to the memory of our people some historical truths easily forgotten in the turmoil of present controversies.

Although we have been at war for nearly three years, and have witnessed the terrible fate of nations wanting peace and peace only, still some of our people are saying that this is England's war and that it is none of our business. I always hear that with sorrow and pity: with sorrow, because it proves the ignorance of these people; with pity, because they are to be forgiven as not knowing any better. And this ignorance is not their fault. Their education is not of their making: it is given to them and it is faulty.

Over a year ago, while addressing members of a Montreal club and referring to some proposed educational reforms in the province of Quebec then being discussed, I said:

Should we not remember there is not a country in the world enjoying a measure of liberty greater than that which we enjoy in this province of Quebec? It seems to me the truth might well be inculcated that it is only under the British regime that conquered peoples may not only aspire to liberty, but become sister nations of their conquerors. We who are descended from one heroic race could without hesitation proclaim ourselves proud to be the partners of another race which in these terrible days gives an example of heroism comparable to anything known in history.

Are we really appreciating the full value of the liberties enjoyed under our British institutions? In order to give more weight to my argument, allow me to refer to an address delivered sixty-five years ago by a man destined to become one of the greatest Prime Ministers of this country. I refer to Wilfrid Laurier. His address attracted considerable attention at the time, but I think the excerpts I am about to read apply with even greater force to-day. The address is entitled, "Libéralisme Politique," and was delivered on the 26th of June, 1877, in the city of Quebec. The present translation in English is my own. No doubt it could be improved, but it is essentially correct.

Laurier stated at page 11:

Effectually, we French Canadians are a conquered race. It is a truth sad to state, but, after all, it is the truth.

With respect, but very firmly, I disagree with that statement; I think it is not correct. It is true that our country was conquered, but we as a race were not conquered. By the Treaty of Paris of 1763 this country ceased to be French; it became English, later British, and to-day it is the Dominion of Canada, one of the links of the British Commonwealth of Nations. That we became English and later British subjects was possible only under British institutions and under the British flag. But as a race we did not change. We were given the right and the means to remain of the French race, enjoying our faith, our language, our laws. We have been free to continue our traditions, to develop our culture, to educate our children as before. Though of the French race, we were English subjects, and happy so to remain; so much so, in fact, that we resisted the cajoleries of French envoys who in 1776 wanted us to join the English colonies then rebelling against England. Then we fought to keep the English flag flying over Canada, and, as you all know, we did so again in 1812. Our loyalty was evoked by our freedom under British institutions—by the enlightened British system of ruling vanquished countries.

And if in the intervening years we have not changed as a race, is it to be deplored? We have only to remember the visit of Their Majesties, the entreaties of the King and the Queen for us to remain what we are, to continue our French traditions, to develop our own culture.

In the present war, with unfortunate France prostrate under the German heel, did not our Governor General and our Prime Minister appeal to us to save French culture and French traditions, to remain the last post of French civilization?

Laurier continued:

But if we are a conquered race, we also have made a conquest: the conquest of liberty. We are a free people; we are a minority, but all our rights, all our privileges are preserved to us. And what is the source of that liberty? It is the constitution which has been conquered for us by our fathers and which we are enjoying to-day. . . . We have no more rights, no more privileges, but we have as many rights, as many privileges as have the other populations which compose the Canadian family.

And here in Laurier's view is the reason for our inability to grasp the real meaning of British institutions. What he said was true then and it is true to-day.

Our French education naturally trains us to study the history of modern liberty, not in the classical land of liberty, not in the history of England, but among the peoples of the European continent, the peoples of the same origin and

religion as our own. And there, unfortunately, the history of liberty is written in bloody type, in the most sorrowful pages which are contained in the history of the human race.

And further Laurier says:

I quite admit that liberty as generally understood and practised in France has nothing seductive in it. The French had had the name of liberty and not liberty itself.

The better to illustrate his ideas, Laurier cites verses from a French poet, Auguste Barbier, comparing liberty to a woman:

A la voix rauque, aux durs appas,
Qui, du brun sur la peau, du feu dans les prunelles,
Agile et marchant à grands pas,
Se plaît aux cris du peuple, aux sanglantes mêlées,
Aux longs roulements des tambours,
A l'odeur de la poudre, aux lointaines volées des cloches et des canons sourds,
Qui ne prend ses amours que dans la populace,
Qui ne prête son large flanc
Qu'à des gens forts comme elle, et qui veut qu'on l'embrasse
Avec des bras rouges de sang.

And Laurier here uses Tennyson's lines to describe England as the land of liberty:

It is the land that freemen till,
That sober-suited Freedom chose,
The land, where girt with friends or foes
A man may speak the thing he will;

A land of settled government,
A land of just and old renown,
Where Freedom broadens slowly down
From precedent to precedent:

Where faction seldom gathers head,
But by degrees to fullness wrought,
The strength of some diffusive thought
Hath time and space to work and spread.

This is liberty in Canada. It is liberty as we understand it, as we love it, as we are living it. It is the liberty for the preservation of which we are willing to make sacrifices, to fight and, if necessary, to die. It is the liberty to pray to God on knees bending under our own will, not under the pressure of German brutalities; with lips framing words coming from hearts which are free, not words dictated by haters of divinity. It is liberty of thought, of speech, of government, of living under standards of our own choice and our own making.

If we really understand the worth of this liberty, if we say with Laurier that this liberty has been conquered by our forefathers and the conquest has been possible only under British institutions and under the British flag—if we believe this, then this liberty has to be preserved at all costs, and when England goes to war to save this liberty, war becomes our business. It is our war because it is the war of civilization against barbarism, of freedom against slavery.

Hon. Mr. MARCOTTE.

I shall not dwell any longer on this matter. It seems unnecessary to do so. We are at this time asked to give assistance in the way of money. Let us give with a free will, with a free heart. Whatever we do is done also for Canada.

This liberty in our democracy includes the right of freedom to express our opinions, freedom to cast our votes when a vote is called for. We are entitled to vote yes or no on any question. But a right always imposes a duty. Before voting, it is our duty to know what we are doing. To have knowledge we must study the merits of the questions involved; we must look into them without passion or prejudice. There must be meditation, judgment and honest decision.

This liberty also means that anyone has the right to advance opinions, to bring out arguments, to try to convince others and cause them to change their views. But it imposes the duty of respecting the opinions of others and not casting doubt on their courage or honesty of purpose; of always bearing in mind that under British institutions man is his own master, guided by his own conscience; and of ever observing the motto on the Royal Coat of Arms: "Dieu et mon droit—Honi soit qui mal y pense!"

Hon. SALTER A. HAYDEN: Honourable senators, I should like to say just a few words in support of this Bill. I have no desire to prolong the course of the debate, because I know very well what whole-hearted support this House will give to the principle of the Bill and to the Bill itself; but I want to add one or two observations for the reason that I think this Bill is of such importance and marks so important a happening in the course of our history that it may be well to pause for just a moment and add a few words of comment on the principle involved.

It has been suggested that in some quarters it may be felt that there should be some postponement of this gift. I cannot think of any better time than this to make a contribution to or to assist Great Britain by helping to provide her with the necessary sinews of war and materials for the maintenance of her people. This is the time when she needs them most and when they will be of the greatest possible advantage to her, for at this time they will best serve both Britain and ourselves in the common struggle for the survival of our way of life, our freedom and our religion.

The honourable senator from Vancouver South (Hon. Mr. Farris) was probably right when he made use of the expression "so-called gift," because actually it is only a contribution, by one of the partners, of resources, food-stuffs

and war materials to aid a cause in which we are just as much interested as the people of Britain. So I say that the word "gift" is perhaps a misnomer. This measure is rather a bringing in of resources which we possess and are contributing to the common enterprise and common purpose at the time when they are most needed.

I think it shows to the world as a whole, as well as to the United Nations, that we are firmly and irrevocably bound with Britain to prosecute this war to the limit of our resources. It indicates the unity of purpose which exists between the people of Canada and the people of Great Britain. When we think of the situation as it exists to-day, when we think of what we have been called upon to do in the way of accepting restrictions and making sacrifices, as compared to what the people of Britain have been called on to bear and face and endure, why should we not join to the extent that this Bill proposes? We must realize how much we have escaped of the burdens, difficulties and trials they have suffered. What would any person in Canada not give for an assurance that the trials and tribulations so nobly endured by the people of Britain will not be ours, but will be kept from our shores if only we provide the sinews of war, the materials and the manpower necessary to maintain this struggle and bring it to a successful conclusion?

I agree with the honourable leader opposite (Hon. Mr. Ballantyne) that the preamble, amended as suggested by the honourable senator from Vancouver South, should really be incorporated in the Bill, because I believe it more properly expresses the purpose and intention. I am whole-heartedly in support of the principle of the Bill, and I rose to speak only because I felt the occasion and the matter too important for the proposal to be dealt with perfunctorily by a simple vote.

Hon. DONALD MacLENNAN: Honourable senators, may I be permitted to say a few words in connection with this Bill? I should prefer to have it said that what is provided for by the Bill constitutes a contribution rather than a gift. While the sum of $1,000,000,000 is a vast one, it is but a small contribution when compared with what England has done and is now doing to defend Canada. There is no doubt in the world that every effort put forth by England, no matter in what quarter of the globe, is an effort directly in defence of Canada, inasmuch as Canada is directly threatened by enemies to-day. Consequently, as I say, I should prefer to call this $1,000,000,000 a contribution towards the success of the Allied effort rather than a gift. There is no doubt that in one sense it is a gift, inasmuch as England is not to pay for the $1,000,000,000 worth of food-stuffs and war materials she will receive. Surely England would not desire food-stuffs or war materials unless she needed them. Without this contribution she would have to pay $1,000,000,000 to get the goods and munitions she so badly requires. When Canada says, "We shall furnish you goods and munitions to the value of $1,000,000,000, for which you need not pay," the contribution is considerable and we may be a little proud of being able to offer it.

Hon. F. B. BLACK: Honourable senators, I desire not to prolong the debate, but to express my personal views on this matter. I do not care whether what is offered is called a contribution or a gift, or whether it is made in the form of cash, goods or man-power, so long as we assist in winning this war. It is our first duty to assist the Mother Country in every possible way to carry to a successful conclusion the great conflict in which we are all engaged.

I am heartily in accord with the gift of $1,000,000,000. I am also heartily in accord with our offering another gift or contribution of $1,000,000,000 should it be needed, and if and when we can raise it. If we lose this war everything is lost so far as Canada and the Empire are concerned. If we win it, no contribution we or any other part of the Empire can make is too great a sacrifice for the success we shall have achieved.

I have listened this afternoon with a great deal of pleasure and patriotic pride to the five addresses made in this House, which are well worthy of any public body in this country or any other part of the Empire. I do not think you would hear such addresses in any part of the world but the democracies which are fighting for their freedom and their very existence. I want to express my hearty appreciation of the Government's attitude in this particular matter, and of the excellent addresses that have been made in the debate. I am sure every honourable member on this side wholeheartedly supports this proposed gift or contribution to that part of the Empire, that part of the British Commonwealth of Nations, that part of the union of democracies which we call Great Britain.

Hon. J. A. McDONALD: Honourable senators, I think that Canada, North, South East and West, is unreservedly in favour of this gift, or contribution, or whatever you wish to call it, to Britain. May I add just a few remarks, along an entirely different line from those already expressed?

In my opinion the greatest story ever told is the story of the Good Samaritan. A man was robbed, beaten and thrown into the ditch.

The priest, whose duty it was to look after the fallen, had the eye to see him lying there, but he passed on. Then came the Levite, nearly as important as the priest. He too had the eye to see the man in the ditch, and he had the heart to feel sorry for him, but he likewise passed on. Then came God's man, the man from Samaria. He had the eye to see the sufferer in the ditch and the heart to feel sorry for him; but, more than that, he said, "I must do something." Like the rest of us, he may have committed some of the minor sins of life, but he picked the man up out of the ditch, took him away and cared for him. In helping his fellow-man he was emphasizing God's greatest story. In short, honourable senators, he was doing what Britain has been doing since this war started, and what Canada is doing in making a contribution to Britain as provided for in this Bill.

In the last war it was rumoured that an apparition at Mons had saved the British Army. In this war it was rumoured that the British Army and Navy were saved at Dunkirk because the waves were quieted and the winds stilled, also in a mysterious way. And there is a far more ancient rumour, that when Joseph of Arimathea took the boy Jesus with him on one of his trips to Britain, Christ said: "I love this land. I bless it and it will endure."

I repeat, honourable senators, that in helping Britain we are only imitating the deed of the Good Samaritan. In this way we are doing our part to carry out the duty taught to man in the greatest story ever told, and we are privileged to do this under the protection of the greatest flag that has ever flown. God bless the Union Jack, the emblem of salvation and liberty for all.

Hon. ELIE BEAUREGARD: Honourable senators, I wish to make a few remarks on the subject matter of Bill 15, which provides for the gift of a billion dollars' worth of goods and the conversion of a further 700 million dollars of accounts receivable into an obligation of similar amount maturing at the termination of the war and bearing no interest during the term. Had we been fortunate enough to have still in our midst our late lamented leader, the Right Honourable Raoul Dandurand, I feel that with the high authority he enjoyed he would have voiced approval of this Bill in the name of Canada as a whole, as well as in the name of his native province.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BEAUREGARD: Senator Dandurand, as we knew him, was war conscious. In my opinion the degree of one's war consciousness represents the individual measure of approval or criticism of this war enactment. In democratic countries war consciousness is derived more from sentiment and reason than from the governing power. I can safely say that the Allies declared war long before countries concerned became war conscious. Is it not generally admitted that France took the war seriously only after the invasion of Poland, and that the United Kingdom itself became war conscious only after the retreat from Dunkirk? If I am right in that, honourable members, I might also say that our own people have begun to realize what this war means for them only since the fall of Hong Kong, Malaya, and Singapore.

Right at the start of hostilities, with full confidence in the earnestness and the ability of the present Administration, our people gave ample powers to the executive body for the conduct of the war. We know that Canadians have generously responded to appeals to subscribe to war loans in order to hasten production in war plants and shipment of supplies to wherever they are required. On the other hand, General McNaughton, whose authority no one questions, has expressed his satisfaction as to enlistments.

We now learn that our war effort, in addition to providing for the needs of our own men, has piled up a huge credit account of 1,700 millions of dollars against the sterling area. Some people wonder why at this moment, a long time ahead of the termination of the war and of war expenditures, the present Administration should favour the giving away of 1,000 million dollars to the United Kingdom, in addition to the regularizing of accounts receivable of 700 million dollars already on the books. The complaints, honourable senators, are not so much to the effect that the Government was wrong in helping the Allies to that extent, or that it should refrain from doing so in the future. Even those who complained are aware that expenditures of this magnitude have artificially and abruptly ended ten years of depression and brought thousands of working men back to the mills, where they are learning a trade and earning a living. But they wonder why Canada, out of taxes and borrowings, should make so large a gift to a country wealthier than herself. Such a criticism has been fully answered by the Minister of Finance in his remarks which we find in the House of Commons Debates of the 18th of March instant. With your permission I will quote this paragraph from page 1556:

I need not emphasize that the Bill which this resolution precedes is one of first importance, and, indeed, one without real precedent. Its purpose is to enable Canada to make the

fullest and most effective use of its material resources by feeding and equipping the people and armed forces of Britain in order that they may be able with us to win their fight and our fight against a ruthless and powerful foe who threatens to make this year, 1942, the most critical year in the history of civilization. The free and unconditional gift from the people of Canada to the people of Britain will express emphatically the will of the Canadian people to do everything in their power to help achieve victory and thus assure their survival and ours.

Honourable senators, if such a candid and comprehensive statement needs to be enlarged by further comment, let me ask you this question: Is this war a commercial venture or is it a life-and-death struggle? If it is a commercial venture, let us keep our books properly, as business men should do. Then our investments should keep pace with anticipated profits and partners' contributions. If, on the other hand, this war is a life-and-death struggle, as to the vast majority of us it appears to be, shall we treat it as a business venture?

It is a fact that since the outbreak of the war Canada has been able not only to look after its own army, but also to supply its Allies with equipment and other necessities to the value of 1,700 million dollars. No one can reasonably pretend that Canada should have refrained from producing such equipment and supplies, since it appears she could afford to do it in an all-out war effort. May we not fairly compare the waging of life-and-death war by the Allies to the carrying of a very heavy load by three or four men jointly? While every man engaged in carrying this heavy load is contributing his full strength to the job, is it a proper time for any one of them to lessen his efforts if he happens to think, rightly or wrongly, that one of his comrades is bearing up a few pounds less than he is?

What should Canada have done? Was it right to help carry the load jointly with the United Kingdom and her other Allies, or should she have devoted her productive powers to her own needs only, which in terms of war would have meant the equipping and manning of much larger armed forces? I doubt whether the very persons who have complained would suggest that this second course should have been adopted. I submit, honourable senators, that Canada adopted the right course. We are proud to be described as the arsenal of democracy. If we still deserve that name for some time to come and keep producing and selling at full capacity, we shall pile up further large accounts receivable, large enough to upset our international trade facilities when the war is over.

If we already have in mind the abandonment of this billion dollars, and possibly more, at the termination of the war, we might now consider making this gift as a token to British gallantry, which we all agree saved the situation by resistance to a daily downpour of steel and fire during the summer of 1940. While the United Kingdom was waging all alone the war on behalf of the Allies, our war, we were piling up that account receivable of a billion dollars. I remember days in 1940 when we would readily have given up the billion dollars for the assurance that London would withstand the treatment it was receiving at the hands of the common foe. We have the billion dollars on our books under the heading of accounts receivable. We are not too sure that we shall have the courage to collect it, for we are already afraid of an abnormal balance in favour of the Canadian dollar and against the pound. In a large measure the proposed gift is a debt we owe to British gallantry for not having lost our war at a time when we could volunteer only equipment and supplies. I for one, honourable members, agree with this statement of the Minister of Finance:

> The free and unconditional gift from the people of Canada to the people of Britain will express emphatically the will of the Canadian people to do everything in their power to help achieve victory and thus assure their survival and ours.

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

THIRD READING

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

Hon. Mr. KING: Now, with leave of the Senate.

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

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

WHEAT ACREAGE REDUCTION BILL

FIRST READING

A message was received from the House of Commons with Bill 12, an Act respecting Wheat Acreage Reduction.

The Bill was read the first time.

SECOND READING

Hon. Mr. KING: Honourable senators, I think you now have in your hands Bill 12, an Act respecting wheat acreage reduction. I should like to have this Bill considered on the motion for second reading and then referred to the Committee on Agriculture and Forestry. Perhaps my honourable friend from Peel (Hon. Mr. Marshall) will make the motion for second reading.

Hon. DUNCAN McL. MARSHALL: Honourable senators, as has been said, this and the two other wheat bills which have been referred to are more or less predicated one on the other, but after all they can be taken

only one at a time. Honourable members will recall that last year a wheat acreage reduction plan was dealt with by regulations published in the Canada Gazette of October 13. This Bill to some extent embodies those regulations.

There is no doubt that the three wheat bills are difficult to deal with, in that they involve the expenditure of a good deal of money, but this expenditure is rendered necessary by war-time demands. It is essential that proper supplies of food be sent to our Allies. Wheat, as a matter of fact, is one of the main requirements in time of war, but never in any previous war was there such a surplus of wheat as we have to-day. We are up against two difficulties. We must avoid the risk of not having enough wheat to see us through the war; and we must encourage our farmers to raise wheat when the markets do not want it. If the wheat of Western Canada or of the world to-day had to be sold on market demand it would not command very high prices. Therefore the Government has been supporting the wheat market for the last two years. It is intended by this Bill to continue that support, and also to reduce the acreage in wheat and encourage production of grains that we may need more.

In war-time we need meat, bacon, cheese and eggs; and we may have to produce more butter now that Australia and New Zealand are not in a position to furnish supplies. Up to quite recently Britain did not want any butter from us at all, but was clamouring for cheese and bacon. To-day she also wants milk in large quantities, and wool. Now that the United States, Australia and New Zealand, the great wool-producing countries of the world, are engaged in the war and consuming more wool at home, besides finding greater difficulties in shipping wool overseas, we must make provision to supply the deficiency. We must have wheat, but, as I have said, we have to-day really more wheat than we need. One of the purposes of this Bill is to encourage production of the bacon, cheese, eggs, milk, and wool that may be required during the war.

As first drafted the Bill did not include flax in the substitute crops, but a price was fixed for flax at $2.25 a bushel. After some consideration it was felt that that was not sufficient to encourage the growing of flax in Western Canada. Those who have lived in the West know that for a time we grew flax extensively. Why? Because it was a kind of crop that you got by the way. You started in with a section of land and broke what you could in June, July and August for wheat next year, but in the meantime you could put in flax and so steal an extra crop from the land. The result was we grew great quantities of flax in Western Canada when settlers were bringing their farms into cultivation. That period is past now, and flax is no longer a crop that crowds out wheat. Land in Western Canada has now a fairly liberal supply of weeds, particularly where the weather has been dry; so the growing of flax there is, I am afraid, likely to be more or less disappointing.

As a matter of fact it is not flax at all that we grow in Western Canada; it is linseed. Linseed and flax are virtually twins, but not Siamese twins. Flax is grown to be pulled and woven to make linen, while linseed is a grain we grow to make linseed-meal cakes or oil. In some parts of Eastern Canada flax has been grown, but none in Western Canada so far as I know. Linseed is really the correct word to use, but flax is a very common name and has always been applied to the growing of linseed in Western Canada. Whether as a result of the passing of this Bill the growing of this crop will be stimulated to any great extent is problematical, for the reasons I have already stated.

I have no doubt that several honourable senators who are interested in conditions in Western Canada have followed the discussion of this Bill in the other House. When introduced there it contained a penalty clause for misrepresentation in connection with returns of acreage reduction. The penalty applied whether or not the man making the return knew it was incorrect. The penalty clause was amended by the addition of the words, "who has been knowingly and wilfully guilty." The lawyer members of this House will understand the meaning. A clause was added that no moneys payable under the Bill should be subject to garnishment or attachment, or be assignable either at law or in equity.

I should add that the bonus to be paid for summer-fallow has been reduced from $4 to $2 an acre, which is the amount paid with respect to other coarse grains.

I move second reading of the Bill. I would suggest that after it has been discussed it be referred to the Committee on Agriculture, by whom it can be dealt with clause by clause.

Hon. C. C. BALLANTYNE: Honourable senators, I do not pretend for one moment to be very familiar with Western conditions. We are fortunate in having in this Chamber many grain growers with first-hand knowledge of the wheat business, and other members, like my honourable friend from Peel (Hon. Mr. Marshall), who have had experience in Western Canada.

He has told us about flax or linseed oil. That does happen to be a subject that I know something about. Some thirty-six years

ago, when I was managing director of a large paint and varnish concern which owned linseed oil mills, I said to my friend Mr. Fielding, then Minister of Finance: "Why don't you put a duty on flaxseed? The best flax in the world is grown in our Canadian West. It is equal to the best Russian Baltic flax. Still we have to buy all our flaxseed under the Duluth market; flaxseed grown in North and South Dakota." As a result a 15 per cent duty was imposed on flax. Immediately the production expanded and, if my memory serves me right, the output was something like twelve million bushels. The flaxseed itself was most excellent. The argument I heard when in the West at that time was that if you were late in getting your regular crops in, flax was a good thing to use on a first breaking.

I am not opposing this Bill, but it appears somewhat strange to me that when you come to the allowance of $2 an acre for summer-fallow—which is very generous—you also include coarse grains, and flax and grass. According to a gentleman in another place, these prairie farm bonuses would amount to $10,000,000, and the acreage bonuses to $30,000,000. We have not touched yet the increased amount to be provided if the price of wheat is raised from 70 cents to 90 cents a bushel. I merely draw the attention of the honourable senator from Peel and the acting leader to these things for this particular reason, of which all honourable senators are fully aware. While this country is not complaining, we are labouring under tremendous taxation due to the war. We know that the deadline for income tax is Tuesday next. It behooves this Government to do everything it can to retrench. If conditions in the West are so bad that this legislation is absolutely necessary, then of course I have nothing to add, and I leave further discussion of the Bill to those who know much more about it than I do. But living where I do, I am often asked: "Why are these demands in regard to our Western friends recurring and increasing?"

Before resuming my seat I should like to direct attention to what my illustrious predecessor (Right Hon. Mr. Meighen) had to say last session in regard to extraordinary powers given to the Minister. Section 13, on page 5 of the Bill, provides:

> The Minister may, with the approval of the Governor in Council, appoint such administrative and technical officers and employees as he may deem necessary for the purposes of this Act and at such remuneration as may be likewise approved.

These are tremendous and unusual powers to give to a Minister of the Crown, and I do hope that when the Bill is in committee honourable senators will agree with me that some restriction should be imposed; not that I have not confidence in the Minister who is handling these affairs now, but because I think it is wrong for any Minister in any Government to have such unlimited powers as those I have just referred to. I hope that we shall hear from a number of practical grain growers, and that they will inform us as to why we have to pass such legislation as this. It appears to be very wide in its scope; but if it is necessary for the people of the West to have it, I have no further suggestions to offer.

Hon. W. A. BUCHANAN: The honourable member from Vancouver South (Hon. Mr. Farris) suggested a change in the preamble of one of the Bills before us this afternoon. If I were making any proposal at all with regard to this Bill, it would be to change the title so that it might explain exactly the purpose of the Bill, which is to try to induce the Western farmer to stop raising too much wheat and go into the raising of something else. I am inclined to think that without legislation of this kind the farmers would stay in wheat and the surplus would grow, and we should have a more serious problem than ever.

I know something of the operations of this measure, and would illustrate them by mentioning the case of a man not far from my own city of Lethbridge. By reason of the bonus for summer-fallow last year, this man, operating a farm of many thousands of acres, put in 1,600 acres of corn, and to that extent got out of the raising of wheat. There are people who have doubted the possibility of raising corn in Western Canada. I may tell them that corn is being raised in southern Alberta, and the man I speak of boasts that he has the biggest field of corn in Canada, and probably he is right. What he did he was induced to do by this legislation. Otherwise he probably would have raised wheat on that land and would have added to the surplus. There was a good result from the raising of that 1,600 acres of corn, because a rancher took down five hundred steers and fed them there during the late fall and winter. Some of those corn-fed steers were shipped, and I am told that the prices received for them topped the market.

As I said in the beginning, the purpose of this legislation is to get the farmers out of the raising of wheat and into the raising of coarse grains, such as corn, flax, oats and barley. As one who has lived in Western Canada for a considerable time and who has been up against the problem of the farmers throughout many years, I would say that this legislation is right along the line of what

our Eastern friends have been advocating for years, namely, putting the farmers of the West into mixed farming as much as possible. If we can get them into these other grains we are doing something to encourage mixed farming.

There may be some criticism in this Chamber and the other, as well as in Eastern Canada, of the amount of money which is being appropriated to maintain agriculture in Western Canada. There will always be a difference of opinion as to whether that policy is right or wrong. I am not going to enter any controversy as between Eastern Canada and Western Canada. I do know that because of the needs in Great Britain to-day the British farmer is being bonused to raise many food-stuffs; and for many years assistance has been given in the United States to all types of agriculture—cotton and tobacco in the south, and other forms of farming in the mid-west.

Western Canada is not to blame for the situation which exists there to-day. The whole of Canada is responsible for the settlement of Western Canada. People went into lands in the West that are good only for raising wheat, and we either have to keep those people there and allow them to raise what they can, or else make them a charge upon the country and give them relief through the provincial governments, the Federal Government assisting. I believe that this Bill is along the line of what most people want. The bankers and industrialists who are acquainted with Western Canada know that anything which tends towards diversified agriculture in the West is an advance, and I believe that sooner than we expect we shall pass through the period when anything of this nature will have to be placed on the Statute Book from year to year, because the farmer will have learnt that it is to his advantage to do what this law is encouraging and has been encouraging.

Hon. A. L. BEAUBIEN: May I offer just a word or two on this Bill? Last year we had a wheat acreage reduction which was brought about by a vote of the House of Commons. This year the Government is bringing about the same thing by means of legislation. It is estimated that in 1940 we sowed twenty-nine million acres into wheat in Canada. Through the acreage reduction plan of the Government last year that acreage of wheat was reduced to twenty million acres. But in spite of the reduction of nine million acres we still have a large surplus of wheat in Canada. The wheat question is national in its scope, because the whole economy of Canada is dependent to a very large extent on the wheat production of Western Canada. In years gone by I have met many industrialists who told me that business was good in their line of activity provided Western Canada had a good wheat crop.

Now, in order to induce the farmers to continue the reduction in the number of acres sowed to wheat, the Government is continuing the acreage reduction bonuses. The Government's purpose in doing this is to induce the farmers to produce a cereal which will be consumed on the farm and sold on the hoof. That is the main principle behind this legislation. If we can achieve that result, we may be able to reduce the carry-over and at the same time induce our farming population to produce a commodity for which there is a market and a demand.

This legislation, or the principle of this legislation, was in effect for the year 1941. I saw it in operation. It was not perfect, but, on the whole, if in that year we had had the weather conditions we had in 1940 and there had been no wheat-reduction legislation, there would have been a tremendous surplus in this country, and it would have been a much heavier burden than it is to-day.

Flax was included, not at the request of the farmers, but because it was asked for by the people who produce linseed oil. They claimed that the fixing of the price of flax at $2.25 a bushel, and bonusing it to the extent of $2 an acre, would produce this linseed flax.

Hon. Mr. BALLANTYNE: It has been produced for the last twenty-five years.

Hon. A. L. BEAUBIEN: I may tell the honourable gentleman that if he will come to Western Canada with me and start growing flax he will be broke in five years.

Hon. Mr. BALLANTYNE: I believe that.

Hon. A. L. BEAUBIEN: I do not know anybody who has grown flax continuously on his farm and has not gone broke. And growing it pretty nearly broke my back, because there are weeds to deal with. If you put land in flax this year, you must summerfallow next year, even if it is new land, because in the year following flax you cannot sow any kind of cereal and have a crop.

As I say, flax was included because oil was needed by the industrialists and for the war effort; and the $2 bonus is to induce the farmer to try to grow flax.

Hon. R. B. HORNER: Honourable senators, I wish to make a remark or two, and to inject something new into this discussion. The honourable senator from Peel (Hon. Mr. Marshall) spoke of "a large amount of money" in connection with this Act. So far as the coming year is concerned, there will be a very

small amount of money paid for summer-fallow. Almost all the farmers I know—there are a few exceptions—summer-fallowed last year. In some cases they summer-fallowed their whole acreage. It is not likely that that land will be summer-fallowed a second year in succession.

Then there is this to be remembered—and perhaps it will relieve the minds of honourable senators from Eastern Canada: on every load of wheat that is sold there is a deduction of one per cent; so that in a sense the farmers of Western Canada are contributing to the fund for the benefit of their neighbours.

One of the causes responsible for discontinuance of the growing of flax was the importation of cheap vegetable oils and linseed into this country. The price became so low that Western farmers could not grow flax at a profit. I do not hesitate to say that this Government and this country will be amazed at the amount of flax that will be grown if seed can be secured. I have grown flax myself, and I know it is not so difficult. It is a crop that you can combine not only any time in the fall, but even in the summer after the seed has stood out all winter.

But you could not produce flax at 60 cents. I grew it and sold it at 90 cents a bushel. That was not worth while, but if I had got $2.25 it would have meant a nice profit. I know many Western farmers who have made good money growing flax and wheat together. They have it sent to the head of the lakes and separated, a practice which is carried out in the Dakotas to a very large extent. They claim it is much easier to handle a wheat crop with a certain amount of flax, and also that in this way they get more per acre than it is possible to get by growing either crop separately.

Hon. Mr. MARSHALL: The two bonuses will bring it up to about $2.50 a bushel.

Hon. Mr. HORNER: It is a very good price. I am not sure about the quantity of flax available for seed, but I think the country will be agreeably surprised by the large production of flax next year.

Hon. JOHN T. HAIG: I should like to ask a question of the honourable senator from Peel (Hon. Mr. Marshall). Do I understand he wants these Bills sent to different committees? I would suggest to him that they all are largely financial measures; there is not much principle involved in them. In round figures, the reduction in wheat acreage last year from the acreage of 1940 was ten million acres. In 1940 there were about 27 million acres in wheat, and last year this was reduced to about 17 million acres. There is the Bill providing for a price of 90 cents, which is a money measure. The Prairie Farm Assistance Bill is another money measure. And this Bill now before us is also a money measure. So I would suggest that this Bill should be sent to the same committee as the other two Bills. They all are concerned with the one problem.

Hon. Mr. MARSHALL: Will the honourable gentlemen excuse me a minute? Why not send the Bills to a joint meeting of the Banking and Commerce Committee and the Agriculture Committee?

Hon. Mr. HAIG: I do not care where they are sent, so long as they all go to the same place.

Hon. Mr. MARSHALL: They should be dealt with by a large committee. Of course, every member of the Senate is entitled to attend the meetings of any committee, whether or not he is a member of it. I am quite willing to move that these Bills be sent to a joint meeting of the Banking and Commerce Committee and the Agriculture Committee.

Hon. Mr. HAIG: I am agreeable.

However, I should like to spend a moment or two in painting if I can—and I am not sure that I can—a picture of this problem as we of the West see it. I do not want Eastern Canada to feel that in this measure we of the West are asking for something, in the form of a bonus, which we are able to get simply because we holler louder than somebody else; for that is not true. The world-wide wheat problem started to develop in 1927 or 1928, at which time the German and Italian Governments set a very high duty on wheat in order to induce their farmers to grow this grain, so that when the war which those Governments anticipated did come they would not be faced with conditions such as followed the world war of 1914-1918 and brought their peoples to starvation. That was the beginning of Canada's difficulties in disposing of wheat and other grain products. I will not follow the wheat situation through the next ten years, because all honourable members are familiar with the history of that. Now we come to a time when shipping is added to our difficulties. On the 31st of July last year we had on hand, I think, about 450 million bushels of wheat. The honourable member for Thunder Bay (Hon. Mr. Paterson) can correct me if I am wrong, but I believe the figure is fairly accurate. I expect that this year the carry-over will not be more than 400 million bushels; it may not be so much. Last year the Government agreed to

take delivery of 230 million bushels, but it took less than 200 million bushels, because that is all that was offered. This year the Government is willing to take 280 million bushels; but I am sorry to say that in my view, which I hope is wrong, the condition of the soil in Western Canada, beyond one hundred miles west of Winnipeg, is such as not to give promise of a bumper crop.

The assistance provided for in all this legislation is purely an attempt, and I think a proper one, to keep farmers on the land when they have a crop failure. At best the assistance is on the very minimum basis. As to this particular measure, what was said by an honourable member is largely true, that it is an attempt to induce farmers to switch from wheat to other grains. Therefore it is commendable. But I am one of those who hold to the view expressed the other day in the House of Commons Committee on Agriculture by Mr. J. H. Wesson, president of the wheat pool in Saskatchewan, that we cannot be sure of having a big surplus of wheat when the war is over. I believe the Minister of Agriculture made a similar statement in another place about a year ago. I am all in favour of this legislation, because not only is the switching from wheat to barley or oats or other grains a good thing in itself, but it will also help to improve the soil. However, I emphasize that we must not be too sure of having a big surplus of wheat when the war is over.

I am in very close touch with our farming situation in the West, not only through my contact with farmers, but also because I farm a little on my own account. Probably the definition that William Jennings Bryan once gave of an agriculturist would apply to me. He was once asked if he was a farmer, and he replied: "No. I am an agriculturist." In reply to a further question as to the difference between the two, Bryan said, "A farmer makes his money in the country and spends it in the city; an agriculturist makes his money in the city and spends it in the country." I think I belong to the latter class.

I want to address a few remarks to Eastern Canada; not so much to Quebec and Ontario as to the Maritime Provinces. We of the West have a very warm feeling for the Maritimes, because we know what it is to be a poor relation. We know how hard their struggle is. If ever the Maritimes, or Quebec and Ontario, face a problem such as the West faces to-day, they will find no one more eager to give assistance through legislative means, if that is possible, than the people of Western Canada. I say that this legislation is for the benefit of all Canada. I do not know of any more potent influence for peace than the fully-stocked granaries of this country. There is no more useful food that can be offered to the starving people of Europe than our wheat, nor any other which will keep as well in storage for an indefinite period.

I am heartily in accord with this legislation. It will be of great benefit to the farming life of Western Canada in general, and specifically it will help in the development of diversified farming, which not only is highly important for the West now, but will continue to be so under the conditions that undoubtedly will exist when this war is over.

Hon. N. M. PATERSON: Honourable senators, as the witnesses with respect to all three Bills will likely be the same, I entirely agree with the suggestion that the Bills be referred to the same joint committees. I might drop the remark that while it appears that in the interest of Canada we should shorten our crop, because of the surplus, we should remember that sometimes our calculations are not entirely correct; and if we intend to get 200 million bushels or thereabouts to England it may be necessary, in certain circumstances, to ship a great deal more than that. If figures were quoted showing the quantity that arrives there, as compared with the quantity actually shipped, the difference might surprise some honourable senators. So we must be careful not to shorten our crop too much.

With regard to flaxseed, it has been stated that production has decreased from, I think, 12,000,000 bushels to about 3,000,000 bushels. We in the elevator business have been always more or less happy to see the production of flaxseed reduced in the West. I do not think an elevator owner ever handled flax without coming out short. It is pretty slippery stuff and seeps through all cracks. Consequently we have had to deal with many shortages. But in the interest of the West, I think, we should all be content to see an increase in the growth of flaxseed or linseed in the West. This would save importing large quantities. Probably the reason why the production of flaxseed in Western Canada has been more or less low is the severe competition from the Argentine. A great deal of flaxseed was brought in through Montreal, but much of it was re-exported to the United States, which is also a large importer from the Argentine. Now that that situation has been corrected, I think we shall be glad to see an increased flaxseed acreage in the West.

Hon. W. M. ASELTINE: As I think honourable members all know, I am very much interested in the growing of wheat, and therefore in these Bills. I am one of those who are not at all worried about the wheat surplus,

of which we hear so much. At the present time the reserves of moisture in Western Canada are the lowest in years. In Saskatchewan there was no rain last year after the 23rd of June, the result being a short crop for us. Manitoba had heavy rains in the fall, but as you go West and get into Saskatchewan, and then into Alberta, you find the moisture reserves are very low. Moreover, we have had the mildest winter in years; indeed, we have had no winter at all in Western Canada. There is no snow, no moisture of any kind, and I am looking for a very short crop, if not a crop failure. Therefore I think we need not concern ourselves at all about having a very big surplus after this coming year, and I am not the only one holding that opinion. In my experience since 1911, after a mild winter with very little snow and moisture you are almost sure to have a poor crop; whereas an old-time, tough, cold winter, with lots of snow and moisture, means a great crop.

I am pretty well in agreement with the view of those honourable senators who have said that the three Bills are closely related. Of course, I am not satisfied with the price of 90 cents a bushel. I think that if the Government is going to buy only some 280,000,000 bushels, it will practically cover only the crop-failure areas, and, if we should happen to get a big crop, the rest of the wheat will all have to remain on the farms. I agree with the honourable senator from Saskatchewan North (Hon. Mr. Horner) as to the amount of money we shall obtain under Bill 12, respecting wheat acreage reduction. In our district at any rate, in West Central Saskatchewan, the summer-fallow of last year must be placed in crop this year, and so far as I know, hardly anyone will obtain payment of a large bonus, if any at all, under section 4. However, there are other sections of the West where a certain acreage may remain in summer-fallow, and those sections will of course find the proposed legislation a great benefit. It will help us to go into the growing of other kinds of grain, and if this Bill does not help in any other way, that in itself, I think, will be a great advantage.

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

REFERRED TO COMMITTEE

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

Hon. Mr. KING: It has been suggested that it be referred to a joint committee composed of members of the Committees on Agriculture and Forestry, and Banking and Commerce. This is an unusual procedure, and as the measure is to a considerable extent financial, I propose that it be referred to the Committee on Banking and Commerce. As is well known, every honourable senator may attend a standing committee whether he be a member of it or not. I suggest to my honourable friend that he proceed in that way.

Hon. Mr. MARSHALL: Then will the honourable acting leader make the motion?

Hon. Mr. KING: I make the motion accordingly. I would ask the committee to try to meet to-morrow morning in order that we may have this legislation before the Senate to-morrow afternoon.

Hon. Mr. LEGER: There is nothing in our rules to prevent us from constituting the Committee on Agriculture and the Committee on Banking and Commerce into a special committee to consider the three Bills.

Hon. Mr. DONNELLY: I agree with the honourable leader of the Government for more than one reason. The Committee on Agriculture is a small committee. As chairman of that committee, I have no objection to the Bill being referred to the Committee on Banking and Commerce, for I am aware that three of the members of the Committee on Agriculture are not present and will not be able to attend to-morrow. As has been already stated, senators have the right to be present at meetings of any standing committee and join in the dicussion. I am also a member of the Committee on Banking and Commerce, and I am sure members of that committee will be pleased to have any senators who are interested in the Bills exercise their right to attend and give us the benefit of their views.

Hon. Mr. KING: Yes.

The motion was agreed to, and the Bill was referred to the Committee on Banking and Commerce.

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

THE SENATE

Thursday, March 26, 1942.

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

Prayers and routine proceedings.

WHEAT ACREAGE REDUCTION BILL

REPORT OF COMMITTEE

Hon. Mr. BLACK presented, and moved concurrence in, the report of the Standing Committee on Banking and Commerce on Bill 12, an Act respecting Wheat Acreage Reduction.

He said: Honourable senators, this Bill has been considered by the committee, which reports the same with slight amendments. These amendments are purely verbal and do not affect the import of the Bill.

Hon. J. W. de B. FARRIS: Honourable senators, I move in amendment that the first and second amendments in the committee's report be struck out. I understand that two motions are necessary to do what I propose, and I make this first motion for the purpose of moving a second one to amend an amendment which the committee made this morning in section 4. This is done after consultation with and on the recommendation of the Law Clerk of the Senate.

Before subsection 2 of section 4 of the Bill was amended by the committee it read:

> Notwithstanding any provision of the Senate and House of Commons Act or any other Act of the Parliament of Canada, payments under this Act or any previous Order of the Governor in Council may be made to a Member of the Senate or of the House of Commons of Canada with respect to wheat acreage reduction subsequent to 1940 and no such payment shall render any such Member ineligible to sit or vote in the Senate or House of Commons of Canada.

There are several things wrong with that clause, some of which were cured this morning. Mr. MacNeill has conferred with, not all the lawyers in the Senate, for he has not had an opportunity to do that, but with some, including my honourable friend from Winnipeg South-Centre (Hon. Mr. Haig) and myself, and it is his considered opinion that the amendments made by the committee are not sufficient.

One defect still existing in the subsection is that it fails to make any exemption with respect to payments already made. That defect would be cured by the amendment I am about to propose. The Law Clerk's opinion was, before the matter was studied, that the section was retroactive; but now, after consideration has been given to the point, his opinion is that the effect of the section as now worded is not retroactive. Consequently an amendment is necessary. The second omission was partly cured by the amendment made in committee this morning. It related to the defect in the original wording, which says that payments under the Act shall not render any member ineligible to sit or vote in the Senate or House of Commons. This Parliament has nothing to do with the right of a member of the Senate to sit in this Chamber. That is controlled by the British North America Act. In recognition of this fact, the Senate and the House of Commons Act does not purport to vacate the seat of a senator if he receives payment from the Crown; it merely imposes a penalty. So this Bill in its original form was defective in two things. First, it wrongly included senators and members of the House of Commons in an exemption which does not apply to senators, and it fails to give proper protection to senators. It was considered in committee this morning that that protection possibly was not necessary; but it is Mr. MacNeill's opinion now, and it is mine after further study, and, I think, the opinion of my honourable friend from Winnipeg South-Centre (Hon. Mr. Haig) and other lawyers, that it is necessary in view of the words expressed to exempt senators from the penalty in the Senate and House of Commons Act. Those are defects that will be cured by the proposed amendment as drafted by Mr. MacNeill.

The next amendment is to clause 4. Under the Elections Act a person who has a contract with the Crown is disqualified from being a candidate in a Dominion election. If a farmer, for instance, made application for payment under the provisions of the Bill, this might disqualify him from being a candidate for election to Parliament. So this amendment makes it clear that no payments under the Act would disqualify a man from being a candidate.

Therefore I move that the first and second amendments in the report of the committee be struck out. If that is carried I shall move another amendment.

Hon. Mr. KING: Honourable senators, we had this section before us this morning, and the honourable senator from Winnipeg South-Centre was in doubt as to the effect of the amendment we then made. I am sure if these gentlemen, having got together with our Parliamentary Counsel, are, after mature consideration, of opinion the section should be amended, their opinion will be accepted by the Government.

Hon. JOHN T. HAIG: Honourable senators, the fact is that last year there was no legislative authority; action was taken under an Order in Council pursuant to the War Measures Act. When I left the committee this morning I did not think the amendment would cover the Order in Council part, but our Parliamentary Counsel seemed to think it would. However, having considered it further, he came to me after lunch and said, "I believe you are correct." In the meantime

he saw the honourable member from Vancouver South (Hon. Mr. Farris), who had taken the same view independently. I think the amendment now proposed covers the defect. In my opinion, without this amendment a member of the House of Commons is out of his seat ex facto. Therefore it is not a question of voting and sitting; he could not vote and sit. I think that was not the intention of the draftsman. Let there be no misunderstanding on the part of those honourable senators who were not on the committee. This is not special legislation to protect members of Parliament, either of the Senate or the House of Commons; it is merely for the purpose of clarification. A farmer, who might be a member of the House of Commons or of the Senate, would under this proposed legislation be entitled to $2 an acre for acreage reduction. It was, I submit, never intended that the Senate and House of Commons Act should apply to such a payment. In Manitoba the telephone system is owned by the Government, and somebody threatened to take proceedings against a member of the Government who had a telephone in his house. We had to enact special legislation so that a member of the Legislature could rent a telephone. I support the amendment.

The amendment was agreed to.

THIRD READING

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

Hon. Mr. FARRIS: I move in amendment:

That Bill 12 be not now read a third time, but that it be amended as follows:

For subclause 2 of clause 4 substitute the following:—

(2) Notwithstanding any provision of the Senate and House of Commons Act, or of any other Act of the Parliament of Canada, payments under this Act or any previous Order of the Governor in Council, relating to the payment of wheat acreage bonus, may be made to a member of the Senate or of the House of Commons of Canada, with respect to wheat acreage reduction subsequent to 1940, and no payment as aforesaid or payments heretofore made—

That is new.

—under any Order as aforesaid shall render any such member liable to any penalty or disqualification,—

That is new.

—or vacate the seat of any member of the House of Commons of Canada, or render such member ineligible to sit or vote in the said House, and no person applying for or receiving any such payment shall thereby be disqualified as a candidate at any Dominion election.

Hon. Mr. MacARTHUR: Honourable senators, this question was taken up in the Committee on Banking and Commerce this morning, and I should like to have the views of the chairman of the committee with regard to it. Our Law Clerk and other lawyers were present in the committee when these matters were discussed, and we came to an understanding. What is proposed may or may not be superfluous. I do not know. But the honourable senator from Vancouver South (Hon. Mr. Farris) has referred to a member of the Senate or of the House of Commons having a contract with the Government, and I should like to know if a man who has entered into a contract with the Government is now immune from any penalty.

Hon. Mr. HAIG: No. This applies only to contracts under the Wheat Acreage Reduction legislation.

The amendment was agreed to.

The motion for the third reading of the Bill was agreed to, and the Bill, as amended, was read the third time, and passed.

CLERK OF FRENCH MINUTES OF PROCEEDINGS AND JOURNALS OF THE SENATE

PROPOSED APPOINTMENT—REFERRED TO COMMITTEE

On the Orders of the Day:

Hon. Mr. KING: Honourable members, may I bring to the attention of the Senate that part of the Civil Service Act which provides for the absorption into the public service of private secretaries who have served as such for a minimum period of three years. A case in point is that of Mr. LaRocque, who was selected by the late Leader of the Government in this House, and appointed by Order in Council as Private Secretary to the Minister on October 23, 1935. In addition to his secretarial duties Mr. LaRocque has acted for some six years as temporary Clerk of French Minutes of Proceedings and Journals of the Senate, that position having been vacant since the retirement on superannuation of Mr. A. L. Garneau. I am advised that Mr. LaRocque is experienced and is well qualified to perform the duties of that position. I therefore have the honour to move, seconded by the Hon. Senator Coté:

That under the provisions of sections sixty and sixty-one of the Civil Service Act, chapter twenty-two of the Revised Statutes of Canada, 1927, Paul LaRocque, Private Secretary to the late Right Honourable Raoul Dandurand, be appointed Clerk of French Minutes of Proceedings and Journals of the Senate, in the place and stead of Alfred L. Garneau, retired, and that he be paid a salary of $3,120 per annum as from 1st April, 1942.

I understand that this is in accordance with the Civil Service Act, and that the matter has been referred to and confirmed by the Civil Service Commission.

Hon. Mr. CALDER: There is no change in salary?

Hon. Mr. KING: No change in salary.

Hon. Mr. MURDOCK: Honourable senators, I rise, not for the purpose of opposing this motion, which may be entirely proper, but to ask where the Committee on Internal Economy and Contingent Accounts comes in. I have observed during the last seven, eight or ten years that that committee is, if I may say it without being unkind, merely a makeshift which meets about the day before prorogation to rush through some things that presumably it has not had under consideration. I am wondering if this is not a matter which might consistently and logically come before that committee. I have not the slightest objection to this proposal, but it seems to me that the Committee on Internal Economy and Contingent Accounts ought to meet earlier in the session—maybe more than once—to consider questions relating to the personnel of the Senate. In that connection there are a number of questions on which I should like to secure some information, and in order to accomplish that purpose I have to undertake to make an inquiry, which I do not want to do.

I think that the particular matter before us, even though it may be 100 per cent right, should go to the committee for consideration, and that a recommendation should come from the committee to this House.

Hon. Mr. KING: I was pretty much of the same opinion myself, and asked the Clerk of the Senate if the matter should not go before that committee. I learned that this gentleman, Mr. LaRocque, has been carrying on the work for the last six years, and that all that is required is a motion of this kind.

Hon. Mr. MURDOCK: If he has been carried this long—

Hon. Mr. KING: I thought the committee was familiar with the fact that he had been acting.

Hon. Mr. MURDOCK: —could he not be carried until May, so that the committee might have a meeting?

Hon. Mr. KING: I think it could be done; but if the present procedure is correct, why not dispose of the matter now?

Hon. Mr. SHARPE: I do not think it is correct. I think all these appointments should come before the Committee on Internal Economy and Contingent Accounts.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: I was of that opinion too.

Hon. Mr. SHARPE: I am still.

Hon. Mr. MURDOCK moved in amendment:

That the said motion be not now concurred in, but that the subject-matter thereof be dealt with by the Standing Committee on Internal Economy and Contingent Accounts.

Hon. Mr. KING: I have no objection to it standing. Mr. LaRocque can carry on as he has done in the past.

The amendment was agreed to.

PRIVATE BILL

REFERRED BACK TO COMMITTEE

The Senate proceeded to consider the report of the Standing Committee on Miscellaneous Private Bills on Bill C, an Act to change the name of The Saskatchewan Life Insurance Company to Fidelity Life Assurance Company.

Hon. W. H. McGUIRE: Honourable members, I wish to say just a few words with regard to this Bill. Unfortunately, being indisposed, I was not able to be present at the meeting of the committee yesterday. I understand that, as other committees were sitting at the same time, there was not a full attendance of the members of the Private Bills Committee. Furthermore, the young member of a law firm who put this matter before me several months ago has since gone into the Government service and has been unable to instruct me. I am told, however, that a member of a law firm was present at the committee's meeting yesterday. I think the only matter for consideration is whether it is reasonable and proper to change the company's name as proposed by the Bill, and my opinion is that after further study the committee would arrive at a satisfactory understanding. If it is necessary to have any change made in the new name proposed for the company, that could be decided in committee. As I should like to have time to get additional instructions, I would move that the Bill be referred back to the committee for further consideration after the Easter recess. It is a small matter and the committee would not need to take long to deal with it. I am desirous of being present when the Bill does come before the committee again.

Hon. L. COTE: Honourable members, it is not with any degree of enthusiasm that I rise to oppose the motion which has just

been made, partly on the ground that the sponsor of the Bill (Hon. Mr. McGuire) was indisposed yesterday. I may say that I am not a member of the Miscellaneous Private Bills Committee, but I happened to be present at its meeting yesterday, because I was interested in another bill, and I stayed to listen to the discussion on this Bill C. The promoters of the Bill were represented by very able counsel, and they also had the assistance of the Superintendent of Insurance, Mr. Finlayson. But there was opposition to the Bill. There appeared before the committee the president or manager of a company called the Fidelity Insurance Company of Canada, a company which I understand has been in business for many years and is doing considerable business, but not a business of life insurance. From the evidence given before the committee yesterday it would appear the business of this objecting company up to the present time has been limited to what is known in the insurance trade as fidelity business, whereas the applicant company, whose present name is the Saskatchewan Life Insurance Company, is a life insurance company. This applicant company has petitioned Parliament to change its name to Fidelity Life Assurance Company, and the representative of the Fidelity Insurance Company of Canada said: "We object to this name being granted by Parliament to the Saskatchewan Life Insurance Company. It may be quite proper and legitimate for the Saskatchewan Life Insurance Company to wish to have its name changed, but surely it can find a name which does not clash with ours." That is an argument which has a great deal of strength, particularly in view of the fact, as explained to the committee, that although the Fidelity Insurance Company of Canada has so far limited its activities to fidelity insurance, it may, under its charter and the general provisions of the Insurance Act, apply at any time for a licence to write life insurance.

Hon. Mr. MURDOCK: What class of insurance does it write now?

Hon. Mr. COTE: It writes fire, casualty and employers' liability—that sort of insurance.

Hon. Mr. MURDOCK: Automobile?

Hon. Mr. COTE: Yes; the whole list of classes of insurance, except life. It argues: "We now have the capacity to carry on the business of life insurance—a capacity that we have not exercised to date—but it is conditional upon our applying under the provisions of the Insurance Act for a licence from the Dominion Government, the issue of which licence is, under the law, subject to an order of the Treasury Board." So to a number of members of the committee and to myself the position appeared quite clearly to be this: if Parliament now changed the name of this applicant company to Fidelity Life Assurance Company, and if next year, in the exercise of its general capacity, the Fidelity Insurance Company of Canada applied to the Department of Insurance for a licence to carry on the business of life insurance, it would be told, "We are sorry, but we cannot allow you to do life insurance business under your name, because there already is a company doing life insurance business called the Fidelity Life Assurance Company." In that event this old company, to which Parliament many years ago gave the name Fidelity Insurance Company of Canada, would be effectively deprived of the exercise of its capacity to enter the life insurance field.

If I had had a vote on the committee I would have voted against the Bill, because it seems to me that objection is fatal to the applicant. It is fatal to the applicant, I think, because, in giving a name to an organization which it has created, Parliament should take care to make sure that that name is not such as to clash or conflict with the name of an organization already established. In other words, although we are not bound by the law that we made when we ourselves passed the Companies Act, I think the provisions of that Act with regard to the granting of a name indicate clearly the course of conduct we should adopt. May I for a minute just refer to the Companies Act? Section 25 provides as follows:

> A company shall not be incorporated with a name which is the same or similar to the name under which any other company, society, association or firm, in existence, is carrying on business in Canada or is incorporated under the laws of Canada or any province thereof, or which so nearly resembles that name as to be calculated to deceive, except where the existing company, society, association or firm is in the course of being dissolved or of changing its name and signifies its consent in such manner as the Secretary of State requires, or with a name which is otherwise on public grounds objectionable.

That is the principle laid down by Parliament for the guidance of the Secretary of State when, under the provisions of the Companies Act, he issues charters incorporating companies. It is a very wise provision, indeed, because it takes into account the common

law and proprietary rights which partnerships, firms and corporations have to the exclusive use of their own names.

Hon. Mr. BUCHANAN: Has the Privy Council's decision in the Pepsi-Cola and Coca-Cola case any relation to this matter?

Hon. Mr. COTE: It has a very distant relation. That was a trade-mark case. The Privy Council decided that cola, being the name of a substance, could not be trade-marked by any person.

Hon. Mr. LITTLE: Fidelity is the name of an attribute.

Hon. Mr. COTE: We are dealing now, not with trade-marks, but with names. If we were to apply the principle of trade-marks to companies' names, I am afraid we should destroy a good part of the body of our law which regulates the exclusive rights of companies to their names.

I do not wish to take too much time in discussing this matter. I can say this about yesterday's proceedings in the committee, that the promoters' solicitor, a very able solicitor, was allowed ample time to say everything that he could say in favour of the Bill. He acquitted himself thoroughly. The Superintendent of Insurance supported the Bill. As was stated yesterday by the honourable senator from Saltcoats (Hon. Mr. Calder), he is a man for whose administrative ability we have a great deal of respect. But I do not know whether we should always abdicate our own opinions on matters of law to even such an able official. He did say that he had no objection to the Bill, and for the following reason. A year ago the Saskatchewan Life Insurance Company had applied to him for his opinion as to the propriety of using the name Fidelity, and at the time, without having made any reference or given any consideration to the fact that there was in existence a company called the Fidelity Insurance Company of Canada, he stated he had no objection to the name being used; whereupon the Saskatchewan Life Insurance Company put through the usual by-laws and took the usual steps in order to secure the consent of its shareholders and directors to the making of this application. And Mr. Finlayson, having once given his opinion, just stayed put. I do not know what he thought after he listened to the pros and cons in the committee yesterday. I know what I thought. I thought that the committee had come to a proper finding when they reported:

1. Your Committee find that the preamble of the said Bill has not been proven to their satisfaction.

2. Your Committee have arrived at this decision on the ground that the passage of the said Bill would not be in the public interest.

That is quite true. Similarity in the names of two companies may lead to public confusion, and the committee said, "It is not in the public interest to allow two important companies to do business under names which bear so much resemblance to each other."

The mover of this motion might have said: "If the report is adopted, that is the end of the Bill. The promoters having gone to considerable expense, I would suggest that in order to make the Bill acceptable to the committee another name be submitted, and for that purpose I move to have the Bill recommitted." There could be no possible objection to that proposal. However, such is not the case and I do submit that we should not recommit the Bill for the sole reason that the committee was not numerous. If we do that, we shall adopt a bad precedent and cast discredit upon the work of the committee. If the committee had studied this Bill hurriedly, or declined to listen to all the evidence, or to further evidence that might be adduced, the situation would be different. But the committee did nothing of the kind. It listened to the pros and cons with great patience and keen interest; and there were lawyers on the committee who know something about the law regulating the right to names. It is true the committee divided, but its conclusions as contained in the report are sound.

Personally, I am not going to support the motion as made. If it were limited to recommitting the Bill for the purpose of striking out the word "Fidelity" from the fourth line of clause one thereof, and substituting such other word as the committee and the promoters might deem fit and expedient, I do not think anyone would object. It may be that the honourable senator who moved the amendment has something like that in mind. If he has and will say so, I shall be able to support his motion. If not, I am afraid I must vote against it.

Hon. Mr. McGUIRE: Honourable members, I was glad to hear the honourable senator (Hon. Mr. Coté) give so many good reasons why this Bill should be reconsidered. It is true this company has gone to great expense over a long period; it is true the Superintendent of Insurance is a remarkably capable official, and it is true that he agrees to the name as proposed. Knowing Mr. Finlayson as I do, I am certain he did not act in any haphazard way, nor was he taken unawares. In short, I am confident he did not do anything which he had not considered deliberately.

No interests will be adversely affected if this matter is deferred, and there is no rule to prevent a standing committee of the Senate

from reconsidering a bill. In fact it is often done. If I were to adopt the suggestion that the name "Fidelity" be removed now, I should be doing the work of the committee. I have no authority to do so, and, as I have stated before, I wish to receive further instructions before considering the suggestion. The argument with regard to the confusion of names is a good argument, and should be addressed to the committee.

Hon. Mr. COTE: It was.

Hon. Mr. McGUIRE: I am therefore asking that the Bill be referred back to the committee for further consideration after the Easter adjournment.

Hon. CREELMAN MacARTHUR: I agree with the honourable member from Ottawa East (Hon. Mr. Coté) in everything he has said. There is bound to be confusion if the Saskatchewan Company is permitted to make the change of name as requested. Why cannot the Saskatchewan Life Insurance Company stick to its present title? Why does it want to assume the name Fidelity? Is there anything so obnoxious or shameful in the name Saskatchewan? I am rather surprised that a man like Mr. Finlayson, so astute and capable, did not consult a list of all insurance companies doing business in Canada. He must have such a list. As the honourable member from Ottawa East has said, if this company were allowed to do business as the Fidelity Life Assurance Company, considerable confusion might result, for there is a Fidelity Insurance Company already operating in the Dominion. In fact the whole thing would be a mess. I have no objection to the changing of the name, but I do not think we should take action without looking into the list of insurance companies and making certain that there can be no danger of conflict or confusion. It seems to me it is a matter for the committee to work out.

Hon. Mr. COPP: That is the motion before us, to refer the report back to the committee.

Hon. F. B. BLACK: Honourable senators, I am a member of the committee before which this Bill came. I have no interest either in the Saskatchewan Life Insurance Company or the Fidelity Insurance Company of Canada. I am inclined to support the motion of the honourable member from East York (Hon. Mr. McGuire) to recommit this Bill to the committee for further consideration.

In the past insurance bills have been very largely, if not entirely, referred to the Committee on Banking and Commerce, and consequently the members of that committee are perhaps somewhat more conversant with applications of this nature. I think this Bill should have been referred to that committee. I recall an application made by an insurance company to the Committee on Banking and Commerce for a change of name. The proposed change made it similar to the name of another insurance or assurance company, which opposed the application. Yet with such able members as the late Senator Dandurand and Mr. Meighen present, the committee granted the application. In view of their action I am not so much impressed by the argument put forward by the honourable senator from Ottawa East.

I might point out that the Superintendent of Insurance recommended the change of name. He told me he could see no objection to the application. Mr. Finlayson's opinion goes a long way with many of us who have sat on committees and listened to his views on insurance matters.

I recollect several bills of almost similar nature recommended by the Banking and Commerce Committee, notwithstanding opposition such as was presented to us yesterday. For example, an application was made to change the name of Imperial Underwriters Corporation of Canada to Imperial Insurance Officers. Objection was taken by the Imperial Guarantee and Accident Insurance Company of Canada and the Imperial Life Assurance Company of Canada, but their objections were overruled and the bill was reported favourably. Another instance I have in mind is an application by a Canadian company to be incorporated as the Travellers Life Assurance Company of Canada. The application was opposed by the Travelers Insurance Company of Hartford on the ground that "Travelers Insurance" and "Travellers Assurance" are similar names, but again the committee overruled the objection and recommended the passage of the bill.

It seems to me that the committee was not thoroughly satisfied with the argument, pro or con, for only nine members of the committee voted. The vote was four for and four against and the chairman cast the deciding vote. In view of these circumstances, I think it is only fair that we should give the promoters of the Bill an opportunity—

Hon. Mr. TANNER: I am entirely neutral in this matter, and I want to say—

Some Hon. SENATORS: Order.

Hon. Mr. TANNER: My honourable friend has no right to divulge the vote. I do not care a button, but I repeat he has no right to divulge the vote. The vote was held at a private meeting of the committee.

Hon. Mr. BLACK: If the honourable gentleman objects, I apologize to the House and to the chairman.

Hon. Mr. TANNER: Anyway, under the rules of this House, when the vote is four to four the motion is lost.

Hon. Mr. BLACK: I will go further and say the chairman voted quite properly. I do not care whether the company is permitted to take the name Fidelity or any other name, but it seems to me the reasons given for the change are reasonable, and the Bill should be referred back to the committee for further consideration.

Hon. Mr. DONNELLY: Honourable senators, I do not wish to express any opinion as to the merits of the Bill. All I desire to do is to explain the position as I see it. This matter was considered before the Committee on Miscellaneous Private Bills yesterday, in the absence of the promoter of the Bill, and if the committee's report is adopted by the House the effect will be to kill the Bill. I have a good deal of sympathy with the view of the honourable member from Ottawa East (Hon. Mr. Coté) in regard to the names, but under the circumstances I think it would be very proper to refer the Bill back to the committee.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DONNELLY: If that were done, nobody would feel that he had been unfairly dealt with.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. COPP: Honourable senators, I appreciate very much the remarks of my honourable friend opposite. I was about to say something along the same lines. It seems to me that the argument as to what the company should or should not do, and as to the name, while all very instructive, is not relevant to the question before the House.

If I rightly understood the motion of the honourable senator from East York (Hon. Mr. McGuire), it was simply to refer the Bill again to the committee for reconsideration. The honourable senator says an arrangement might be made and, if necessary, a new name selected which would be satisfactory to the company and to the country at large. It is not a question of whether the word "Fidelity" should or should not be used, but of whether or not the Bill should be reconsidered.

Hon. Mr. CALDER: We are getting a little daylight on what the trouble is. Since yesterday I have made some inquiries on my own, and I think I have ascertained what is the real difficulty. Apparently it lies in the fact that the name "Fidelity," which has been chosen by The Saskatchewan Life Insurance Company as its new name, may lead to a certain amount of confusion. To my astonishment I found that no fewer than four or five companies in Canada already make use of that name. In the past, either by enactment of the Parliament of Canada or through the action of the department, the name "Fidelity" has been given to at least four companies operating in this country. Has anybody ever heard of any confusion?

Hon. Mr. EULER: Is there not some qualifying adjective that distinguishes them?

Hon. Mr. CALDER: As in this case, the names are not identical.

But more than that: there are operating in Canada at the present time a number of companies, I should say between twenty and thirty, in regard to which the same kind of confusion might exist. Have we heard about any such confusion? I have not, and I doubt if anybody else has.

Furthermore, I learned that when this company made its application to the Insurance Department or to those responsible for drafting the legislation it submitted no fewer than five names. It was not tied down to the one name "Fidelity." So far as I have heard, there has not been a suggestion of any ulterior motive; so I think we can banish that thought from our minds.

As I understand the law, before the name of an insurance company such as this is adopted it must be approved by the Government. That approval is given through the department, the Deputy Minister acting on behalf of his Minister and for the Government. In this case the company itself went to Mr. Finlayson and said, "We want a new name, and here is our suggestion." After consultation and full discussion, I understand, he approved the name "Fidelity." Well, what is the trouble now? Let us bear in mind the conditions I have mentioned, the past records of companies, and the additional information just given to us by the honourable senator from Westmorland (Hon. Mr. Black) as to the attitude of the Committee on Banking and Commerce with regard to this question. It seems to me that in these circumstances, and in view of the committee's vote, the revelation of which has been so strongly objected to by the honourable gentleman behind me (Hon. Mr. Tanner), and the fact that the promoter was not present when the Bill was being considered, the wise thing for the Senate to do would be to let the committee have another whack at the Bill.

Some Hon. SENATORS: Hear, hear.

Hon. B. F. SMITH: Honourable senators, I happen to be a member of the Committee on Miscellaneous Private Bills. I was present at the meeting yesterday, and after listening to the legal arguments so clearly and forcefully advanced on both sides, I should have found it possible to vote on either side with a clear conscience; and so I was the one member of the committee who refrained from voting. The capacity of the company which my honourable friend from Ottawa East (Hon. Mr. Coté) represents, was the only stumbling block I had to get over. There is a possibility that in the future the company will apply for a licence to do a life insurance business.

Hon. Mr. CALDER: That applies to all other companies.

Hon. Mr. SMITH: That applies to all other companies. I just thought I should make it clear that I found myself in the very unenviable position I have described.

Hon. Mr. COTE: The honourable senator who has just taken his seat made use of the words "the company which my honourable friend from Ottawa East represents." May I say that in the committee yesterday, for the first time in my life, I saw the company's representatives. I did not know who they were. I am not representing them. I sat there as a member of the Senate, listening to the discussion. I was impressed by the argument made by the opponents of the Bill, and I must say that notwithstanding the respect I usually have for the opinion of some honourable gentlemen who have spoken to-day I have not yet changed my mind.

The motion was agreed to.

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 A2, an Act for the relief of Stella Kathleen Marguerite Winnall Barwick.

Bill B2, an Act for the relief of Joyce Elizabeth Blackburn Gordon.

Bill C2, an Act for the relief of Kate Elizabeth Laidlaw McNiven.

Bill D2, an Act for the relief of Margaret Livingstone Turnbull Woodard.

Bill E2, an Act for the relief of Dorothy Sunsheine Steirman Cooke.

Bill F2, an Act for the relief of Doris Golt Rosner.

Bill G2, an Act for the relief of Anna Pohopoluck Yacobchak.

Bill H2, an Act for the relief of Myer Levine.

Bill I2, an Act for the relief of George Sutherland Cameron, Junior.

Bill J2, an Act for the relief of Fred Catlow.

THIRD READINGS

Hon. Mr. ROBINSON: In view of the imminence of a long adjournment, I would move, with the consent of the House, that these Bills be now read a third time.

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

PRAIRIE FARM ASSISTANCE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 14, an Act to amend The Prairie Farm Assistance Act, 1939.

He said: Honourable senators, at our meeting yesterday the honourable senator from Peel (Hon. Mr. Marshall) explained this Bill and asked for second reading; but it was found that the Bill was not on the files of honourable senators, and, objection being taken, the second reading was postponed. I now move the second reading.

Hon. J. J. DONNELLY: Honourable senators, I do not wish the few remarks I am going to make to be taken as an approval of the Prairie Farm Assistance Act, which was passed in 1939. I thought at that time, and I still think, it was class legislation, which it is very hard to defend. But that is not before us to-day. What we have before us now is an amendment to that measure. I think the amendment is a proper one, because when a section has had a total crop failure, the fact that the price of wheat is 80 cents is no help to the settlers there. I am quite satisfied with the Bill.

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

THIRD READING

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

Hon. Mr. BLACK: Honourable senators, at this morning's meeting of the Banking and Commerce Committee we considered this Bill and approved it without amendment. It was taken up by unanimous consent of the committee, because we had present the Minister who is in charge of the Bill. I make this statement by way of indicating that it will not now be necessary to send the Bill to the committee, unless some honourable senators desire to refer it back for further consideration.

Hon. Mr. KING: I thank the honourable chairman of the Banking and Commerce Committee (Hon. Mr. Black) for making that explanation. With leave of the Senate, I would now move 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 to-morrow at 6 p.m. for the purpose of giving the Royal Assent to certain Bills.

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

THE SENATE

Friday, March 27, 1942.

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 K2, an Act for the relief of Mary Celina Broadhurst LaRose.

Bill L2, an Act for the relief of Elsie Epstein Cohen.

Bill M2, an Act for the relief of Gertrude Pelletier Patenaude.

Bill N2, an Act for the relief of Marieatt Venditello Diano.

Bill O2, an Act for the relief of Edna Annie Heazle Constable.

Bill P2, an Act for the relief of Dorothy Reed Cushing.

Bill Q2, an Act for the relief of Sarto Desnoyers.

SECOND READINGS

The Hon. the SPEAKER: When shall these Bills be read the second time?

Hon. Mr. ROBINSON: Honourable senators, it would no doubt meet with unanimous approval if I moved the second readings of these Bills now. I therefore move the second readings.

The motion was agreed to, on division, and the Bills were severally read the second time.

THIRD READINGS

The Hon. the SPEAKER: When shall these Bills be read the third time?

Hon. Mr. ROBINSON: Honourable senators, it is expected that we shall be adjourning this afternoon for some time. I see no objection to having these Bills read a third time now, with the unanimous consent of the House. I would move the third readings.

The motion was agreed to, on division, and the Bills were severally read the third time, and passed.

CLERK OF FRENCH MINUTES OF PROCEEDINGS AND JOURNALS OF THE SENATE

APPOINTMENT OF MR. PAUL LAROCQUE

Hon. G. V. WHITE presented the second report of the Standing Committee on Internal Economy and Contingent Accounts, as follows:

That under the provisions of sections sixty and sixty-one of the Civil Service Act, chapter twenty-two of the Revised Statutes of Canada, 1927, Paul LaRocque, Private Secretary to the late Right Honourable Raoul Dandurand, be appointed Clerk of French Minutes of Proceedings and Journals of the Senate, in the place and stead of Alfred L. Garneau, retired, and that he be paid a salary of $3,120 per annum as from 1st April, 1942.

He said: I move that the report be concurred in.

The motion was agreed to.

WHEAT BONUSES AND OTHER AID TO AGRICULTURE

INQUIRY

Hon. C. E. TANNER: Honourable members, we are living in days when the air is vibrant with talk about the spending of millions, hundreds of millions, and billions of dollars. I do not know whether we really think as much about these matters as we should. I have in mind legislation which will be passed during this session in respect to the production of wheat and other grains in the Western Provinces. I am not contesting the wisdom of the policy just now; it may be very defensible; but I am under the impression that we ought to know just what confronts us in terms of expenditure. We are, as I say, talking of huge sums, but I do not

believe we are thinking enough about them. Legislation is coming through and will be placed on the Statute Book, and I am told that it will mean not less than 100 million dollars to the country. I do not know whether that is true or not, but I should like to know. In addition to that, there is the risk in regard to the sale of this wheat, the price of which is being set at 90 cents a bushel. There is a fear that the loss may be greater in consequence of the higher price. Again I do not know, but I presume the Government knows, or has some idea of, what is likely to happen. I am not expecting an explanation to-day, but shall expect it when the Senate resumes after the Easter recess, and for this reason I am submitting the following inquiry:

1. What is the Government estimate of probable cost to the country under legislation they have submitted to Parliament during the current session providing for acreage bonus payments in respect to wheat, flax, and other grains and farm products; the increase to ninety cents per bushel as fixed price of wheat; and other expenditures, including cost of administration, under Bill No. 12, an Act respecting Wheat Acreage Reduction, Bill No. 13, an Act to amend The Canadian Wheat Board Act, 1935, and Bill No. 14, an Act to amend The Prairie Farm Assistance Act, 1939?

2. Have the Government estimated the probable or possible loss to the country in consequence of the fixing of wheat price at ninety cents per bushel; and, if so, what is the estimate?

SUPPLEMENTARY 1941 WAR APPROPRIATION BILL

FIRST READING

A message was received from the House of Commons with Bill 19, an Act for granting to His Majesty Aid for National Defence and Security.

The Bill was read the first time.

SECOND READING

Hon. J. H. KING moved the second reading of the Bill.

He said: Honourable senators, we have arrived at the time of year when the Government's appropriations to carry on the business of the country usually reach this Chamber. This is one of four Bills which will come before us to-day.

Hon. Mr. BLACK: Honourable senators, have these Bills been distributed? They do not seem to be on our files.

Hon. Mr. KING: These Bills are not here yet, but I was told they would probably be distributed some time this afternoon. There has been some delay at the Printing Bureau.

Hon. Mr. DONNELLY: Honourable senators, inasmuch as the money asked for in this case is to be used for national defence and security, something which we all approve of, I think, I for one do not intend to offer any opposition.

Hon. Mr. MURDOCK: Honourable senators, the Deputy of the Governor General is not coming here before six o'clock. If there is a chance that these Bills may be distributed before that time, could we not adjourn during pleasure and at least look over the Bills before we are asked to pass them?

Hon. Mr. KING: I should be glad to pass the honourable senator a copy of the Bill I have here, and it would not take him more than four or five minutes to look over it. If that is agreeable, we can proceed to take up the other bills. As I say, there has been some delay at the Printing Bureau. We all know it is essential that we pass these Bills this afternoon. It was my hope that after concluding our business we might adjourn during pleasure, until about twenty minutes to six, when members of the other House would come over and the Royal Assent would be given.

Hon. Mr. MURDOCK: Honourable senators, I have seen a copy of the first reading of this Bill, and I am entirely in agreement with it. But, rightly or wrongly, a considerable number of newspaper correspondents and others throughout the Dominion are taking the position that the Senate is not necessary under democratic conditions; that it is only a fifth wheel to the wagon. The point I raise is that we should not suggest we are interested only in getting by with the little work that comes to us and then closing up. It seems to me that if we are to perform our proper function in the interest of the Dominion of Canada, we should never attempt to deal with a bill before it has been distributed to us.

Hon. Mr. KING: I think the honourable senator's protest is sound, but I know he does not want to delay passage of this Bill. We are familiar with the character of the Bill, and I am sure the honourable senator will not object if we go ahead. I think we should proceed.

Hon. Mr. MURDOCK: Go right ahead. Do as we have been doing for a long while.

Hon. Mr. CALDER: The honourable gentleman from Parkdale (Hon. Mr. Murdock) is undoubtedly right. Ordinarily we should not pass a bill without seeing it. But in a sense,

and only in a sense, this Bill is in a class by itself; it is a Bill for granting aid for national defence and security. We all know what happens when these supply bills come over here. I am quite sure that 60 per cent of honourable members do not look at them.

Hon. Mr. MURDOCK: We are just a rubber stamp?

Hon. Mr. CALDER: Not at all. The honourable gentleman has been here long years. Have we ever attempted to amend one of these bills, to reduce the amount?

Hon. Mr. MURDOCK: No.

Hon. Mr. CALDER: To a very large degree, with us it is only a matter of our passing a supply bill, because we do not exercise the right of amending or changing such a measure. Speaking for myself, I know I never look at the details of a supply bill. Why? Simply because I realize that even though I might not agree with what is proposed, there is nothing we can do about it. I say that in principle the honourable gentleman from Parkdale is correct. Nevertheless, we must remember that this is a money bill, which we cannot amend in any respect.

Hon. Mr. MURDOCK: I have that in mind.

Hon. Mr. CALDER: If the Bill were not passed until the last minute before the Deputy of the Governor General came here, it would be all right; but I think we should not hold it up longer than that, even though we have not a copy of it in our hands.

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

THIRD READING

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

Hon. Mr. KING: Honourable senators, with leave, I move that the Bill be read the third time now.

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

APPROPRIATION BILL NO. 2

FIRST READING

A message was received from the House of Commons with Bill 43, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1942.

The Bill was read the first time.

SECOND READING

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

Hon. Mr. KING: Honourable senators, with leave, I would move that the Bill be read the second time now.

Hon. Mr. BLACK: May I ask the honourable acting leader (Hon. Mr. King) if we are to deal this afternoon with more bills that have not yet been distributed?

The Hon. the SPEAKER: I have two more in my hand.

Hon. Mr. BLACK: I agree with the honourable senator from Parkdale (Hon. Mr. Murdock), who expressed disapproval of our dealing with bills that have not been distributed. I did not object to the passing of the first Bill, as it was a grant for national defence, but it seems to me we should not proceed with any other measures until they have been distributed and we have had a chance of becoming familiar with their contents.

Hon. Mr. KING: I am now informed by the Clerk that we shall not get these Bills this afternoon, as they have not yet been printed. As I said before, there has been some delay at the Printing Bureau. But it is essential that we proceed with these measures. The one before us provides for a supplementary grant to cover the ordinary expenditures of the current financial year. It is not a large amount that is asked for, in view of the business of this country, being a sum not exceeding $3,530,840. This sum is required to defray certain expenses, not otherwise provided for, of various departments of the Government. A similar bill is passed by us every session, but I think it is usually much larger than this. I agree that the honourable senator from Parkdale is quite in order in the protest he has made, and I hope it will do good. However, as the Bills cannot be distributed this afternoon, I hope honourable senators will accept my explanation as sufficient.

Hon. Mr. ROBINSON: Are these purely supplementary estimates?

Hon. Mr. KING: Yes.

Hon. Mr. ROBINSON: The honourable gentleman has a printed bill in his hand.

Hon. Mr. KING: Yes. It is the official copy from the House of Commons.

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

THIRD READING

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

Hon. Mr. KING: Honourable senators, with leave, I would move that the Bill be read the third time now.

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

APPROPRIATION BILL NO. 1

FIRST READING

A message was received from the House of Commons with Bill 44, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1943.

The Bill was read the first time.

SECOND READING

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

Hon. Mr. KING: With leave of the Senate, I move the second reading now.

Hon. Mr. CALDER: I understand that only one-sixth of the general Estimates is being voted now.

Hon. Mr. KING: Yes.

Hon. Mr. CALDER: So there will be ample opportunity hereafter, if any honourable senator desires, to discuss the Estimates.

Hon. Mr. KING: One-sixth is being asked of the regular annual appropriation for Government business.

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

THIRD READING

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

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

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

WAR APPROPRIATION BILL No. 1

FIRST READING

A message was received from the House of Commons with Bill 45, an Act for granting to His Majesty Aid for National Defence and Security.

The Bill was read the first time.

SECOND READING

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

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

This Bill relates to war and war expenditures. It is proposed that out of the Consolidated Revenue Fund there may be paid a sum not exceeding $500,000,000, subject to allotment by the Treasury Board, towards defraying any expenses or making any advances or loans that may be incurred or granted by or under the authority of the Governor in Council during the year ending the 31st of March, 1943, for the purposes and subject to the terms, conditions and limitations set out in the resolution to provide that sums not exceeding $2,000,000,000 be granted to His Majesty, which resolution was referred to Committee of the Whole in the other House on the 17th of March, 1942, and being one-fourth of the said amount of $2,000,000,000. Ordinarily a supplementary supply bill asks for one-fifth or one-sixth of the total supply for the year, but in this case, as the money is required for war purposes, the Government finds it essential to ask for one-fourth of the total.

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

THIRD READING

Hon. Mr. KING, with 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.

BUSINESS OF THE SENATE

Hon. Mr. DONNELLY: Can the honourable acting leader tell us if we may expect any other bills this afternoon?

Hon. Mr. KING: I do not think so.

Hon. A. L. BEAUBIEN: Is it expected that the Wheat Board Bill will reach us to-day?

Hon. Mr. KING: I was informed before coming into the Chamber that it may not reach us.

EASTER ADJOURNMENT

MOTION

Hon. Mr. KING: With reference to the Easter adjournment, I may say that I have been in consultation with the Prime Minister's office this afternoon. I now move that when

the Senate adjourns to-day it stand adjourned until Tuesday, May 5, at 8 p.m. It is of course understood that should an emergency arise in the meantime His Honour the Speaker will exercise his authority to recall us.

The motion was agreed to.

The Senate adjourned during pleasure.

The sitting of the Senate was resumed.

CANADIAN WHEAT BOARD BILL

FIRST READING

A message was received from the House of Commons with Bill 13, an Act to amend The Canadian Wheat Board Act, 1935.

The Bill was read the first time.

SECOND READING

Hon. J. H. KING moved the second reading of the Bill.

He said: Honourable senators, this is the last of the three interrelated measures that deal largely with Prairie conditions. The other two, which have been passed, are the Wheat Acreage Reduction Bill and the Prairie Farm Assistance Bill.

The purpose of this Bill is to amend The Canadian Wheat Board Act of 1935. The amendments are very brief. Under the Act of 1935 the price of wheat was fixed at 70 cents a bushel. It is now proposed to increase that price to 90 cents a bushel. The aim of the other amendment in this measure is to clarify the regulations controlling deliveries of all kinds of grain by producers to country elevators, loading platforms, mills, mill elevators and terminal elevators. The word "mills" is new. It was thought well to insert it.

Any discussion there may be will, I think, centre around the increase in price from 70 cents to 90 cents. As was stated in our committee when the other Bills were under consideration, it is deemed desirable that the acreage of wheat should be controlled and the production of the coarser grains should be stimulated with a view to increasing the production of animal fats. It has also been thought desirable to increase the growing of flax for the production of oil. Although this Bill was not officially before our committee when it met, I think it was thoroughly discussed and inquired into at that time. Mr. Gardiner, the Minister of Agriculture, appeared before the committee and gave us some very useful information. Therefore it seems unnecessary for me to dilate upon the matter.

Hon. J. J. DONNELLY: Honourable senators, yesterday we had before us in the Standing Committee on Banking and Commerce the acreage bonus Bill, and we were told by the Minister of Agriculture that one of its main purposes was to prevent a great increase in our wheat surplus. We heard some strong arguments advanced along that line, and a very convincing argument was presented to this House by the honourable senator from Lethbridge (Hon. Mr. Buchanan). But to-day we have a Bill which raises the price of wheat from 70 cents to 90 cents. If it had been the desire of the Government to increase the wheat acreage and bring about a greater production, nothing I can think of would have been more helpful for that purpose than the raising of the price by almost 25 per cent.

I am not one of those who think we should worry about a wheat surplus. We have, I understand, a surplus of 400,000,000 bushels. The surplus in the four principal wheat-producing countries—the United States, Canada, Australia and the Argentine—is estimated at, I think, 1,300,000,000 bushels. This looks like a very large quantity; but this war is not going to last for ever, and when peace comes there is going to be, I think, a scarcity of wheat. The scorched-earth policy which has been followed in Europe will prevent the growing of wheat there for some time to come, particularly in the Ukraine, and I think we might very well go on accumulating a surplus. All of it will be needed, for when peace comes there will be a state of semi-starvation in Europe. It may be said that the countries of Europe will not be able to buy our wheat. Even if they are not, it would be an act of Christian charity to give it to them, and I think it would be proper to do so. This world will never come back to normal conditions until the countries that have been overrun have had an opportunity to recover, and we might help them in that way.

The Bill before us, it seems to me, is a type of class legislation. I understand that it applies only to Western Canada, and, even there, only to the producer of grain. We in Ontario have crop failures, but when we do we have to put up with the loss. I am not exactly a pioneer, but in the part of Bruce from which I come half the country was under standing timber when I was a boy, and we could not get a ten-acre field that was free of stumps. In those days the settlers had to make good or go under. They went into the country with the intention of making good, and they succeeded. I am not entirely

opposing the Bill, but I am pointing out that Ontario may be taxed, though perhaps not very heavily, to support it.

I think it was the member for Lambton-Kent who gave some figures in regard to the cost of this wheat legislation. He estimated the expense of 90-cent wheat at $56,000,000 in cash, the expense of the acreage bonus at $30,000,000, and the expense in connection with the Prairie Farm Assistance Act at $10,000,000; a total of $96,000,000. That is not a small sum of money. I remember the time, in 1913, when the Government in power desired to vote $30,000,000 to assist the Motherland in the building of three dreadnoughts. It was thought then that $30,000,000 was so terrible a sum that the House of Commons was kept sitting day and night for two weeks, Sundays excepted, before the Bill went through; and after it did go through the Commons, it was killed in the Senate. Of course I am not charging present members of the Senate with that. I had the rather unusual experience of voting for the Bill in the other House, of coming here before the Bill reached the Senate, and of voting for it again. But it was defeated.

I do not think that what is proposed should be a permanent policy. I think it would be well for the Western farmers to understand that when normal conditions return we shall have to change our system somewhat. I think we shall all have to learn that when a business does not pay we must go into some other business.

Hon. R. B. HORNER: Honourable senators, do not be alarmed. I do not intend to go into any lengthy discussion that is likely to stir up controversy at this time, but I do wish to make a few remarks on this increase in the price of wheat to 90 cents. It is well known in Western Canada that when you talk of 90-cent wheat you are referring to No. 1 Northern at Fort William, and that 90-cent wheat at Fort William means an average price to the producer of 70 cents. I find that a number of my friends in Eastern Canada are under the impression that we get 90 cents at the farm. The average price received for No. 1 Northern in carload lots is about 72 cents.

We Western farmers believe that this legislation will not necessarily impose any charge on the Federal Government for the 1942 crop, because millions of bushels of wheat are being fed to live stock in Western Canada. Government statistics for 1940 show that so many bushels remained in the hands of the farmers; but the figures are misleading, as much of the grain already had been fed to live stock. For that reason the country is not likely, as was suggested by the honourable senator who has just taken his seat (Hon. Mr. Donnelly), to have to put up a very large sum of money to assist the Western farmer.

Hon. Mr. MURDOCK: Will the honourable gentleman tell us where the 18-cent difference between 72 cents and 90 cents goes?

Hon. Mr. HORNER: It goes in freight and handling charges. That is quite simple. I remember selling wheat for 72 cents at the elevator, and loading by pail—there was no loading platform—and getting 56 cents after freight and other charges were paid. Owing to rust or frost the grade may be low, and before the crop comes on to the market the Board of Grain Commissioners will decide the spread. I have known years in which there was a spread of possibly six or seven cents between No. 1 and No. 2. The usual spread is from three and a half to four cents.

Hon. Mr. MURDOCK: And is there the same amount of extra cost for handling charges, regardless of the price of the wheat?

Hon. Mr. HORNER: I think handling charges have been somewhat reduced on street grain; that is, for the man who has not a carload. They have narrowed in recent years.

There is just one comment that I have to make. This is a personal idea, and possibly I have expressed it before in this Chamber. The Grain Exchange remains open to deal with an imperishable product on the futures market, but the facilities for marketing live stock in Western Canada are far from satisfactory. I maintain that if a grain exchange is useful, a live stock exhange and a bacon exchange would be much more useful. After all, the producer can keep his own grain for several months, but hogs and cattle must be sold within a certain period of time or they will be overweight. A good many men fed cattle all winter in the hope of getting a fair price for beef at this time, but if you look at the market reports in the Western and Eastern papers, you will see that the price of beef is off 25 to 50 cents. These reports say that buyers are determined to cut prices for live animals.

We hear a great deal of talk to the effect that the farmer does not do business as a business man would. He is prevented from doing so by conditions. If he had a bacon and live stock exchange he could sell his animals for delivery in the spring, and he would then be able to make a proposition to his banker. He would have, let us say, so much feed on hand at home and so many cattle; so in deciding upon whether the man was a good risk the banker would simply have to judge as to his ability in the feeding

of stock. But under present conditions the banker would probably say: "When you are ready to sell your stock the market may be off and the transaction may be unprofitable for you. Therefore we cannot finance you." This state of affairs prevents the using of a great deal of grain for feeding cattle and hogs. I do think, honourable senators, that this is something the Government could very well give attention to during the war. We have government graders of grain, who render a very satisfactory service. Abolish the live stock markets which exist throughout the Western Provinces to-day, put the employees to some useful war work, appoint men to grade cattle and hogs, have the animals shipped on to the killing and processing plants and let the producer receive the returns to which he is entitled, without having deductions made for yardage and other charges.

If you take in a load of cattle or hogs to one of these markets—and in this respect they are nearly all alike—they weigh all the animals separately. What is the purpose of that? The principal purpose, I maintain, is to take the break of the beam from the producer. You never get paid for any odd pounds. If your animal weighs 874, you get paid for 870. The stock-yards in Saskatoon, Winnipeg and elsewhere are all paying 7 to 8 per cent dividend to the shareholders. I know one little outfit that cleared $15,000 last year; and so far as the ability of the manager of that firm goes, I would not feed my pigs on his advice. That $15,000 is taken from the producer and the consumer. We could very well effect a great saving by abolishing all these live stock markets, appointing a government grader of live stock and having the animals go direct to the processing plants.

Hon. Mr. DONNELLY: With the permission of the Senate I should like to get a little further information from the honourable acting leader (Hon. Mr. King). In 1939, 1940 and 1941 there was a fixed price for Ontario wheat, based on Montreal. I know a farmer up in Bruce county who when attempting to make a sale in 1939 was told by the buyer, "The price is 70 cents at Montreal, but we take off 23 cents for freight rates." So we know something about freight rates as well as the honourable senator from Saskatchewan North (Hon. Mr. Horner) does. At the present time there is a scarcity of Ontario-grown wheat for making pastry flour, and instead of fixing a minimum price the Government has seen fit to put on our wheat a ceiling of $1.26. What will our position be if this Bill goes through in its present form?

Nothing is said about the price at Montreal. Will the minimum for Ontario wheat remain at 70 cents?

Hon. Mr. SHARPE: We should be willing to have a ceiling of $1.26 on our wheat.

Hon. Mr. DONNELLY: I am not objecting to that. But I quoted a case to show that in 1939 a producer could not get more than the Montreal price, less the freight rates. There may be a surplus of pastry flour next year and we may have to sell our wheat on the basis of the Montreal price. I think the Bill should provide for the same price at Montreal as at Fort William.

Hon. A. L. BEAUBIEN: I understand that Ontario would enjoy the same advantages as the West in this matter.

Hon Mr. DONNELLY: There is nothing in the Bill to provide that.

Hon. A. L. BEAUBIEN: It is in the Act itself. The Act gives the Ontario producer the same advantages as the Western producer. All that this Bill does is change the figure from 70 cents to 90 cents, which would apply to Ontario as well as to the West.

Hon. Mr. DONNELLY: The explanation is not quite clear. The Bill sets a minimum price at Fort William-Port Arthur and Vancouver on wheat of grade No. 1 Manitoba Northern, which is a grade we do not produce in Ontario. That is the grade for which the 90 cents is being guaranteed.

Hon. A. L. BEAUBIEN: But I am sure the Ontario farmer enjoys the same privileges.

Hon. Mr. DONNELLY: I should like to know that the fixed price at Montreal will be the same as the price at Fort William.

Hon. N. M. PATERSON: Honourable senators, the Canadian Wheat Board Act, George V, chapter 53, section 14, provides:

> The provisions of this Act shall apply mutatis mutandis to wheat produced in the Eastern Division, and the sums certain to be paid producers delivering such wheat shall be fixed by the Board. . . .

I wonder if that answers the honourable senator's question.

Hon. Mr. BUCHANAN: I understand this 90 cents is to apply only to 280 million bushels. Any wheat produced in addition to that will have to be sold at the market price.

Hon. Mr. KING: That is right.

Hon. Mr. DONNELLY: I think we should clear up this point as to whether the price of 90 cents will apply to Ontario wheat delivered at Montreal. There is plenty of time to get the information.

Hon. A. L. BEAUBIEN: The Canadian Wheat Board Act was amended in 1939 in order to include Ontario wheat within its provisions. The only change this Bill would make in the Act as amended is to increase the price from 70 to 90 cents.

Hon. Mr. KING: I think that is right.

Hon. A. L. BEAUBIEN: So all the privileges enjoyed by the Ontario farmer under the Act as amended in 1939 will continue to be enjoyed by him after this Bill is passed.

Hon. Mr. HORNER: That is my impression.

Hon. Mr. DONNELLY: The Bill says, in section 1:

Provided that such sum certain shall in the case of wheat of the grade No. 1 Manitoba Northern be 90 cents. . . .

In Ontario we do not produce No. 1 Northern.

Hon. A. L. BEAUBIEN: Under this Act the price of all grades of wheat is fixed by the Board at the beginning of the crop year. Our proportion of No. 1 is not more than 60 per cent; No. 2 accounts for about 30 per cent, and the other grades make up the remaining 10 per cent.

Hon. Mr. BLACK: Honourable senators, it would not take very long to obtain, possibly from an official of the Department of Agriculture, the information asked for by the honourable senator from South Bruce (Hon. Mr. Donnelly). I think the explanation given so far is not clear. What has been said by the honourable gentleman from St. Jean Baptiste (Hon. Mr. Beaubien) may be quite correct, but some of us are not quite sure as to whether this price of 90 cents applies to any other than Western wheat.

Hon. Mr. KING: I am not sure myself.

Hon. Mr. DONNELLY: The Bill may apply to Ontario, but, as the matter is in doubt, I think it would be well to get definite information from someone.

Hon. Mr. KING: I think we shall be able to get the information from the department in a few moments.

Hon. Mr. PATERSON: May I read section 14 in its entirety?

The provisions of this Act shall apply mutatis mutandis to wheat produced in the Eastern Division, and the sums certain to be paid producers delivering such wheat shall be fixed by the Board with the approval of the Governor in Council so that they shall bear the same relationship to the sums certain payable in the case of wheat produced in Manitoba, Saskatchewan, Alberta and British Columbia as the price of wheat produced in the Eastern Division bears to the price of wheat in store at Fort William.

Hon. Mr. KING: That is the 1939 Act?

Hon. Mr. PATERSON: The amending Act of 1939. I think that section is very fair. It has not been changed?

Hon. Mr. KING: No.

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

THIRD READING

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

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

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

The Senate adjourned during pleasure.

THE ROYAL ASSENT

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

An Act to amend the Precious Metals Marking Act.

An Act to amend the Prairie Farm Assistance Act, 1939.

An Act to amend the Canadian Wheat Board Act, 1935.

An Act respecting wheat acreage reduction.

An Act for granting to His Majesty aid for the purpose of financing United Kingdom war requirements in Canada and for national defence and security.

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

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1942.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1943.

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

The House of Commons withdrew.

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

The sitting of the Senate was resumed.

The Senate adjourned until Tuesday, May 5, at 8 p.m.

THE SENATE

Tuesday, May 5, 1942.

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

Prayers and routine proceedings.

WHEAT BONUSES AND OTHER AID TO AGRICULTURE

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. What is the Government estimate of probable cost to the country under legislation they have submitted to Parliament during the current session providing for acreage bonus payments in respect to wheat, flax, and other grains and farm products; the increase to ninety cents per bushel as fixed price of wheat; and other expenditures, including cost of administration, under Bill No. 12, an Act respecting Wheat Acreage Reduction; Bill No. 13, an Act to Amend the Canadian Wheat Board Act, 1935, and Bill No. 14, an Act to Amend the Prairie Farm Assistance Act, 1939?

2. Have the Government estimated the probable or possible loss to the country in consequence of the fixing of wheat price at ninety cents per bushel; and if so, what is the estimate?

Hon. Mr. KING: These are the answers to my honourable friend's questions:

Department of Agriculture—

1. Under Bill No. 12, an Act respecting Wheat Acreage Reduction: approximately $20,000,000, if the wheat acreage reduction of 1941 is maintained.

Under Bill No. 13, an Act to Amend the Canadian Wheat Board Act, 1935: no information.

Under Bill No. 14, an Act to Amend the Prairie Farm Assistance Act, 1939: cannot be estimated, as the amount to be paid, if any, depends upon the crop conditions in 1942.

2. No information.

Department of Trade and Commerce—

1. In respect of the amendment of the Canadian Wheat Board Act (Bill No. 13) it is not possible to estimate the probable cost to the country because of unknown factors such as the amount of wheat which will be grown or handled by the Canadian Wheat Board, and the date and price at which the wheat will be sold.

2. No, for the reason given in the answer to No. 1.

THE LATE SENATORS RAINVILLE AND SHARPE

TRIBUTES TO THEIR MEMORY

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, it is my painful duty to advise the House that since our last meeting two of our distinguished members have departed this life. I refer to Hon. Senator Rainville, who died on April 14, and Hon. Senator Sharpe, who died on April 19.

Senator Rainville was of French nationality. He practised his profession as an advocate in the city of Montreal. He was interested in military matters, being a lieutenant of the 85th Regiment for about ten years. In the provincial election of 1908 he was a candidate for the Legislature of the province of Quebec, and in 1911 was elected to the House of Commons. In 1917 he was again a candidate for election to the House of Commons, but was not returned. He became Chairman of the Montreal Harbour Commission in 1930, and served until 1932. He was summoned to the Senate in October, 1932.

We all know that Senator Rainville was a regular attendant in this assembly and took a considerable part in our discussions. Having an intimate knowledge of conditions in the harbour of Montreal, he conceived that it would be advantageous not only to that great harbour, but to the people of Canada, that a free port should be established in that locality. He made his representations in this Chamber and succeeded in having a special committee of this House appointed to inquire into the advisability of adopting a policy of free ports in Canada. I was a member of that committee, and I may say that thanks to the efforts of Senator Rainville much valuable information was elicited. Honourable gentlemen who were members of the committee will recall that our discussions were of great interest and that the men who appeared before us gave us an insight into the free ports established elsewhere, particularly in countries of Europe, and showed how well they were serving those countries. Only to-day I was thinking that the trail blazed by the honourable senator is one that we might follow when this war is brought to a successful conclusion and normal trade conditions are re-established throughout the world. His proposal will then be worthy of our consideration.

May I express my deepest sympathy with his relatives and associates in his passing.

The Hon. Senator Sharpe was born in the province of Ontario. He eventually established himself in Manitou, Manitoba, where

he had a general store and identified himself with the municipal affairs of the community. He was a councillor of the village of Manitou for six years, and was mayor in 1908.

He was active in the last war. He raised a battalion, the 184th, and took it to England.

In 1904 he suffered defeat in an attempt to become a member of the House of Commons, but he was elected to that Chamber in 1908, and re-elected in 1911. He resigned from the House of Commons in 1915 to become a candidate for the Legislature of Manitoba. He was summoned to the Senate on February 10, 1916. His personality and geniality gained him the friendship and respect of his associates. He took an active part in the proceedings of this Chamber, and the work he did in our committees was particularly valuable. His clearness of thought and expression was much appreciated. I desire to express my sincere sympathy to the members of his family and to his associates.

Hon. C. C. BALLANTYNE: Honourable senators, during the last few months the Grim Reaper has taken a very heavy toll of the members of this Chamber: seven in all. Even since we last adjourned, two of our outstanding colleagues have passed away, in the persons of Senators Sharpe and Rainville.

Senator Sharpe, as we all are aware, was a very valuable member of this Chamber for twenty-six years. His wide connection with and experience in Western affairs, and, later in life, his familiarity with business, enabled him to render service of a very high order. As the honourable leader (Hon. Mr. King) has so truly stated, his advice was indeed appreciated, not only when he spoke on the floor of this Chamber, but also in committee. It can be said of Senator Sharpe that he was really a pioneer. Very early in life he left his native province of Ontario and went to Manitoba. That was fifty-odd years ago, when to go out to the West was extremely difficult and arduous. It has been related that when Senator Sharpe first went out there he drove to his section or quarter-section of land with a pair of oxen. Owing to his belief in the West and in himself, and because of his dogged perseverance, he made a success of farming. In those days if a Western farmer had a partial crop failure or a total crop failure, it was of no use for him to look to Ottawa in the hope of having the price of wheat fixed, or of being given a bonus such as is granted today. The hardy pioneers of that period had to sink or swim, relying solely upon their own initiative and hard work. After making a success of farming, Senator Sharpe started business in his adopted town. He continued for many years in that business, which also proved to be highly successful.

Senator Sharpe, as the honourable leader of the House (Hon. Mr. King) has stated, had an outstanding and remarkably charming personality. He was liked and respected by everybody who had the good fortune to know him. In his home town, as we so well know, his fellow-citizens made him one of its councillors and then its mayor. He was twice elected to the House of Commons.

Senator Sharpe's record is one of which his family and his friends can be truly proud. To have a host of friends and no enemies is certainly a great personal tribute, and his reputation is one of the legacies which the late senator has left to his family.

I join with the honourable leader of the House in expressing not only my own personal sympathy, but the sympathy of all those on this side to Mrs. Sharpe and the members of her family in their great loss.

Senator Rainville was one of Quebec's outstanding citizens, proud of his province, his race and his creed, and he had every reason to be proud of them. Successful in law, he later turned his attention to mining, and I understand his efforts in that direction were also highly successful.

Our late colleague was not a man to confine his abilities to his native province: he applied them to the whole Dominion, knowing Canada in the most familiar way from one ocean to the other. On his election to the House of Commons in 1911 to represent the electoral district of Chambly-Verchères, his abilities were soon recognized, and at the instance of the then Prime Minister, Right Hon. Sir Robert Borden, he was made Deputy Speaker. He was not successful in the Union Government election of 1917. But I will say this of Senator Rainville: he remained true to the traditions of the Conservative party and his great leader at that time, and did everything he possibly could not only to support the Government of the day, but to bring the war to a successful conclusion, which was eventually reached in 1918.

The leader of the Government has referred to Senator Rainville's extraordinary knowledge of waterways and harbours, and in this I entirely concur. He paid special attention to these great national interests and was considered an authority in regard to them. Honourable senators no doubt will recall the informative speeches with which he favoured us from time to time, not only on waterways and harbours, but also on transportation generally.

I am sure that I am expressing the keen regret of every honourable member when I say how much Senator Rainville will be missed in this House. It is truly to be regretted that, as I said at the opening of my remarks, so many of our useful and experienced senators have passed to the Great Beyond. But Senator Rainville—in common with Senator Sharpe—has left behind him a record that must be a source of pride for his family, his province and his country.

We all join with the honourable leader and those on the other side of the House in expressing our deepest sympathy with Madame Rainville and the members of her family.

Hon. A. D. McRAE: Honourable senators, it is with great sorrow that I rise to pay tribute to two of my best friends in this Chamber who have left us since we last met. As the shadows lengthen for most of us, the removal of very dear friends cannot fail to impress on us the frailty of human life, the uncertainty of existence.

Senator Sharpe I had known for many years before the first war, and it was my good fortune on coming to the Senate to have a room adjoining his. For ten years we had very close association, and I want to pay this tribute to him, a tribute of which any man might well be proud: Senator Sharpe was a Christian gentleman and at all times endeavoured to live up to the doctrines of his church. Not once in ten years can I remember that the Colonel ever said an unkind word about anyone. He had a marvellous personality. Deep in his heart was love of his fellow-men and a warm appreciation of every member of this honourable House.

In his long careeer Senator Sharpe had proven his usefulness to Canada. In my own case I found his guidance, his judgment and his kindnesses most helpful. That debt I now wish to acknowledge.

Senator Rainville was also a personal friend of mine. Probably I had no better friend from the province of Quebec than Joe Rainville. I learned to admire him very much. His loyalty was never open to question. His vision extended beyond his own province; his interest was Dominion-wide. He was anxious about our dual nationality, and I remember the last time I met him he spent an hour with me deploring misunderstandings between our French and English sections, and urging on me the prime importance of giving our English-speaking press a better understanding of the situation in Quebec in order to bring about closer national unity. That was the uppermost thought in his mind. He was a Canadian whose outlook one might well be proud to share.

I do not expect that for a long time any bereavement of my personal friends will affect me more poignantly than the loss of Senator Sharpe and Senator Rainville, and I only wish I could do full justice to the many fine qualities of both my departed friends.

Hon. G. V. WHITE: I desire to associate myself with honourable senators who have preceded me in expressing the loss which the Senate has sustained in the departure of two of our distinguished colleagues.

The sudden demise of Senator Rainville was, I am sure, a shock to us all. Joe Rainville was in his seat just prior to the Easter adjournment and at that time appeared to be in his usual good health.

He occupied a prominent position both in the life of his native province and of the Dominion as a whole. As has already been said, he became a member of the House of Commons in 1911, representing at that time the constituency of Chambly-Verchères. In 1930 he was appointed to the chairmanship of the Montreal Harbour Commission, an office which he vacated in 1932 on being summoned to this Chamber.

As the honourable leader of the Senate has pointed out, Joe Rainville was an advocate by profession, but he also took a deep interest in the development of his native province, especially of the mineral resources of northern Quebec.

It was my privilege to have known Senator Rainville ever since he came to Ottawa, I having sat with him in the House of Commons and latterly in this Chamber. Typical of his race, he was a kindly, courteous gentleman, and I am sure that we shall all miss him very much.

I desire to express my sympathy to his widow.

Senator Sharpe and I were associated together for many years. As has been said, he died on the seventy-fourth anniversary of his birth. He had been a member of this Chamber for more than a quarter of a century. Although his health had been somewhat impaired during the last few years, he was in his seat during our last sitting.

A native of the province of Ontario, Senator Sharpe when a young man migrated to the Middle West. He homesteaded there and later engaged in mercantile business.

In 1904 he was a candidate for the House of Commons, having as his opponent Hon. Thomas Greenway, a former premier of Manitoba. He was not successful on his first venture, but in the elections of 1908 and 1911 he was returned as the representative of Lisgar.

We have heard something of Senator Sharpe's war record. Feeling that it was a duty to serve his King and his country, he offered to raise in his own district a battalion for overseas service, and I think I can say without fear of contradiction that he recruited the 184th Battalion in record time. Although never previously associated with the military life of this country, he made a wonderful record for himself by the way in which he raised that battalion. He took it to England, and it was afterwards sent over to France.

Mention has been made of the fact that Senator Sharpe was identified with the industrial life of this country. I am happy to say that some of his interests turned out very fortunately. My acquaintanceship with Senator Sharpe extended over some thirty-four years, during which period we became intimate friends. In his passing I feel very keenly the loss of a warm friend and an associate of long standing. I wish to extend to Mrs. Sharpe and the family my personal sympathy.

Hon. JOHN T. HAIG: Honourable members, as one of the senators whom we are remembering to-night was from the province of Manitoba, I think I should be derelict in my duty to that province if I did not say a few words.

Since the last sitting of this House we have lost two of our honourable members. As kind references have been made to them by the leader of the Government, the leader of the Opposition, and other members on this side of the House, it would be superfluous for me to attempt to add anything to the historical record.

On this occasion, at such a time as this through which we are passing, it is a wholesome thought for us all to remember that our late colleagues were great representatives of the two races in Canada. I think that to-night, if I were able to pierce the veil of the place where we think men go after they have lived good lives, I should see Joe Rainville and Billy Sharpe sitting together, looking down at us and wondering, "What would those boys say if we were down there?" These two men were of the same temperament, and were friendly with each other. Each was an outstanding representative of his race. Maybe they were not the greatest intellectual giants of our country, nor the greatest orators or parliamentarians in our history; but, pioneers both, builders both, they represented the best in our country.

Senator Rainville, whose lot was cast in the great city of Montreal, made, as the leader of the Government has said, a contribution to the future of our country. It may be also that he contributed to the solution of one of the problems which we shall have to face after the war. He has left a record on the pages of parliamentary history of which any man born in the province of Quebec and speaking the French language might well be proud.

I pay my special respects to Senator Sharpe because he was a great representative of the Anglo-Saxon people of this country. He was a pioneer, a business man, a good fellow. He went to the province of Manitoba as a very young man and entered the implement business in Douglas. He then moved to Manitou, where he established a record as a great farmer and business man. Later he came to Parliament, where he spent thirty-four years, and in both the House of Commons and the Senate he left behind him a very fine record.

Senator Sharpe's family, whom I know personally—his wife, his son and his daughter—have the happy knowledge that their husband and father contributed much to the welfare of Canada. We from Manitoba pay to him our meed of praise: we think that he truly represented in Ottawa the men and women of our province.

As was said by the honourable senator from Vancouver (Hon. Mr. McRae), both of these men were Christian gentlemen. I may say quite candidly to this Chamber that I do not know which man's record would be the greater. Each made an important contribution to our country, and in times to come we shall need more men with their foresight.

To the families of our two departed colleagues are extended, I am sure, the condolences of not only the members of this House, but also a legion of friends outside of Parliament.

Hon. EUGENE PAQUET (Translation): We regret having to bring to the attention of this House the decease of Senators Sharpe and Rainville. The loss of my old and good friend, Senator Rainville, grieves me deeply. I should like to emphasize at this time a trait of his character: his love of education and his constant efforts to bring about a happy solution of our social problems. Senator Rainville passed away suddenly at his home in St. Lambert, at the age of sixty-seven. Lawyer, business man, actively engaged in politics, the late Senator Rainville had many friends in all walks of life. Never have I met anyone who worked more assiduously. His life was a full one, and history will say that he was one of Canada's most distinguished sons. Those of us who were his

colleagues in the House of Commons thirty years ago will remember his energy and activity. Defeated a first time, he succeeded in gaining a seat in 1911, and at the federal election of 1930 became chief organizer of his party in Quebec. His reputation as an able administrator placed him in line for the important position of chairman of the Montreal Harbour Board.

Our beloved colleague always endeavoured to bring out into the open the social injustices he came across. As someone has well said, "To serve was for him the highest of human motives, and he practised what he preached, by devoting all his efforts to the defence of the cause he had espoused."

Hon. Mr. Rainville's career stands out as a model for our youth and for all Canadians who love their country. In 1911, our late friend achieved a great victory over one of our most brilliant political men.

His remarkable qualities brought him to the attention of the Conservative leaders, who asked him to head their organization in the province of Quebec. Our friend was equal to the task, and his endeavours were progressively greater as the field became more difficult.

Senator Rainville revealed himself to be an indefatigable worker. He belonged to the most enterprising and energetic type of men.

To the families of the late senators I wish to offer my most heartfelt sympathy. I am sure that all honourable members of the Senate share my feelings in this respect. In bereaving us of our colleagues the Grim Reaper has struck down two great Canadians who loved us all dearly.

Hon. L. COTE: Honourable senators, a number of our colleagues have already reviewed the careers and praised the qualities of the late Senators Sharpe and Rainville, and well expressed our sense of loss at their departure from our midst. In fact, those feelings, which I fully share, have been so well expressed that I hesitate to add anything. Nevertheless, I do wish to state, as briefly as I can, how Senator Joseph Rainville appeared to me across the many years, more than twenty-five, that I had the honour of knowing him. He was a typical son of Quebec, an idealist, a dreamer, a chaser of the pot of gold at the end of the rainbow, a lover of music and art, and had withal a mind keen and clear, vivacious and active. He was truly French to the very marrow of his bones.

As has been stated by other senators, he was deeply attached to, loved and was proud of his racial inheritance. And I know that he had delved into the story of the romance of its survival in Canada. I remember that some years ago Senator Rainville delivered in the Academic Hall of the University of Ottawa a lecture of high literary quality, at which time he related an incident explanatory of the survival of that inheritance. He told his audience how after the cession of Canada by the French king, a school teacher of Three Rivers, who possessed the only French grammar in the city, used to teach that subject to his pupils by placing the treasured book on a reading desk to which they would come, one at a time, and, without touching it, lest it be damaged, read the lesson of the day, a lesson on the rules of a language which, as was said by a great orator in the other House at the time of the last war, has the limpidity of spring water and the strength of tempered steel—a language which our late colleague spoke admirably.

But Senator Rainville was not only French. He was a Canadian of French descent, who knew and remembered the history of this country. He remembered that in 1775 French Canadian swords, which had been dormant since the days of Ticonderoga and of the Plains of Abraham, leaped from their scabbards in order that Canada might remain British; and he remembered that by that deed his native province ceased to be so much ceded territory, because its inhabitants had exercised the right of self-determination, and that thenceforth they were Canadians who claimed all the rights of Canadian citizenship and assumed their full share of the duties which are the price of those rights.

In 1917 Mr. Rainville was a member of the House of Commons and he stood for re-election in his riding of Chambly-Verchères. He supported the Government of the day, and in that riding of Chambly-Verchères he advocated and supported compulsory military service. In doing that he did a sincere and brave thing. I think that as he entered that electoral conflict there must have come to his lips the prayer which in olden days candidates for knighthood in France used to say on the eve of their investiture, when they went to church to have their swords blessed. The words of that prayer, which I read the other day in an old book in my home, have so actual and poignant an appeal in these days when our own Canadian airmen, sailors and soldiers are giving the world such noble examples of gallantry and sacrifice, that I will read them to the House:

Almighty God, You hold balanced in Your hands the shafts of victory and the fulminations of celestial anger. Deign from the height of Your glory to look upon him who has come within Your temple to perform the duty of

having his sword blessed and consecrated; not to serve injustice and tyranny, not to plunder and destroy, but to defend the Throne and the laws, to free all those who suffer and groan under the whip of the oppressors. Therefore give unto him, to enable him to perform that sacred mission, the wisdom of Solomon and the strength of the Maccabees.

"To defend the Throne and the laws, to free all those who suffer and groan under the whip of the oppressors." Such was the teaching of ancient chivalry and such was the spirit of our late colleague. In that political campaign of 1917 he lost his seat, and fifteen years passed before he again appeared in Parliament, having entered through the portals of this House. However, he had accepted defeat with fortitude. What mattered to him was that he had endeavoured to serve his country according to the lights of his conscience and the dictates of his conviction. In the book of his life, which is now closed, those things remain written, an inspiration to all of us who may, at times, for reasons of personal interest or through mere fatigue in the struggle, be tempted to falter in our task.

Our late colleague's body will become integrated with the soil of his dear homeland. This is as he would have it. And he will enjoy that eternal peace which his ancestral faith told him does exist beyond the confines of mortal life. He leaves surviving him his wife. He also leaves his father, who has lived to a ripe old age to find honour, consolation and comfort in the son he begot. To his father and to that disconsolate but brave woman, his widow, I am sure our condolences go in the fullest measure.

Hon. E. MICHENER: Honourable members, we have heard the acting leaders on both sides of the House and other honourable members give us a résumé of the public service of our two colleagues, the late Senators Sharpe and Rainville, who have passed since we last met. It is given to few men to serve so long and so continuously as did Senator Sharpe. Distinguished though his public service was, it is not my intention to repeat what has been said in that regard. I wish only to give expression to a few thoughts in memory of a friendship with Senator Sharpe of more than twenty years.

Some time ago I was taken with a stroke, and it was not expected I would recover. Senator Sharpe came to see me. When he said good-bye, I said to him, "Say a few kind words." Little did I think it would be my opportunity to say a few words in tribute to his memory. He had a great charm of personal quality that radiated goodwill to everyone. He was of a genial disposition. Honourable members will readily recall the cheerful greetings which he gave from time to time upon entering this Chamber. He was always calm and possessed of good cheer, through all the vicissitudes of life. I was associated with him in many ways for some twenty years, and I never knew him to be different. Whatever happened, he was philosophical. He accepted fate as it came, and looked for the best. He had a hopeful outlook on life, which is a great asset to any man. He looked not only on the bright side of things and the world in general, but also on the good side of his fellow men. Like the honourable senator from Vancouver (Hon. Mr. McRae). I cannot recall that Senator Sharpe ever made any unkind criticism of anyone, whether a political friend or enemy. That is a tribute which, I fear, some of us would not deserve.

Senator Sharpe had withal a sense of humour, which, added to his other charming qualities, made up his personality. As a friend he was always the same. Whatever came along, he kept the even tenor of his way. He always maintained a peaceful, trustful, kindly attitude to life in general and to people in particular. In vacations quite frequently he and I were associated in outings together, and we had many pleasant journeys. I recall one Easter holiday when we took a trip together to California, and in many other places we had pleasurable times. Again like the honourable gentlemen from Vancouver, I had a great respect for Senator Sharpe's qualities of mind and heart, which never changed.

To-night, I do not think of him as dead. In the words of Longfellow:

> There is no Death! What seems so is transition;
> This life of mortal breath
> Is but a suburb of the life elysian,
> Whose portal we call Death.

He has but graduated from this material life to that higher life which we are told is more abundant and is eternal.

Senator Sharpe has left behind a son and daughter and a devoted wife. To the end, as throughout his life, there were no complaints, and he seemed to find great comfort towards the last in the fact that his family were at his side. They will surely miss a cheerful and affectionate parent. He will also be missed by his many friends, but the memory of friendships which have lasted through the years will never die.

As I see one after another of my friends pass on, I find some comfort in the inspiring lines of the Quaker poet Whittier:

> And when at last upon life's play
> The curtain falls, I only pray
> That Hope shall lose itself in Truth,
> And age in Heaven's immortal youth.

My sympathy goes out to his loved ones and to his intimate friends in their bereavement.

Hon. L. M. GOUIN: Honourable senators, as a member on this side of the House, I too wish to pay tribute to the late Senator Rainville, whom I knew for at least twenty-five years. He was indeed a very good friend of all the members of my family, and my relations with him were always most pleasant and most charming.

From time to time we used to meet and, putting aside our political differences of opinion, we would have long talks about our national problems, and thus, as we say in French, de cette modeste façon, nous essayions de sauver le pays: we were in this modest way trying quite earnestly to save our country. The main topic of our conversation used to centre around co-operation between our two great races as it would affect the future of Canada. He took a deep interest in such questions.

Senator Rainville was also remarkably well acquainted with our economic conditions, and, as is well known, his addresses on the St. Lawrence waterways were carefully prepared and authoritative.

He knew intimately the country people of Quebec, the good habitants, and also the settlers in our colonization outposts. He was a philosopher who knew how to smile—un philosophe qui savait sourire. Happy on a farm, he was happier still in the bush, or in a yacht or canoe, hunting or fishing, for he was an excellent sportsman.

Our late friend deeply loved his country and had at heart the welfare of his race. He was eager to promote peace and harmony with our English-speaking fellow-countrymen, and also with our great American neighbours. Senator Rainville was a man of goodwill, and his friends will always remember him as a perfect gentleman whose greatest satisfaction was to be of service to others and to make all those around him as happy as possible.

BUSINESS OF THE SENATE

Hon. Mr. KING: Honourable senators, I regret to say that our Order Paper is blank, and that there are no messages from the House of Commons. I think those of us who have had experience in the other House will recognize the difficulty of that House providing much for us at this time, since most of the measures engaging its attention are related to Canada's war effort, and many of them are now before its select or special committees.

I understand that we shall have some business before two of our committees next Thursday morning, and I now move that when the Senate adjourns to-night it stand adjourned until 3 o'clock on Thursday afternoon of this week.

The motion was agreed to.

The Senate adjourned until Thursday, May 7, at 3 p.m.

THE SENATE

Thursday, May 7, 1942.

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

Prayers and routine proceedings.

WORK OF THE SENATE

DISCUSSION

Hon. J. H. KING: Honourable senators, I have a statement which I wish to make to the Senate. I think you are all familiar with the attitude of the late Right Honourable Senator Dandurand in regard to the place in Parliament occupied by the Senate. He had the idea, in which, I believe, many of us concur, that this House as constituted, although its members come from both political parties, is not really a partisan body. His opinion—and I think it was in accordance with the views of most of the Prime Ministers of Canada—was that we should be a reviewing body. I may say truthfully that during the twelve years I have been in this House I have never until yesterday attended a political conference of my party. Yesterday we had a meeting, and that is why I wish to speak now. Our group met for the purpose of considering our position in the Senate, realizing, as we all do, the loss of the distinguished leadership we had under the late Right Honourable Senator Dandurand and Right Honourable Mr. Meighen, who has retired from his place in this House. We know that the earnestness and activity of these two distinguished leaders made it possible for the others of us to rest on our oars; in other words, we were inclined to "let George do it." Now that they have left this House, it has occurred to us that there probably is an opportunity for members of the Senate to do more work than we have been doing. There is an opinion abroad that senators have no work to do. It is not so. We are here in Ottawa, in touch with the House of Commons, where most of the legislation originates, and we have the facilities, the opportunity and, I think, the duty to study

Government resolutions and bills, to listen to the debates, and to read Hansard and the reports of committees. I am sure that if we as individuals will give attention and study to these matters, as I deem it our duty to do, our discussions in this Chamber will be freer and better, and our work more effective.

I make this statement so that our confrères on the other side may understand that the object of the members of our party in meeting yesterday was to try to arrange their affairs so that they might be better advised as to the activities of and the legislation coming from the other House, to the end that our activities should be of greater interest and usefulness.

Hon. C. C. BALLANTYNE: Honourable senators—

(Hon. Mr. Ballantyne, who was recently chosen Leader of the Conservative party in the Senate, was greeted with applause.)

Thank you all very much. I will say only this in reference to your kind, generous and unexpected applause, that you will find a very great difference between my leadership and that of my brilliant predecessor. To my honourable friends opposite I should like to express an assurance such as I gave to my own colleagues yesterday, that with their assistance I will do the very best I can. No one can do better than his best. And let me say once more that I greatly appreciate the kind applause you were good enough to give me.

I rose to say that I find myself fully in agreement with the remarks just made by the honourable leader of the House (Hon. Mr. King). The Senate of Canada was constituted for the purpose that he has outlined. But different Prime Ministers follow different policies in delegating to this House work that it is prepared and well able to do. I am speaking now of peace times. When Right Honourable R. B. Bennett was Prime Minister, the Senate had very few adjournments. As all honourable senators are aware, legislation can be initiated in this House as well as in the other. With no reflection upon the other House, of which I myself was once a member, I want to say this in favour of the Senate: that it is a non-political body, and legislation is handled here, not only on the floor of the House, but also in our committees, in a more efficient way than it is by our friends in another place. They must of necessity keep their eyes on political considerations, to a certain extent, as we need not do. I know that in war times we cannot expect that a large number of bills will be initiated in the Senate, most of them being war measures. Nevertheless, some bills which are initiated in the Commons could just as well be dealt with here first, and we should be glad indeed to have them. I would say to my honourable friend the leader of the House that I hope he will continue to press the Prime Minister and the Government to expedite legislation in the other House so that it may reach us promptly. The public, having no proper understanding or appreciation of this Chamber, entertain the erroneous idea that the Senate is of little or no use. If they knew the facts they would certainly have an entirely different opinion. This misunderstanding would be cleared up if more legislation reached us. For the short time he has occupied his present position the acting leader has done extremely well in his efforts to effect an improvement, and I would urge him to continue to work to this end.

Some Hon. SENATORS: Hear, hear.

Hon. A. D. McRAE: Honourable senators, I concur in the remarks of the honourable acting leader of the House (Hon. Mr. King). There are many people throughout Canada who feel that this House should busy itself in inquiring into and considering the problems which will surely face the country when the war is over. This would be purely a non-political effort.

In this connection I have in mind what was done by what I may term a self-appointed committee of members from both sides of the House when, a few years ago, as some honourable senators will recall, we gathered at luncheon once a week or so and discussed things which we thought we might bring before the Senate, and we would agree among ourselves who should lead off and how the discussion should develop. I remember one case in which our work would seem to have been of considerable value. I refer to our discussion of electoral reform. Our discussion was extensive and informative, and to me at least it was gratifying to know that when the subject was dealt with in the other House frequent reference was made to our work. Undoubtedly what we had done was helpful to members of the Commons.

Honourable members who took part in that effort to bring forward things of material interest and importance to the country will recollect that over a period of two years we discussed several other matters, and I think we did useful work. That activity died what I may call a natural death. I was told by some of the senior senators that it languished because of our becoming a little more complacent and not so impatient.

However, we are now living in very difficult times. Our post-war problems will be

both grave and urgent, and if we have to approach them without prior consideration and deliberation we shall probably make mistakes as we did after the last war, for it will be very difficult for any Government under pressure to arrive quickly at a decision as to what should be done.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. McRAE: Our Banking and Commerce Committee is the best judicial committee in Parliament, and is so recognized by those who have come here to present their views before it. In this committee we have an instrument which could be used for the purpose of making inquiries into post-war problems. It is true, its findings and recommendations might not be applicable two or three years from now, but in the meantime our consultations and the consolidation of opinion would have a strong educational value throughout the country.

Now, with regard to post-war problems, there is at the present time no common forum where the views of various local committees throughout the Dominion can be presented and sifted and a proper value placed on them. I think the people from Halifax to Vancouver who are giving so much thought to those problems would very much appreciate the usefulness of some body, such as our Banking and Commerce Committee, before which their views could be presented, considered fully and dealt with. The educational effect of such a forum would be far-reaching; and, after all, it would be in the national interest to educate public opinion along certain sound lines which would be acceptable to the people generally. I am talking somewhat at random on this, but I think the leader of the House has started something that should be followed up. I am sure we could find useful employment for ourselves almost continuously if we were to take up systematically a matter of that kind, or similar matters awaiting attention. Such action would be non-political. It would be helpful to the Government of the day, and particularly helpful to the Government which is in power after the war.

Hon. JAMES MURDOCK: Honourable senators, the honourable gentleman who has just spoken is at least logical and consistent. This is not the first time that we have heard him in this House contending that we should be doing more than we are doing. Someone said a little while ago that the people of the country are not fully informed. In my humble judgment, during the whole of the twelve years that I have been here they have never been fully informed. They do not know in the slightest degree how little we do—and, in my humble judgment, how little many of us want to do. It is only a few years since the distinguished gentleman who has just taken his seat made in this House almost exactly the same speech that he has made to-day, and as a result this House unanimously appointed a brand new committee on External Relations. That committee, I think I am safe in saying, has never met since, and has never made a report.

About that same time the distinguished gentleman said:

> I cannot conceive of any development which would justify this country in sacrificing the blood of one single Canadian on the battle-fields of Europe.

Yet to-day Canadian blood is being sacrificed.

I am quite sure that the leader of the House was altogether sincere in his suggestion which started this discussion. I am sure also that he, whom we all wish well, will not lose sight of the fact that although the Senate convened on January 22, the first time he showed up in this Chamber was on the tenth day of March. Furthermore, I think honourable senators will agree with me that during the entire month of February the Senate sat for only sixteen minutes, and yet each of us drew $530 for the work he had done. Of course the public do not understand! They have no conception of how little we have to do under existing conditions, or how little we may have to do.

When it comes to post-war conditions, I agree that there is much talk about the subject, but in the meantime many distinguished gentlemen who are permeated with the ideas—or shall I say the venom?—of bygone days, are convinced that the labourer is not worthy of his hire. We should get down to brass tacks and prepare for post-war conditions. Much can be done by individual men. I shall be on the job. I live here. In that respect I am probably more fortunate than many other senators. But if we did meet oftener, even if we had a great deal to do, it would be a case of trying to get through and get away in order to satisfy some of our distinguished friends. I think I could give the names of a number of distinguished gentlemen who have been paid $100 an hour for every hour they have sat in this Chamber during the last five or ten years. Perhaps by reason of having a different kind of education and a different viewpoint from others, I am heartily sick and tired of hearing it said that we have nothing to do, for I know in my own heart and mind that it is the view of many that we have just about the right amount to do, and that is practically nothing.

Hon. A. C. HARDY: Honourable senators, it is not my intention to attempt to controvert anything which has been said by my friend to my left (Hon. Mr. Murdock). We all know how to take him.

I want first to convey, in a very few words, my personal congratulations to the honourable senator who has just been promoted to the important post of leader on the other side of the House (Hon. Mr. Ballantyne).

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. HARDY: He has taken this important position at great personal sacrifice, and I know that his action is appreciated on this side of the House just as much as it is on the other side.

In referring to what the leader on this side (Hon. Mr. King) has said, I do not intend to go into detail or to take up much time. One thought has occurred to me, not only because of the lack of work before us this session, but also by reason of our procedure in various debates over a number of years. When I first entered this House, twenty years ago, we used to deal fully with many bills, especially public bills, in Committee of the Whole; but for probably the last ten years—I do not want to set any limit one way or the other—the one object of this House has seemed to be to finish its work as quickly as possible, and I do not think it can be controverted that on giving bills the first and second readings we have immediately referred them to a standing committee. Some bills must go to standing committees, of course, but many bills that have gone to standing committees should have been dealt with in Committee of the Whole.

If I have the permission of the House I would refer, though it may be contrary to the rules to do so, to one instance that occurred this session. I have in mind the way in which we dealt with the treaties with the South American republics. You will remember that the bills concerning them were referred to the Committee on Banking and Commerce. They were Government bills of outstanding interest to anyone having the welfare of the country at heart and desiring to know something of what was going on. I was not present at the hearing before the Banking and Commerce Committee, but I understand a great deal of enlightening information was brought out there. None of that, however, was reported to this House; there was merely a report from the committee approving of the treaties. The matter was dealt with in a treaties. The matter was dealt with in a summary way, and probably from a business the public know anything about what these treaties mean? They came to us after a brief debate in the other House. We had an opportunity, had we wished to take advantage of it, to discuss them in detail in Committee of the Whole, and thereby make a great deal of valuable information available to the country. But we did not take advantage of that opportunity. I refer to this instance only because it is a recent one. The same kind of thing has been going on for a good many years.

I should like to suggest to honourable senators that every public bill coming before us should, unless there is a very strong reason for referring it to a standing committee, be considered by the Senate in Committee of the Whole. That procedure would not only give us work to do—which perhaps is not of transcendant importance, for the chief consideration is to see that measures are properly handled—but it would also be a means of keeping the public better informed on the character of the legislation passing through this House, and the care with which it is attended to. We do know that throughout the country there is a strong and growing feeling that the Senate does very little, that our members, especially those who live at Ottawa or not very far away, are mainly interested in getting through with their work as quickly as possible and then going home. Consideration of public bills in Committee of the Whole would result in our work being given more publicity in the Press, particularly in the local press, which now pays no attention at all to us. I make these remarks by way of suggestion only.

From time to time we hear suggestions as to means of increasing our work and at the same time relieving the House of Commons of some of its work, especially with regard to bills that need to be considered in committee. I fully agree with the purpose behind these suggestions, as I am sure every honourable senator does. But of course there is involved the question of what measures may be properly initiated in the Senate, and what ones the elected representatives, who have certain responsibilities to their constituents, may find it convenient to have initiated here. These are matters that may be brought up and discussed at any time in due course.

I want to corroborate what the honourable leader of the House (Hon. Mr. King) has said about meetings of senators who sit on this side. In the twenty years during which I have been a senator I have attended only one caucus, which was the only one held in all that time. If we continue along this line we ought to be able to keep free of political bias. We are now making a fresh start, as it were, with two new leaders, though I do not think that anyone could accuse the late Right Hon-

ourable Senator Dandurand, who was our leader for so many years, of carrying political affairs into this Chamber. I am only too glad to pay tribute to the Right Honourable Mr. Meighen also, for the way in which he acted during his period of leadership here. For most of that time he was supported by a very large majority, but he carried on in a very fair and open way, and I never had any complaint to make in that respect.

Hon. J. A. CALDER: Honourable senators, I should like to make reference to the last remarks of the honourable senator from Leeds (Hon. Mr. Hardy), about caucuses of members of this Chamber. Members on this side of the House have had frequent caucuses. After all, why is a caucus held? It is not for any political purpose, but to analyse some of the measures that come before us and to ascertain what our various viewpoints are. It is not for the purpose of having a united party stand one way or the other.

Hon. Mr. HARDY: I did not say that that had been done on the other side.

Hon. Mr. CALDER: I know. But the honourable gentleman intimated it.

Hon. Mr. HARDY: No, I made no such intimation at all.

Hon. Mr. CALDER: The honourable gentleman intimated something about political caucuses, though he did not use just those words. I have been a member of this House for twenty years and have attended virtually every caucus held in that time. Let me say that I have never heard a suggestion, either from a leader or any other member, that those of us on this side of the House should act politically. Do I make myself clear?

Hon. Mr. HARDY: Does the honourable senator say that I even intimated such a thing?

Hon. Mr. CALDER: No, not at all.

Hon. Mr. HARDY: Then, don't read me a lecture, please.

Hon. Mr. CALDER: I am not lecturing you on that point.

Hon. Mr. HARDY: Then I should like to know what this is.

Hon. Mr. CALDER: What I say is this, that since I have been here there never has been a time when every member on this side of the House has not been free to judge every question before us on its merits.

Hon. Mr. HARDY: Certainly.

Hon. Mr. CALDER: I say that definitely and clearly. I well remember the caucus which was held when the late Mr. Willoughby was appointed leader on this side. He said at that time, "I want it clearly understood by every member present that I shall at all times be free to express my opinion on any public question as my conscience guides me." That is the attitude which has always been taken by members on this side of the House, and I leave it to any honourable member over here to say if that is not so. I say this because our dear late friend Senator Dandurand prided himself on the fact that you senators opposite never held a caucus. You would be better off if you did hold caucuses; not political caucuses, but caucuses to discuss the principles and merits of bills coming before us.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: For goodness' sake, let us hear no more about caucuses. I repeat that all the caucuses that have been held on this side of the House since I became a senator have been non-political.

I agree thoroughly with all that was said by my honourable friend the leader of the House (Hon. Mr. King). The question that we were dealing with, before the interjection about caucuses, is one that has been before this Chamber ever since Confederation. I refer to the lack of work in the Senate. What are the reasons for that? Well, we know what the reasons are just now. We are living in a time of war. At present 90 per cent of the Government's work is directed towards the war effort. A large part of the actual law required to deal with the situation is enacted by Orders in Council and never reaches us at all. The amount of what might be called peace-time legislation that reaches us to-day is exceedingly small. This condition will continue until the war is over, and we may as well face it.

There is another reason. As a rule, Ministers handling public legislation are desirous that it should be introduced in the House of Commons. That is a natural inclination and is very difficult to overcome. We have had some instances where such legislation came to us first, and I think it can be said, and said truthfully, that the Senate gave full consideration to several important measures and amended them to good purpose. I do not think there can be any doubt about that at all. My honourable friend who leads the other side at the present time will have difficulty in overcoming the desire of Ministers to introduce their legislation in the other Chamber. Nevertheless, he may succeed in getting a certain proportion of that

class of legislation brought here first, and if he does it will help out the present situation a great deal.

I have only one word to say in reply to the senator from Parkdale (Hon. Mr. Murdock). To a very large extent what he said is true, but he and I and every member of this House must remember this: if there is any blame, it is to be attached to me, and to him, and to you. We are all free lances; any one of us has the right at any time to initiate in this Chamber something that will give us work to do. Has the senator from Parkdale exercised that right? Have I?

Hon. Mr. MURDOCK: Stop your kidding.

Hon. Mr. CALDER: I am not kidding; I am stating straight facts, and he knows it perfectly well. I say he has the right and the privilege to introduce in this House things that will give us real work. I have that right, and you have, too, but we have not exercised it. That is another reason why we have nothing to do.

Now there is a suggestion from my friend behind me (Hon. Mr. McRae) that we can at least inquire into the problem of post-war planning. I know a little about it. I know the avalanche of work that came upon us when the last war ended, and I was in the very heart of it. I worked nights and days for weeks and months on that job with very little preparation. I had to start from the ground up. With the experience we have of the conditions that existed after the last war there is no reason in the world why there should not be good, sound planning well in advance. There are many civil servants still here to-day who were in the heart of the mess—shall I say?—at that time. Thousands upon thousands of soldiers will come back to this country with all sorts of ideas and demands as to what should be done, and there must be somebody ready to deal with the situation that will then arise. The problem will confront the whole of Canada, for there is no section that will not be affected. If at this time, one year or two years prior to the close of the war, the necessary organization were mapped out, although it might not be finally adopted, at least the ground-work would be done, and it would be exceedingly helpful to those who would have to deal with the problem. There are other fields to explore, and I trust the leader opposite and the leader on this side will do what they can to have work of that character undertaken.

Hon. JOHN T. HAIG: Honourable members, I wish to congratulate the acting leader of the Government on bringing the question up. I also want to congratulate the member from Vancouver (Hon. Mr. McRae) on making concrete suggestions. I think the member from Parkdale (Hon. Mr. Murdock) forgot that if the member from Vancouver promised that no soldiers should be sent to Europe, some of us in Canada voted on the 27th of April to release him from that promise,—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: —and quite emphatically we released the Government. I think the member from Parkdale should have told us that all those who promised we would not send soldiers to Europe were released from their commitment on the 27th of April last, and I do not think it now lies in our mouths to remind anybody of that promise. Surely I could not go to the Prime Minister and say, "Mr. Prime Minister, you promised men should not be sent to Europe." "Why," he would say, "my dear Haig, I was released from that promise on the 27th of April." Surely the honourable member from Vancouver was also released at the same time.

Besides the subjects mentioned by preceding members, there are one or two others that will confront this country pressingly as the years go by. The first question I shall mention is not one with respect to which there is unanimity in this House; I quite understand that; but we shall be constantly pressed to deal with divorce reform. Legislation to this end was introduced in the Imperial Parliament and passed. Similar legislation passed this House, but was rejected by the House of Commons. Now we are in a position to investigate and ascertain the results of divorce reform in Great Britain, and we can and ought to deal with it without prejudice. If a senator happens to be a member of a church that does not believe in divorce, it still is part of his duty to get at the facts, to see what are the effects of divorce reform. Whatever church an honourable senator belongs to, I submit he is no useful member of that church unless he is fully informed on all subjects with which that church has to deal. Those of us who are members of the Divorce Committee appreciate the gravity of the problem we have to face in the discharge of our duties. Always there must be considered the legal and the moral side of divorce.

Another question that should be dealt with by a committee of this House is world-trade following the war. I am not talking about Free Trade or Protection. Those controversial points may come up incidentally, and I may believe in Protection while you may believe in Free Trade; but no matter what our fiscal views may be, the situation following the war will for many years be so radically changed that what we talked about in pre-war days will seem piffle.

Hon. Mr. MURDOCK: What about human rights?

Hon. Mr. HAIG: Possess your soul in peace and I shall come to that point.

The question of world-trade ought to be studied. When the war is over—if it concludes as we anticipate it will—we shall find world conditions so changed that a great impetus will be given to international trade, and we shall have still greater opportunities of expanding our commerce with the countries of Asia and Europe, and with our friends in the Americas. Canada ranks fourth or fifth among the great trading nations of the world, and in relation to population might well be accorded first place. Therefore we ought to study that problem of post-war world-trade, and the Senate is the very body to study it.

Another question of urgent importance is unemployment relief. Some will say that we shall not have any unemployment after the war. I hope it may be so. But to be prepared for any contingency, should we not study the systems of relief in the United States, in Great Britain, and in our different provinces? Can you tell me how relief is handled in Manitoba? I think I can tell you all about it, and I can tell you something about Saskatchewan. But can I tell you how it is handled in Nova Scotia, in Quebec, in Ontario or in British Columbia? The problem of relief is one that should be studied. Should the relief be in cash or should it be in kind? Or should there be relief at all? Should the money be used for other purposes?

Another problem which we should study is that of social reform. The honourable senator from Parkdale (Hon. Mr. Murdock) wanted me to bring up this subject sooner, but I left it till the last because I think it is the most important. Social reform—and what I am about to say may sound somewhat radical, but it is not—social reform is just a question of human rights. We in the Senate are regarded with suspicion when we mention the subject of human rights, but we are the last people in the world who should be looked upon in that way, provided we carry out our own ideas. I hope I am right in thinking that we believe that every human being in our country, or in any other country, has a right not only to freedom in the matter of worship and religion, but also to a job by which he may maintain himself and his family in decent circumstances.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: That is what we, as Canadians, believe. Perhaps you will pardon a personal reference. In 1914 I ran in the Manitoba provincial election in a district where labour received the poorest wages in the province. I called on every home in the constituency, and I noticed that when the men came home to supper their children ran out to meet them in just the same way that my kiddies did when I got home at night. I realized then that among these people there was the same human bond of love that exists elsewhere. We must recognize that fact. Social reform is something that we should study. We should approach it without prejudice and with an open mind, in an effort to get at what is best for our country. You can put more taxes on the rich, and put them almost out of existence; but, while that may give money to the Government, it will not accomplish social reform. You must understand the problem, and you must desire to solve it. That is one thing that we in this House can consider, and it is our duty to do so. If the members of the House of Commons attempt to deal with it, the cry of political prejudice is sure to be raised. We should not be subject to that difficulty. I may remember in a moment of weakness, or of pride, that I was formerly a Conservative; but fundamentally I should be guided, as I am sure we all should be, by the fact that we as members of the Senate are freer than the members of the other House.

Hon. Mr. KING: Honourable senators, I am afraid I have led you into committing a breach of the rules. When I entered the Chamber I understood that the doors had not been opened, and accordingly I made the statement which I did. I had no idea that we were going to launch into a debate such as we have had. That debate has been very useful, and I do not think there is any reason why it should not go to the public. I would suggest, however, that we now proceed in an orderly manner. If it is thought desirable to continue this discussion, it should be continued on the Orders of the Day. I would ask, therefore, that we proceed to the Order Paper.

Hon. C. W. ROBINSON: I do not want to dissent from the views of the honourable leader, but I am afraid that we may miss an opportunity.

Hon. Mr. KING: The honourable gentleman will have an opportunity on the Orders of the Day.

Hon. Mr. ROBINSON: If there are any objections—

Hon. Mr. KING: No.

Hon. Mr. ROBINSON: In the first place, I want to congratulate the leader of the House on initiating what I think is a worthwhile debate. At the same time I should like to congratulate the honourable gentleman and the honourable leader on the other side of the House upon being elevated to the positions which they now occupy. I am sure they will fill those positions to the satisfaction of everybody. We shall discover, perhaps, that it is not the intellectual giant who makes the best leader, but the real, worth-while, all-round man.

There is just one point brought up here to-day that I want to discuss, and that is post-war rehabilitation. There seems to be an impression that the public may not have a proper appreciation of the work of the Senate. I want to say that only this week a prominent citizen of Montreal, after writing to me, came up and had lunch with me in order to tell me that post-war rehabilitation afforded a splendid opportunity to the Senate to appoint a committee and investigate the matter. He said he knew the public would place much more reliance in work done by a committee of the Senate than in that done by any committee elsewhere. I mention this so that honourable members may know that there are prominent people who look to the Senate to take action. Although I have not asked permission to do so, I think it would do no harm to mention this gentleman's name. It is Mr. Sherrard. I told him he was wasting his eloquence on me, but if he would come again I might be able to get a group of senators to listen to him.

I rose at this time because I did not want to miss the opportunity to tell of this little incident, so that honourable members might realize that there are people who have considerable respeect for the activities of the Senate.

Hon. CREELMAN MacARTHUR: Honourable senators, in the first place we started out with a constructive suggestion by the new leader of the Senate, who received a promise of hearty co-operation from the leader on the other side. That was splendid; but we got away from that into a somewhat contentious argument. I think the honourable senator from Parkdale (Hon. Mr. Murdock) was a little hard on the honourable senator from Vancouver (Hon. Mr. McRae), and that the honourable senator from Saltcoats (Hon. Mr. Calder) was a little hard on the honourable member from Leeds (Hon. Mr. Hardy).

The honourable senator from Winnipeg (Hon. Mr. Haig) said that in a moment of weakness it might be difficult for him to forget that he had been a Conservative.

Hon. Mr. HAIG: Louder!

Hon. Mr. MacARTHUR: I was thinking about the leader on the other side, and his views of a few years ago. I do not want to get into any controversy with the honourable senator from Saltcoats about caucuses, but I may say that our leader would never allow us to have a caucus before we voted. It is quite probable, therefore, that I often voted wrongly. I cannot be accused of political bias, because I have been called down not only by the late leader on the other side, but also by my own leader and other gentlemen on this side, particularly the honourable senator from Parkdale.

There are two or three minor matters that I think we should mend. I have no criticism of the honourable senator from Westmorland (Hon. Mr. Copp), who is Chairman of the Committee of Selection, except that he followed the line of least resistance, proposing the same number and kinds of committees, as before, with only a few changes in the personnel. I have been here for sixteen years, during which I have been on the Finance Committee, but as yet I have never known of anything being referred to that committee by the House. That committee may have brought in a report naming a quorum, but that is the only thing it has ever done. Reference has been made also to the Committee on External Affairs. And I might ask what the Tourist Committee is going to do this year. Its appropriation, which was $500,000 last year, has now been cut down to $100,000; and conditions, as you know, are not favourable. Some of our committees should be reorganized. We have new members coming in from time to time, but all that is done in the formation of committees is to change the names around a little, and now and again to take off a name or put one on. I think there could be an improvement there.

Some two or three years ago I made a remark in this House about going home, and spoke of the expense of travelling to and from Ottawa, and of the disruption of family life and business by reason of adjournments. I also offered certain suggestions.

The other day reference was made to the trade agreements with Chile, the Argentine Republic and Brazil. If you turn to page 79 of Hansard of March 10 you will find that I wanted these treaties discussed in Committee of the Whole. If that had been done the Minister of Trade and Commerce could have come here and sat in, and we could have had the details on Hansard; but the treaty went to a standing committee and in a few minutes it was accepted. It was said, "You can do nothing else." The committee

was simply a rubber stamp. No information was given as to what we were giving Chile, for instance, or what we were gettting from that country in return. It was the old order; the report came in, and there is nothing at all in Hansard in regard to the treaty.

I think some of these things can be remedied, and I hope they will be. I think the two leaders are going to work together, and I hope they will get results.

Hon. R. B. HORNER: Honourable senators, I wish to make a few remarks with regard to a work of necessity which I think this body might take up, though I should much prefer that someone who is better able than I to present the case should do so. The honourable senator from Vancouver has spoken, and properly so, about the planning that we might now do for the return of the thousands of young people who will come back into civil life after the war.

As the father of a family of both boys and girls who are eager to go into the army, I am very much alarmed at some of the things I have heard, which I hope are not entirely true—things that result from a lack of a proper sense of morality in teaching. I noticed in to-day's paper a resolution passed unanimously in the Quebec Legislature, urging the Government to be careful to see that nothing it does shall interfere with the permanency of the home as the greatest institution and the backbone of the nation. I entirely agree with that.

I do not know what steps the Government takes to see whether enough chaplains are appointed to the Forces, and whether there are sufficient gymnasia and other facilities for the athletic activities and the entertainment of our boys in uniform. From what I have noticed I am afraid that there is a great lack in these respects.

No doubt many honourable members have read an article in the May issue of Magazine Digest, dealing with certain causes of the downfall of France. It is entitled "Smut and the Fall of France," and is condensed from the Hibbert Journal, of London. With your permission I will quote one paragraph, but I commend the article as a whole to all who have not yet read it.

> By the middle of the nineteenth century, the symptoms which in present-day France are revealing themselves as a devastating disease were already apparent to those who looked closely for them. Chiefly in the character of the popular plays and novels and in the press were the most noticeable signs to be found.

I do not know what censorship there is of the books in our public libraries and in our Parliamentary Library. I want to mention here one book whose circulation is, I think, a disgrace to any country. It is entitled, "For Whom the Bell Tolls". There was a time, years ago, when it would have been illegal to publish anything of the kind in this country. I am sure that nothing but demoralization could result from reading it. Surely there is a lack of proper censorship when a book like that can be distributed all over this country. I still believe in the good, old-fashioned methods and principles of raising a family and maintaining a home.

I should think there is a very good opportunity for the Senate to do valuable work in studying the needs of our armed forces for athletic and entertainment facilities. And I want here to urge upon the Government the importance of doing everything possible to see that these needs are adequately supplied.

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 R2, an Act for the relief of William Milroy Davidson.

Bill S2, an Act for the relief of Audrey Meredith Mann Harrison.

Bill T2, an Act for the relief of François Henri Drack.

Bill U2, an Act for the relief of Gladys Irene Dale Weston.

Bill V2, an Act for the relief of Ruth Ufland Fishman.

Bill W2, an Act for the relief of Norma Brown Stevenson.

Bill X2, an Act for the relief of Mary Cummings Bullock.

Bill Y2, an Act for the relief of Elizabeth Gertrude DeSerres Gould.

Bill Z2, an Act for the relief of John Clifford Stanley Darbyson.

Bill A3, an Act for the relief of Celia Reynolds Schellenberg.

SECOND READINGS

Hon. Mr. ROBINSON: Honourable members, owing to special circumstances, as it is expected the Senate will adjourn this afternoon for a considerable period, I would move, with consent, that these Bills be now read a second time.

Hon. Mr. SINCLAIR: Honourable senators, I gathered from the Divorce Committee's reports, as they were being read by the Clerk, that there was to be a refund of fees to the applicants in some of these cases. As the

evidence has not yet been printed, I think we should have an explanation of the reason why these refunds are to be made.

Hon. Mr. ROBINSON: I thought the general procedure for handling these matters was well known. A small proportion of the petitioners for divorce apply for remission of part of the parliamentary fees, on the ground of inability to pay them in full. This is not a rich man's Parliament, although some people appear to think it is. We discuss every one of these applications on its merits. It is provided in the Rules that the committee, if satisfied that the petitioner is not financially in a position to pay all the fees, may recommend that part of them be remitted. The initial fee, if I remember correctly, is $210, which perhaps more than pays for the cost. I do not know what the actual cost of the printing is. In very few cases do we reduce the fee to less than $100. In some cases, however, the committee has felt justified in reducing it to $75, and even to $50. Most of the persons who apply for divorce have not much means. Many of them have very little money and no property or other assets. Quite often the applicant is a woman who has been deserted by her husband and has to depend upon her own industry to support herself and any child or children she may have. Honourable members can well understand why the committee thinks it advisable in such cases to reduce the fees.

The motion was agreed to, on division, and the Bills were severally read the second time.

THIRD READINGS

Hon. Mr. ROBINSON: Honourable senators, with leave of the Senate I would move that these Bills be read a third time now.

Hon. Mr. HUGESSEN: Do I understand that the evidence in these cases has not yet been printed?

Hon. Mr. ROBINSON: That is right.

Hon. Mr. HUGESSEN: Surely we should not give third readings to these Bills until the evidence has been printed and made available for consideration by honourable members.

Hon. Mr. ASELTINE: Does the honourable gentleman wish to read the evidence?

Hon. Mr. HUGESSEN: No.

Hon. Mr. ROBINSON: I do not know what to say about this. We cannot have the third readings this afternoon except by unanimous consent, and, if the honourable gentleman objects, I suppose we shall have to wait until —when?

The Hon. the SPEAKER: Next sitting.

Hon. Mr. KING: About two or three weeks.

Hon. Mr. ROBINSON: That is a long wait. If we put the Bills through to-day, the honourable gentleman would have an opportunity to read some literature later on. I should like the Bills to be passed to-day, but I do not know whether I can persuade him to consent.

Hon. Mr. HUGESSEN: Honourable senators, I was impressed by the debate we had a short while ago about the importance of the duties of the Senate. It seemed to me that, as we had this work to do, and as it was incumbent upon us to pass competent judgment upon the Bills, we should at least have the opportunity, much as we might not wish to take advantage of it—

Hon. Mr. HAIG: Does the honourable senator wish to become a member of the Divorce Committee?

Hon. Mr. HUGESSEN: No.

Hon. Mr. HAIG: I would give him my place.

Hon. Mr. HUGESSEN: We should have an opportunity of reading the evidence adduced before the committee.

Hon. Mr. ROBINSON: Will the honourable gentleman withdraw his objection? I may say the Divorce Committee has quite a lot of work to do; and perhaps the Senate and the public should know that at least one committee is doing some work.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. ROBINSON: I think that so far this session we have received 102 petitions. They will not all come before us, but we still have a good deal of work to do. It may interest honourable members to know that during the last adjournment of the Senate our committee sat for a week or ten days, and, if there is to be a further adjournment now, some of us will have to stay over and work all next week. I should be pleased to make this motion to-morrow, if the Senate could help us out with our work.

Hon. Mr. HUGESSEN: I withdraw my objection.

The motion was agreed to, on division, and the Bills were severally read the third time, and passed.

PRIVATE BILL

REPORT OF COMMITTEE

Hon. Mr. TANNER presented the report of the Standing Committee on Miscellaneous Private Bills on Bill C, an Act to change the

name of The Saskatchewan Life Insurance Company to Fidelity Life Assurance Company.

He said: Honourable senators, I am reporting this Bill, which the Senate referred back to us for further consideration. It is now reported favourably, without any amendment.

THIRD READING

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

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

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

INTERNAL ECONOMY AND CONTINGENT ACCOUNTS

ABSENCE OF COMMITTEE REPORT

Hon. JAMES MURDOCK: The honourable senator from Saltcoats (Hon. Mr. Calder) gave me permission to start something, and I am going to do so. This morning the Committee on Internal Economy and Contingent Accounts met and passed a motion. I was expecting that the committee would this afternoon present to the Senate a report for our consideration, and I was going to deal with that report because what has been done is, I submit, entirely inconsistent with one's conception of what in days gone by were regarded as the proprieties between boss and worker. We are all wishing our new leader the best of luck, and are ready to give him every possible assistance. But what happened this morning? The committee appointed as his assistant a gentleman on the Senate staff drawing a salary of $4,400 a year, and with that appointment goes a remuneration of $600 a year, which means that for the future—

Hon. Mr. SINCLAIR: May I ask if my honourable friend is discussing a report submitted by the committee?

Hon. Mr. MURDOCK: I am raising a question which I think should be discussed in this House in the absence of any report from the committee.

Hon. Mr. SINCLAIR: The report is not before us?

Hon. Mr. MURDOCK: The point is that the acting leader of the Senate gets $4,000 a year, but the gentleman who is assisting him will, by the action taken by the committee, be placed on a $5,000 basis. This is entirely foreign to my lifelong conception of what the boss is entitled to. But if the honourable senator from Queen's (Hon. Mr. Sinclair) and other honourable members think we should not discuss the matter, I shall—

Hon. Mr. TANNER.

Hon. Mr. ASELTINE: Would not the proper time for discussion arise when the committee makes its report?

Hon. Mr. MURDOCK: The committee is not making a report. That is why I rose.

Hon. Mr. ASELTINE: Why not?

Hon. Mr. MURDOCK: The members of the committee tell me that a report is not necessary; that all the authorities want is a resolution of the committee authorizing payment of $50 a month to this gentleman who is to help our leader. That is all that is needed, apparently. Therefore a report is not forthcoming. And that is why you have to pardon my bringing the question up at the only time it could be brought up. I think the action of the committee is wrong in principle, and in my view the committee ought to be instructed to reconsider the matter and bring in a report for our attention.

Hon. E. S. LITTLE: Honourable senators, I do not think there is really anything before the House at the moment, but for the benefit of my honourable friend from Parkdale I may repeat what I said this morning in the Committee on Internal Economy and Contingent Accounts. The appointment in question had been made with full authority, but the Auditor General requested that approval of the committee be given to the appointment. There is nothing whatever mentioned with regard to salary in the motion which I presented to the committee this morning. The motion is simply that the committee confirm the appointment in order, as I then explained, to meet the request of the Auditor General. We had the assurance of the Clerk of the Senate that nothing further was required relative to the appointment, nor was it necessary to submit a report to the House.

Hon. Mr. MURDOCK: But the honourable gentleman will admit that this morning the committee arranged to give $600 a year to a man who is already drawing $4,400 and who, I think, is not overworked, while his chief is getting only $4,000 a year.

Hon. J. H. KING: Honourable senators, I think I am the one chiefly concerned in the matter under discussion. In selecting Mr. Hinds to do this work I was taking advantage of his experience and knowledge. It was not my intention at this time to bring in someone from outside to act as secretary to the leader. Mr. Hinds is familiar with the procedure of the Senate and of our committees, and with his full knowledge and wide experience of these matters it seemed to me he would be very helpful to me, especially with my lack of experience. The salary is $50 a

month, and there is a sum of $600 set aside for the purpose. He will draw $50 a month only during the parliamentary session. Mr. Hinds has been secretary to other leaders of the Senate. I understand he did a great deal of work for Mr. Meighen while he led the House, and I have no doubt Mr. Meighen chose him because of his ability and experience. I do not think my friend from Parkdale (Hon. Mr. Murdock) need give the matter a great deal of consideration. If at a later date we think it wise to appoint a secretary we can do so. I take full responsibility for making the recommendation to the committee. I am informed the committee accepted it.

Hon. Mr. SINCLAIR: Honourable members, there is one point I think we should take notice of, in connection with this matter which has been raised by the honourable senator from Parkdale. If the Committee on Internal Economy and Contingent Accounts can pass motions of the kind referred to without reporting to the Senate, we should know whence it gets its authority. It is a standing committee of this House, and in my view its members have a right to deal only with matters referred to the committee in the order of reference.

Hon. Mr. MURDOCK: They are afraid to report for fear the facts will come out.

Hon. Mr. SINCLAIR: A motion of that committee is of no force or effect until the report is adopted by this House.

I just rose to point out that if our standing committees are to function in that way, without reporting to the House, their duties are very different from what I have always understood them to be.

Hon. Mr. WHITE: Honourable senators, as chairman of the committee referred to, I may say that I inquired of the Clerk of the Senate this morning whether it was necessary for the committee to submit a report on this matter, and I was informed that it was not. Therefore no report has been presented by me.

Hon. Mr. MURDOCK: And yet you will recall that a few days ago we had to deal with the situation of the late Senator Dandurand's secretary.

Hon. Mr. LITTLE: An entirely different matter.

Hon. Mr. ROBINSON: Surely the action of a committee is of no effect until it is ratified by this House. Are we to understand that a committee can take action, and that there is no obligation to report to this House?

Hon. Mr. MURDOCK: That is what we are told.

Hon. Mr. HAIG: There is some misunderstanding. The man was appointed by the leader of the House. The Auditor General raised some question as to whether he could pay the money or not, and said to the senator from London (Hon. Mr. Little), "I want a resolution passed by the Committee on Internal Economy and Contingent Accounts." The senator then presented a motion, which was carried unanimously, and I took it for granted that the matter ended there. The committee was not usurping the authority of the House at all; it was simply complying with the request of the Auditor General. I think the honourable leader himself probably had a right to make the appointment, but apparently the Auditor General thought this resolution should be passed. The honourable senator from Parkdale (Hon. Mr. Murdock) was on the committee and did not even say the proverbial "Boo". I can assure the House that the members of the committee were not trying at all to avoid coming to the House, but were simply trying to make it clear to the Auditor General that they, as a committee, were accepting and confirming what the leader had done.

Hon. B. F. SMITH: You are establishing a most dangerous precedent.

Hon. Mr. HAIG: Let me answer the honourable senator right now. The whole question of the rights and powers of the Committee on Internal Economy and Contingent Accounts is now before that committee. It has had before it a legal opinion by the late W. F. O'Connor, K.C., and the opinion of the present Parliamentary Counsel. At the next meeting it is to decide upon the policy to be adopted; then it will bring a report to this House. That will be the proper time to raise questions as to what the committee may or may not do. Whether it has been right or wrong, I do not know. We shall thrash that out later. The fact is that the committee sometimes has to deal with small items affecting temporary help and that kind of thing, and apparently in previous years it has not been thought necessary to make a detailed report of these matters to this House. That is how it comes that the Auditor General wanted to get the confirmation of the committee. I can assure the honourable gentleman from Queen's (Hon. Mr. Sinclair), and the honourable members from Victoria-Carleton (Hon. Mr. Smith) and Moncton (Hon. Mr. Robinson)—these Maritimers seem to want to know an awful

lot—that when the report comes in the whole problem can be discussed and thrashed out. I for one, and I think I speak for the whole committee, say that we never intended to do anything to affront the House or to adopt back-door methods.

Hon. Mr. MURDOCK: The honourable senator is absolutely right: I made no objection this morning. But why was that? It was because I assumed that the report would come to the Senate, and because I did not know then that the gentleman to whom we were giving $50 a month was already getting $4,400 a year, although the honourable leader gets only $4,000. That is my only excuse for raising this question now. I say, never mind what we are going to do later when we go into the rules, but let us decide if this is right.

Hon. Mr. BALLANTYNE: Honourable senators, I may say with respect to the payment of $600 a year to the leader's secretary, that it is in accordance with what has been done for several years, and I know that my predecessor's secretary was paid the same amount. The honourable leader of the House could bring in a secretary of his own, and if he did, the $600 would have to be paid. But he prefers, very wisely, I think, to have an experienced official like Mr. Hinds, who will not only act as his secretary, but will also assist him in a great many other ways in regard to legislation, the debates, and so on. The point that I wish to make very clear is that the committee is only doing what has been done before, over a long period of years.

Hon. Mr. MURDOCK: Will the honourable gentleman say whether or not his predecessor did this same thing? Did his predecessor's lady secretary get a cheque for $50 a month, endorse it and turn it over to the man we are now talking about? Is that right? I am told that it is.

Hon. Mr. BALLANTYNE: I cannot answer that. I know that Mr. Meighen's secretary received payment.

Hon. Mr. MURDOCK: And endorsed the cheques over to the man we are now discussing, I am told. I should like to be put right if I am wrong.

Hon. Mr. KING: I have no knowledge of that.

Hon. Mr. CALDER: What puzzles me most in connection with this very interesting discussion is the reason why the Auditor General should require a resolution from the committee.

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. HAIG: We do not know.

Hon. Mr. CALDER: If that is the requirement, it puzzles me to know why the resolution did not reach us. What is there in connection with this appointment that requires a resolution? The requirement comes from the Auditor General himself. Where does the authority come from that enables our Committee on Internal Economy and Contingent Accounts to pass a resolution without reference to this House? It all seems very strange to me.

Hon. Mr. MURDOCK: That is what I want to know.

Hon. Mr. KING: I suggest that we let the matter stand and make further inquiries to see if it cannot be disposed of in a way that satisfies the House. I am not familiar with the matter.

Hon. Mr. MURDOCK: Hear, hear.

Hon. Mr. KING: The committee can meet again and reconsider it.

The Hon. the SPEAKER: The question stands.

P.E.I. CAR FERRY AND TUNNEL

INQUIRY

Hon. Mr. MacARTHUR inquired of the Government:

1. Is it the intention of the Government to attempt the raising and rehabilitation of the car ferry sunk last summer?

2. Is there another boat being procured for additional service between Prince Edward Island and the mainland?

3. Has the Government up-to-date data re cost of tunnel between Prince Edward Island and New Brunswick?

Hon. Mr. KING: The answers to the inquiry of the honourable gentleman are as follows:

1. Salvage of the vessel is not regarded as practicable. This view is based on the report of the underwriters' surveyor, who is also representative of the Salvage Association of London, which reads as follows:

The undersigned conferred with officials of the Canadian National Railways, also Maritime Towing & Salvage Ltd., Halifax, and Messrs. Merritt, Chapman & Scott Corporation, New York, on the possibilities of salvage of the "Charlottetown". The salvage companies, after careful consideration of the vessel's location, and with the plans of the vessel at their disposal, consider the salvaging of the "Charlottetown" not practicable. It is therefore recommended that no expense be incurred by attempting examination or salvage of the vessel.

In consequence of the above report, confirmed by a separate opinion by Foundation Maritime Limited, the Department of Trans-

port duly approved the abandonment of the ship to the underwriters, and made the customary claim for payment of the insurance. Inasmuch as the claim has been paid, any further question of salvage would now be for the consideration of the underwriters.

2. The possibility of securing a standby vessel for additional service between Prince Edward Island and the mainland continues to engage the attention of the Canadian National Railway authorities and their marine advisers, and if some arrangement of this nature is found to be possible, it will be done.

3. In 1929 Canadian National Railway engineers prepared estimates of the probable cost of providing direct rail communication with Prince Edward Island. Three possibilities were considered, (a) a tunnel, (b) a causeway, or (c) a bridge, and the estimated expenditures as of that date were approximately as follows:

(a) Tunnel.—1. Of steel and concrete cylinders laid on bottom, $78,000,000. 2. Driven through underground with shield and air pressure, $116,000,000. 3. Driven through ground if no air pressure needed, $38,000,000.

(b) Causeway, $46,000,000.

(c) Bridge, $77,000,000.

PUBLIC INFORMATION

NOTICES OF INQUIRIES

On the notices of five inquiries by Hon. Mr. Tanner:

Hon. Mr. HARDY: No wonder the country laughs at the Senate.

Hon. Mr. MURDOCK: There would be a good deal of valuable information for the Japanese and the Germans in the answers to some of those questions.

HON. SENATOR BALLANTYNE

FELICITATIONS ON HIS APPOINTMENT AS LEADER OF THE CONSERVATIVE PARTY IN THE SENATE

On the Orders of the Day:

Hon. J. H. KING: Honourable members, before the Orders of the Day are called I should like to express my sincere congratulations, and, I am sure, those of every member on this side of the House, to our good friend the honourable senator from Alma (Hon. Mr. Ballantyne), who was elected yesterday as leader of the other side.

Hon. SENATORS: Hear, hear.

Hon. Mr. KING: He comes to us as a leader having many qualifications and much experience. During the last war he was a Minister of the Crown; so he has full knowledge of the worries, difficulties and burdens that fall to the lot of members of an administration in war time. For the last ten years he has been a member of the Senate, and during that period has taken a very active part in the debates of this Chamber and the activities of various committees. Throughout the Right Honourable Mr. Meighen's period of leadership here the honourable gentleman was closely associated with him; in fact, I think he may be said to have been Mr. Meighen's right-hand man. With his experience and knowledge he brings much to us in this House. It is my wish, and, I am sure, the wish of all honourable members on this side, to co-operate with him and his followers in order that together we may do the best possible work in the Senate. It is a great pleasure to us all to find him sitting in the place of leadership on the other side of the House.

Hon. C. C. BALLANTYNE: Honourable senators, I appreciate very deeply the kind remarks just expressed by the honourable the acting leader of the House. It will be my pleasure as well as my duty to co-operate in every way possible with my honourable friend. I have known him for many years, and I am satisfied that we shall get along together perfectly. As I intimated earlier at this sitting, honourable members will not expect from me the great powers in debate and the other outstanding qualities that my brilliant predecessor had. But after listening to the kind words of my honourable friend, and with the knowledge that I shall have co-operation from the other side of the House as well as from this side, I feel assured of being able to carry on in this position with a reasonable degree of success.

Hon. SENATORS: Hear, hear.

DESTRUCTION OF BANANAS AT HALIFAX

DISCUSSION

On the Orders of the Day:

Hon. FELIX P. QUINN: Honourable members, may I bring to your attention articles which appeared in the Halifax Herald on Monday and Tuesday of this week? They have reference to the destruction of thousands of stems of bananas, tons of valuable food fit for human consumption. According to these articles a ship arrived from the West Indies with a cargo of bananas. Some of them, not being in a condition for shipment to Central and Western Canada, were dumped into the waters of Halifax harbour. Many drifted into the waters of the Northwest Arm, and at the ferry landing on the western side they were so thick that the ferry operator had to use

his boat-hook for thirty feet from the shore to push them out of the way in order to get his boat into his landing. I submit, honourable senators, that in times like these, when in some parts of the world many people are starving, such valuable food as bananas, which have a high vitamin content, should not be destroyed. In the matter of food supplies we are fortunate in this country, it is true, but, in some parts of the world millions of people would be glad of fruit such as was thrown overboard at Halifax.

The newspaper stated that a high official of the importing company, which I gather is a monopoly, was approached with regard to this food and asked if he could not find some way to have it distributed to institutions and to the poor. His answer was, "No." Then it was urged on him that the public was interested in this. He said, "It is none of the public's business." I submit, honourable senators, that it is the public's business and I regard it as a matter of sufficient importance to be brought to the attention of Parliament. I would ask the honourable the acting leader of the Government (Hon. Mr. King) to report on this incident to the proper authorities and request that some official investigate it thoroughly, with a view to preventing its repetition.

Hon. Mr. LACASSE: Why was the fruit thrown away?

Hon. Mr. HAIG: Too ripe?

Hon. Mr. QUINN: No, it was not too ripe.

Hon. Mr. KING: If my honourable friend will hand me the newspaper item to which he has referred, I will have it submitted to the proper authorities for consideration and report.

ADJOURNMENT

Hon. Mr. KING: I move that when the House adjourns this afternoon it stand adjourned until Tuesday evening, May 26, at 8 o'clock.

The motion was agreed to.

The Senate adjourned until Tuesday, May 26, at 8 p.m.

THE SENATE

Tuesday, May 26, 1942.

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

Prayers and routine proceedings.

Hon. Mr. QUINN.

VICHY GOVERNMENT REPRESENTATIVES IN CANADA

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. Has the representative in Canada of the Vichy Government of Unoccupied France had since the fall of France, and has he now, freedom of communication with his principals in France and with any other persons in France and elsewhere, by letters, wire, radio and otherwise, without any censorship or limitation imposed by the Government of Canada?

2. If any limitations have been imposed, what are they and how are they made effective?

3. Are there any consular agents of the Vichy Government in Canada; and if so, where are they respectively located; what is the nationality of the heads of such consulates; and have they the freedom of communication mentioned in question one, or are they subject to limitations imposed by the Government of Canada? What limitations?

Hon. Mr. KING: These are the answers to my honourable friend's questions:

1. It was stated by the Prime Minister on May 21 that the privileges and immunities which the French Minister in Canada enjoys are the same as those enjoyed by the Ministers of other countries.

2. Answered in 1.

3. It was announced by the Prime Minister on May 20 that the Government had requested the French Minister to take the necessary steps to suspend the operation of French consulates and consular agencies in Canada. It was explained that the duties of the consulates and consular agencies had been much diminished by the course of war and that their presence had become a focus of suspicions and misunderstandings.

NATIONAL RESOURCES MOBILIZATION ACT—ADMINISTRATION

INQUIRY

Hon. Mr. SAUVE inquired:

1. In order to better facilitate the giving of necessary information requested by the public upon war measures, does the Government intend to publish each week a list of the various war commissions or offices, with their addresses, in the newspapers of each province where these organisms are located?

2. Will the Government consider the urgency of giving clear and precise explanations, which the public can well understand, concerning: (a) the various classes liable to be mobilized; (b) the various classes which may be temporarily or permanently exempted from military training?

3. In order to avoid delays detrimental to national production, besides well grounded criticism, is it the intention of the Government to establish tribunals of appeal in each rural county of the country so as to facilitate and render less costly the access to those tribunals by persons concerned, and render more ex-

peditious and efficacious the procedure concerning postponements as specified in the National Resources Mobilization Act.

Hon. Mr. KING: The answer to the honourable gentleman's inquiry is as follows:

1. A list containing such information is now published and distributed periodically by the Bureau of Public Information. It is not intended to publish such list in the newspapers.

2. Very wide publicity and distribution have already been given to National War Services Regulations. If men of military age called out by proclamation require any information concerning the regulations, or any information in connection therewith, they should communicate direct with the Divisional Registrar of the Administrative Division in which they reside.

3. The opinions of the chairmen of the present National War Services Boards throughout Canada have been canvassed, and it has been learned that the present boards, in the main, will suffice, although possibly a few additional boards may be set up.

OIL CONTROL REGULATIONS

INQUIRY

Hon. Mr. ROBINSON inquired:

Is the Government aware that the regulations promulgated by Mr. Cottrelle, Oil Controller for Canada, are so formulated as to prevent the only oil producing company in the Maritimes from marketing its product to the public, thus reducing the supply of gasoline in that part of Canada?

Hon. Mr. KING: The reply to this inquiry is based on the assumption that the company referred to is the New Brunswick Gas and Oil Fields, Limited. This company primarily produces natural gas. That is its main business. It has, however, an annual production of slightly over 110,000 gallons of gasoline in connection with its gas operations. This gasoline is sold largely for industrial and tractor use. The surplus of approximately 35,000 gallons per year has been marketed, through two service stations, to motor vehicles. The company elected not to comply with the grades of motor fuel as required by Oil Controller's Order No. 008A, and the two stations were closed. This company is not prohibited from selling this surplus gasoline for industrial or farm use, for mechanical equipment, if marked as required by the Oil Controller's Rationing Order No. O.C. 12.

PRIVATE BILL

FIRST READING

Bill B3, an Act respecting certain transmission and distribution lines of Saguenay Transmission Company, Limited, Saguenay Electric Company and Aluminum Power Company, Limited—Hon. Mr. Beauregard.

PETROLEUM AND NAPHTHA INSPECTION BILL

FIRST READING

A message was received from the House of Commons with Bill 2, an Act to repeal the Petroleum and Naphtha Inspection Act.

The Bill was read the first time.

NATIONAL RAILWAYS AUDITORS BILL

FIRST READING

A message was received from the House of Commons with Bill 9, an Act respecting the appointment of Auditors for National Railways.

The Bill was read the first time.

OTTAWA AGREEMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 11, 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.

DOMINION-PROVINCIAL TAXATION AGREEMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 16, an Act to authorize the Governor in Council to enter into agreements with the governments of the provinces of Canada respecting the vacation by the provinces of the personal income and corporation tax fields for the duration of the war.

The Bill was read the first time.

MARITIME PROVINCES ADDITIONAL SUBSIDIES BILL

FIRST READING

A message was received from the House of Commons with Bill 17, an Act to provide for the payment of additional subsidies to the Maritime Provinces.

The Bill was read the first time.

TORONTO HARBOUR COMMISSIONERS' BILL

FIRST READING

A message was received from the House of Commons with Bill 68, an Act respecting the Toronto Harbour Commissioners.

The Bill was read the first time.

HON. SENATOR KING

FELICITATIONS ON HIS APPOINTMENT TO THE CABINET

On the Orders of the Day:

Hon. C. C. BALLANTYNE: Honourable senators, before the Orders of the Day are called I desire to say that when I reached my office tnis evening I was advised that the honourable leader of this House (Hon. Mr. King) was to-day invited by the Prime Minister to join his Cabinet as a Minister without portfolio. It gives me great pleasure to tender to the honourable senator full-hearted congratulations from myself, and I think I can go further and say from every member of this Chamber. I may be permitted also to congratulate the Prime Minister and his colleagues upon inviting our leader to return to the Cabinet Council, in which he sat for many years, first as Minister of Public Works, and later as Minister of Health and Soldiers' Civil Re-Establishment. The Government of Canada will be greatly strengthened by the inclusion of my honourable friend in the Cabinet. I wish him good health and many years to serve the country in the future as faithfully and well as he has done in the past.

Hon. SENATORS: Hear, hear.

Hon. J. H. KING: Honourable senators, may I express my gratitude to the honourable leader opposite (Hon. Mr. Ballantyne) for his remarks, and also to honourable members who so kindly applauded. I well and fully realize that the position of Government leader of this Chamber carries great responsibilities. All I wish to say now is that it is my desire to do everything possible to fill that position to the best of my capacity. I shall work industriously and try to meet the problems that from time to time arise and present themselves to me because of the position I hold. I thank you.

Hon. SENATORS: Hear, hear.

APPROPRIATION BILL NO. 3

FIRST READING

A message was received from the House of Commons with Bill 81, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1943.

The Bill was read the first time.

SECOND READING

Hon. J. H. KING: Honourable senators, with leave I would move second reading of this Bill to-night. The Clerk has just handed me a note saying that the amount asked for in the Bill as originally drafted, one-sixth of the total supply for the year, has been cut to one-twelfth. It will be remembered that some weeks ago we passed a bill for one-sixth of the year's total. It is common practice for us to receive every session one or more bills for a fraction of the total appropriation, and usually they do not result in any debate here. Honourable senators will notice that there are two money clauses in this Bill. The first asks for one-twelfth of all items in the main Estimates, $19,401,568.20. That is required to carry on the business of the Government during the next few weeks. The next clause asks for $550,-655.91, which is an additional one-twelfth of certain selected items, made necessary by the seasonal nature of the work provided for. A schedule is attached showing that this money is needed for the Departments of Fisheries, Agriculture, Mines and Resources, and Public Works, and the House of Commons.

Hon. C. C. BALLANTYNE: Honourable senators, I have not a copy of this Bill before me. After listening to the explanation given by the honourable leader of the House (Hon. Mr. King), the only thing I have to say is that I hope the Government is exerting keen vigilance with regard to ordinary expenditures. There seems to be an impression, right or wrong, that a very large number of persons are employed by the Government in this city and elsewhere, and I sincerely trust that they all are usefully employed. I know that the time and thoughts of all the ministers are concentrated more on the war effort than on ordinary activities of government, and I rise merely to express the hope that the Government will exert every effort—especially as our war expenditures are so heavy—to keep ordinary expenditures down to the very lowest point.

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

MOTION FOR THIRD READING

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

Hon. Mr. KING: Now, if there is no objection.

Hon. J. T. HAIG: Honourable senators, I do not want to object, but the Bill has not been distributed to us, and I should like to see it. As originally drafted it asked for about $38,000,000, but apparently that amount was reduced by one-half in the other House this afternoon. Before we pass the Bill I should like to read what was said about it over there. I am quite willing that third reading should be given this week, but in

the absence of the Bill and any explanation as to why the change was made, I think we should not proceed further with the measure to-night. There must have been a reason for the change. I am not asking the honourable leader (Hon. Mr. King) what the explanation is, for he himself has not had a chance to read it yet. Of course, I will not object if no one else does.

Hon. Mr. LACASSE: I support you.

Hon. Mr. HAIG: I certainly think we should not give third reading until we have had a chance to read the Bill.

Hon. Mr. KING: I see no reason why the Bill should not stand over until to-morrow, in order that we may learn why the appropriation was reduced from one-sixth to one-twelfth.

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

THE SENATE

Wednesday, May 27, 1942.

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

Prayers and routine proceedings.

WELLINGTON STREET, OTTAWA—TRAFFIC CONTROL

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. Is the title to Wellington Street, in the City of Ottawa, or any part of it, vested in the Crown in the right of the Dominion Government?
2. Has the Dominion Government any control or right of supervision of traffic lights and of traffic in general on said street?
3. If the title to said street is in the Crown in the right of the Dominion Government, when was control of traffic lights and traffic in general on said street transferred to the City of Ottawa; and by what means was the transfer made?

Hon. Mr. KING: I have an answer to the honourable senator's inquiry. The answer to questions No. 1 and No. 2 is No. The third question is answered by the answer to questions No. 1 and No. 2.

MILITARY TRAINING—ALLEGED FRAUDULENT EXEMPTIONS

NOTICE OF MOTION FOR RETURN

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

That he will ask for a copy of all correspondence exchanged between the Government and all competent authorities, Royal Canadian Mounted Police, etc., concerning the supposed extortions exacted by Paul Hamelin, 4903 St. James St. West, Lachine, P.Q., or Montreal, charged with having received certain sums from young recruits by promising them to postpone their compulsory military training or even to exempt them from this training; and also concerning treatments handed down by military authorities to young men whom recently Justice Gustave Marin, of Montreal, called "victims".

Hon. Mr. SAUVE: Honourable senators, in submitting this motion it is not my desire to reflect upon anyone. I am desirous of knowing the facts as established after the investigation carried out by the federal police in the case of Hamelin, his victims and his accomplices; and I should also like to know if the postponement board sitting at Montreal has taken into consideration the errors of the said victims and whether these persons have appeared before the tribunal. If Hamelin had accomplices, have they been arrested and sentenced? Hamelin seems to have shown that he was aware of the board's decisions. I would request the authorities to produce this return at their earliest convenience, and after I receive it I shall comment upon the official documents.

May I add here that the newspapers, for fear of censorship, did not dare to report my notice of motion. Should censorship go so far as to prevent reporting inquiries such as this? On the contrary, I believe the widest publicity should be allowed in cases like Hamelin's. Is it not a sane policy to put the public on guard against rogues of this kind? Such cases were subjected to wide publicity and severe criticism during the war of 1914-18.

Hon. Mr. KING: Honourable senators, I have noticed my honourable friend's remarks and would ask that the notice of motion stand till I have had an opportunity of making an inquiry.

APPROPRIATION BILL NO. 3

THIRD READING

Hon. J. H. KING moved the third reading of Bill 81, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1943.

He said: Honourable senators, the Bill as originally introduced in another place asked for one-sixth of the main Estimates, it being the Minister's intention, apparently, to carry through with this vote during the months of June and July; but it was suggested that the Government was asking for too large a proportion at this time, and the Minister consented to reduce the amount in the second clause of the Bill to one-twelfth of the year's total supply for the ordinary business of Canada.

The third clause, which has been similarly reduced, covers special conditions in regard to farm payments and the conservation of salmon in the Fraser River, as well as other items that I mentioned last night. One-twelfth of the total of the year's appropriation for these items is being granted by clause 2 of the Bill, but by clause 3 another twelfth is provided for, which would mean a sixth of the total for the items therein mentioned. The reason is that the items are seasonal and the money will probably be required within the next month.

I move third reading of the Bill.

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

DIVORCE BILLS

FIRST READINGS

Hon. Mr. ROBINSON, Chairman of the Committee of Divorce, presented the following Bills, which were severally read the first time:

Bill C3, an Act for the relief of Annie Miriam Scott.

Bill D3, an Act for the relief of Marguerite Elsie Ramsay Murdoch.

Bill E3, an Act for the relief of Elizabeth Molnar Schneider.

Bill F3, an Act for the relief of Max Kaback.

Bill G3, an Act for the relief of George McDonald Joseph Carew.

Bill H3, an Act for the relief of Wandless Joseph Henry Verdon.

Bill I3, an Act for the relief of Mary Eileen Scott Warrington.

Bill J3, an Act for the relief of Joseph Bergman.

Bill K3, an Act for the relief of Marie Martha Hermine Browne Peters.

Bill L3, an Act for the relief of Ethel Gerson Kalmanovitch.

Bill M3, an Act for the relief of Freda Sweet Simon.

Bill N3, an Act for the relief of Phyllis Mary Alice Verrinder Horrell.

Bill O3, an Act for the relief of James McKinna Wood.

Bill P3, an Act for the relief of Leah May Jarvis Traver.

PRIVATE BILL

SECOND READING

Hon. Mr. BEAUREGARD moved the second reading of Bill B3, an Act respecting certain transmission and distribution lines of Saguenay Transmission Company, Limited, Saguenay Electric Company and Aluminum Power Company, Ltd.

Hon. Mr. KING.

He said: Honourable senators, this Bill is necessary in order to meet the requirement of clause 4 of the Navigable Waters' Protection Act. The Aluminum Power Company and its two subsidiaries whose names appear on this Bill have constructed in the Lake St. John district of Quebec a number of transmission and distributing lines across certain rivers. The purpose of the Bill is to secure from the Governor in Council ex post facto approval of the lines so constructed.

Hon. Mr. BALLANTYNE: I understand these transmission lines have already been constructed. Has it been proven that they interfere in any way with navigation?

Hon. Mr. BEAUREGARD: No. In fact the lines were built at a time when there was doubt whether the rivers in question were navigable or not. The departmental report is that the transmission lines do not interfere with navigation. When they were built it was not quite clear what constituted a navigable river. I intend to move, after the Bill has been given second reading, that it be referred to the Standing Committee on Railways, Telegraphs and Harbours. Before that committee I shall produce evidence that as a matter of fact there is no navigation on these rivers.

Hon. Mr. KING: I have no objection to the Bill going to the committee, but I would suggest that the chairman of the committee ask the representatives of the Public Works Department to be present.

Hon. Mr. HAIG: Honourable senators, I should like to ask a question. Do I understand that a transmission line cannot be built across a navigable river without the consent of the Department of Public Works?

Hon. Mr. BEAUREGARD: That is right.

Hon. Mr. HAIG: And you cannot get that consent after the line is built?

Hon. Mr. BEAUREGARD: No. After the line is built the Minister cannot grant ex post facto permission on his own responsibility. I may say that similar bills were passed last year respecting bridges over the same rivers.

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

PETROLEUM AND NAPHTHA INSPECTION BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 2, an Act to repeal the Petroleum and Naphtha Inspection Act.

He said: Honourable senators, the purpose of this Bill is to repeal an Act passed in 1877.

At that time natural oil products consisted largely of kerosene, or, as it was called, coal oil, and the enactment was passed by the Dominion Government to control the dilution of this coal oil by what we now know as gasoline. Later, with the coming of the internal combustion engine, a market was found for gasoline, and to-day it is a product much sought by oil companies.

The Dominion Government has maintained a service at the refineries to check the coal oil and the amount of gasoline in it, but that has been found unnecessary by reason of the fact that to-day various provincial governments, municipalities and public bodies control not only the production, but also the transportation and sale of these products. The Department of National Revenue has a certain control, the railway companies impose certain regulations, and the provincial governments in their field exercise a control. The purpose of repealing the Act is to eliminate an expenditure of $25,000, which has been paid to certain officials sent to the various refineries to make tests. Such tests are now being made by the companies. This matter was discussed at some length in the other Chamber, and the repeal of the Act was consented to there.

I move the second reading of the Bill.

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

THIRD READING

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

Hon. Mr. KING: Now, if there is no objection.

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

NATIONAL RAILWAYS AUDITORS BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 9, an Act respecting the appointment of Auditors for National Railways.

He said: Honourable senators, this Bill is a hardy annual. It is necessitated by the fact that from year to year Parliament appoints the auditors to the Canadian National Railways. No change is proposed in the firm of auditors, and, as the Bill has already passed the Commons, I have no remark to make except that it is in order for the Senate to confirm the appointment of the auditors who will act for the Canadian National Railways for the year 1942-43.

Hon. Mr. BALLANTYNE: Could the honourable leader give us any information as to what the charges have been in past years?

Hon. Mr. KING: Yes. The fee to be paid to Touche & Company amounts to $51,800. This involves an increase of $1,800, which is caused by the inclusion of the Trans-Canada Air Line Accounts and the Canadian National Security Trust. In addition to the fee mentioned the auditor is allowed such expenses, incurred when he is away from headquarters, as may be approved by the directors. These expenses average about $4,500 a year.

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

THIRD READINGS

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

Hon. Mr. KING: Now, if there is no objection.

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

OTTAWA AGREEMENT BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 11, 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 is similar to others which have come before us since 1930. The period from 1920 to 1930 was covered by two agreements, each running for five years.

There has been considerable discussion in regard to the demands of the City of Ottawa and, as I was the Minister of Public Works who in 1925 increased the amount from $75,000 a year to $100,000 a year for a period of five years—an amount which has continued to be paid since—I think I may properly offer a few comments on the situation. There is an idea abroad that because the Dominion Government owns large properties in Ottawa the City is losing large sums that otherwise would come to it in taxes. No government has accepted that proposition or indicated that it would for a moment consider paying taxes on property owned by the Crown. To do so would open a very wide field. Every town or municipality in the Dominion of Canada where the Government owned property would expect to be treated in the same way as the City of Ottawa.

I think it was only in 1899 that the Government recognized the right of the City

of Ottawa to receive a grant in some form; not in lieu of taxation, but in recognition of the fact that the Government had a certain responsibility. At that time Sir Wilfrid Laurier, who, as we know, was very much interested in the improvement and beautification of the Capital City, introduced legislation in regard to payments to the city, the line of which has been followed ever since. At that time he initiated the Ottawa Improvement Commission. By chapter 10 of the Statutes of 1899 an annual grant of $60,000 was authorized by Parliament, and this was continued until 1920. I should like to read from that Act a section which is the basis of the action taken by various governments in reference to the grant to the city.

The annual grant payable under this Act shall be in full payment, satisfaction and discharge of all claims and demands by or on the part of the Corporation on the Government of the Dominion of Canada (hereinafter referred to as "the Government,") in respect of water supplied (including charges for street sprinkling) by the Corporation for use in and on all buildings, lands and premises in the said City of Ottawa.

In 1920 representations were made by the City that the payment was not sufficient for the services rendered, and an agreement was entered into under which $75,000 was to be paid annually in discharge of all claims of the city against the Government for water supplied for street sprinkling and for use in parks and driveways under the control of the Federal District Commission. This agreement was for a period of five years. The main clause of the agreement provided for an annual grant of $150,000 to the Federal District Commission for a period of ten years from July, 1919.

In 1925 the claim was made by the City that $75,000 was not sufficient for the supply of water furnished to buildings used by the Government, and the amount was increased to $100,000. In that year the agreement was renewed for five years, and since then the annual payment of $100,000 has been continued. The increase was made to take care of the cost of supplying water to Government buildings, and the present grant is largely to cover that cost. In 1914 the consumption of water in Government buildings was 371,498,840 gallons, for which the charge was $53,937.37. There was also a charge of 10 per cent of the purchase price of meters, amounting to $1,459.34, making a total charge of $55,396.71 for water service. The agreement provides that the City shall supply up to 200 million gallons of water for these buildings at the rate of 13 cents per thousand gallons, and for any additional quantity the charge is to be increased by 25 per cent.

The City claims that the cost of providing water service has been greatly increased, and negotiations are now in progress between the Department of Public Works and the City with a view to ascertaining what the increase in cost is, and whether it is necessary to make an additional grant.

This year the Government's grant to the Ottawa Improvement Commission was increased to $333,500.

On the whole, I think the arrangement made for this year is probably acceptable to the Corporation of Ottawa and the Department of Public Works. It has been concurred in by honourable members in another place, and, as I have stated, inquiry is being made with regard to the City's claim that the cost of providing water service has gone up. It is felt that there should not be any increase in the grant at this time.

Hon. L. COTE: Honourable senators, this is a perennial measure which, as the honourable leader said a few moments ago, has been coming to us every session since 1930. I have already spoken on it at two or three past sessions. There seems to be a feeling that at this time, in view of the war, the allowance to the City of Ottawa should not be increased, although I understand negotiations are going on just now with regard to the supplying of water on a meter basis.

I think I am stating a fact when I say that the citizens of Ottawa as a whole are not at all satisfied that the present agreement with the Government affords to the City a square deal. It is admitted that the Crown has a right to continue to claim immunity from taxation. As I said once before in this House, that is a right which came to the Crown from the Middle Ages, when the King owned property and you could not tax the King or exact services from him on account of land he owned. But we are living in a progressive civilization, and these old practices of the common law are often modified to meet the necessities and exigencies of new situations. This Parliament has in some very important instances departed from adherence to the principle of immunity from taxation. By statute we made the Canadian National Railways, which are just as much Crown property as the Parliament Buildings are, liable to taxation in the various provinces where they operate. And the door was opened in this case of the City of Ottawa when, forty years ago, it was recognized that the Government should pay something to the City in compensation for benefits received

from services which municipal taxes are raised to provide. No doubt it was thought at the time that if the Government of Canada accepted from the City of Ottawa services which were expensive to the City, it was fit and proper that some compensation should be paid for such services. Naturally the supply of water was a very outstanding instance. The City of Ottawa did not have to supply water to the Government of Canada. Indeed, if the City had chosen to do so, it could have shut off the water supply to Government buildings. In such circumstances the Government might have taken the attitude that it was immune from taxation, but incidentally, it would have had no water.

Possibly water is the main service which is recognized in this allowance of $100,000. But the City of Ottawa supplies other services of value to Government buildings, such as sewerage, snow cleaning, street watering and flushing, and repairs of pavements and walks. Surely these items should be taken into consideration when the amount of the new allowance is being fixed.

I omitted one service which, so far as I know, has never been mentioned in either House or in the correspondence on this question. That is the educational service. In the province of Ontario primary education is paid for out of local rates. The City of Ottawa has a system of common schools, divided into two branches known as the public schools and the separate schools. The separate schools in this city are Roman Catholic schools; they are denominational. These two branches of our common school system are, except for some small provincial grants, wholly maintained from the levy of local tolls or taxes upon property owners. So persons who own considerable property pay in school taxes a great deal more than is required to educate their own children, whereas persons living in small houses on which they pay taxes through their rent do not pay more than a small fraction of the cost of educating their children. I know that the cost of educating one child in the public schools of Ottawa is over $100. A Government employee earning a salary of $1,000 may have three children of school age. The cost to the public schools of Ottawa for educating these children is over $350.

Hon. Mr. KING: Per year?

Hon. Mr. COTE: Per year. It is obvious that such a civil service employee does not begin to pay, through taxes, for the cost of educating even one child.

There should be a study of the services rendered to Government-owned buildings by the City of Ottawa. I believe, and I hope a number of honourable members will agree with me, that the feeling of the citizens of Ottawa that they are not getting a square deal is not unfounded. I know that we in this House cannot attempt to increase the allowance mentioned in the Bill. I would not dream of even suggesting that.

Hon. Mr. COPP: Would my honourable friend feel like reducing it?

Hon. Mr. COTE: I think that in order to throw some light on this question, and possibly to bring a better knowledge of the situation to those who ask if we do not feel like reducing the allowance, this House might refer the Bill to a committee for the purpose, not of having it altered, but of having the whole question studied in all its phases. Reference to a commitee would afford to the taxing authorities interested, the City of Ottawa and the school boards, an opportunity to appear before us, to state their case and give their reasons for demanding a larger grant. Although I know something about the matter, I feel I should learn a good deal more if it came before, say, our Banking and Commerce Committee. The evidence adduced there would probably assist both the Department of Public Works and the City in their present negotiations to reach a more equitable solution. I have always held in this House that we have a constitutional right to reduce the amount of a money bill, but I do not rise to make a motion for that purpose. I shall vote for the second reading, but after the motion is agreed to I shall move that the Bill be referred to our Standing Committee on Banking and Commerce for study.

Hon. C. W. ROBINSON: Honourable members, it seems to me that in this matter the horizon of the honourable member from Ottawa (Hon. Mr. Coté) is a little too narrow. There are many other cities and towns across the Dominion in which Government property is exempted from taxation. In the city in which I live a large amount of Government property is tax-free. I hope that if the Bill is referred to our Standing Committee on Banking and Commerce the inquiry will be so broadened out that honourable senators will realize there are a few other places in this country with federal buildings besides the City of Ottawa.

Hon. JAMES MURDOCK: Honourable senators, this sort of Bill has come before us for a number of years, and I am glad to say that I have received more information from our respected leader (Hon. Mr. King) on this particular Bill than I have been able to acquire on similar Bills in the past. I

appreciate that, it being a money Bill, only those in another place have the right to add to or take from it. Every session for the last ten years a similar Bill has aroused criticism from the representatives of Ottawa. Right now my honourable friend to my left (Hon. Mr. Robinson) counters the complaint that the amount involved is inadequate for the civic services rendered to the federal authority by stating that maybe Moncton and other towns are entitled to some such consideration.

As I understand our leader, he told us that the $100,000 is largely in payment for water used in Government buildings. If that is the case, perhaps more water is being used now than in former years, for the other day I was advised that I could use my lawn hose only on Mondays, Wednesdays and Fridays, and taxpayers on the east side of Bank street are allowed to water their gardens on three week-days and Sundays. This would indicate a water shortage. Of course we shall all be glad to comply with the regulations. But what does this water cost? In respect of my little home I pay $34 for water alone, year in and year out. That means three homes similar to mine would pay more than $100 a year and thirty homes upwards of $1,000, and so on. During the past year or eighteen months a number of properties have been taken over by the Government for war purposes, and no longer will they be subject to city taxes. As a result those of us who are taxpayers will have to dig into our pockets and make good the deficit—and we shall not complain very strenuously.

It is only a question of ascertaining what is consistent and logical and what the Government should pay Ottawa for the civic services which it receives. During the past twelve years conditions have changed; undoubtedly in war-time they have changed materially; and it may be that in consequence the federal authorities should increase their payment to the City. Of course, we could not amend the Bill in this direction, even though we found that an increase would be equitable; but surely we can make a thorough inquiry into the matter. There is no hurry about the passage of this Bill. A few days ago we were looking for work, and I know many of us honestly desire it now. All right, let us refer this Bill to our Standing Committee on Banking and Commerce. Then we can have the officials of the City and of the Department of Public Works come before us with all the facts in relation to the question, so that we and those in another place will know whether in future $100,000 is too much or too little. For these reasons I shall second the motion of my honourable friend when he moves it after the Bill has been given second reading.

Hon. Mr. KING: Personally I see no great objection to the proposal. But this is a money Bill, and though a similar suggestion was made in the House of Commons, it was not accepted. The Minister stated that his department was engaged with the officials of the city of Ottawa in an attempt to arrive at what is fair compensation for the services rendered by the City to the federal authorities. Therefore I am inclined to think we should leave the matter with them, so that next session we shall have the benefit of their report for our guidance.

Some Hon. SENATORS: Carried.

Hon. Mr. MURDOCK: That would be just a repetition of what has happened for the last ten years.

Hon. Mr. KING: No; it would be for just one year.

Hon. Mr. MURDOCK: For ten years past we have followed pretty much the same course —always going to inquire into the merits, but never doing anything. Then along comes the annual Bill for $100,000 payment to the City. This may be enough, but we ought to know whether it is or not. They are too busy in the other place to refer the Bill to a committee. We want an opportunity to work. All right, let this Bill be referred to our Banking and Commerce Committee, where we can get all the facts from the city fathers, the Public Works officials and everybody else concerned.

Hon. JOHN T. HAIG: I can see some reason in my honourable friend's argument. In Winnipeg we have a similar issue with our provincial Government. But the situation has become accentuated during the past two years on account of war conditions. It is manifestly unfair to ask the taxpayers of Ottawa to pay extra taxes for the benefit of the other taxpayers of Canada; for that is what it amounts to. True, this is a Government Bill, but, knowing human nature as I think I do, I can assure the honourable leader opposite that if this Bill were referred to our Banking and Commerce Committee, and the city officials of Ottawa were able to demonstrate to us beyond shadow of doubt that instead of paying $100,000 the Government should pay $150,000, the officials of the Department of Public Works would be eager to move a little faster in their negotiations with the City.

Hon. Mr. MURDOCK: Hear, hear.

Hon. Mr. HAIG: That is usually the effect on Government officials. I do not blame them for their attitude, which probably would be mine were I a Government official. This is the Capital of the Dominion, and we ought not to forget our obligation to the City. If the Government desires to move any of its departments, I can promise accommodation in the city of Winnipeg free of taxes. For instance, we should be glad to accommodate the Department of National Revenue and the Department of the Interior. In the United States the Government has, since the war started, been moving some of its non-war departments out of Washington.

Hon. Mr. MORAUD: And some of its war departments too.

Hon. Mr. HAIG: I was not aware of that. But I want to warn Ottawa: if any of our Government departments are moved out of the Capital they will never be brought back. I suggest that the Bill be referred to our Standing Committee on Banking and Commerce. This would give us something to do.

Hon. Mr. MURDOCK: Hear, hear.

Hon. Mr. HAIG: Then the honourable senator from Parkdale (Hon. Mr. Murdock), who, I am told, spends some of his time in Ottawa—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: —could attend the committee, as could other honourable senators, including the honourable member from Moncton (Hon. Mr. Robinson). I suggest to the leader of the Government that we should like to have something to do. We members of the Divorce Committee can tell other senators what work is.

Hon. Mr. LITTLE: I am very glad that this proposal has some support from other than the interested deputies.

Hon. A. D. McRAE: Honourable senators, I agree entirely with the honourable member from Moncton. I think the suggestion to refer this Bill to our Standing Committee on Banking and Commerce would open up what is a burning question in many of our cities, and you would have the representatives of city corporations from Vancouver to Halifax coming here to present their case and appeal to us for support. This, I fear, would distract the attention of our people at a time when they should be devoting their every effort towards winning the war. I think we should be ill-advised to attempt to deal with the matter, particularly in view of the fact that negotiations are proceeding between the Department of Public Works and the Corporation. Every municipality would like to tax Government property, and if once we open up this question we shall have them on our doorstep. I for one would certainly not support any proposal to refer the Bill to committee.

Some Hon. SENATORS: Question!

Hon. J. A. CALDER: Since this discussion started, one thing has been turning itself over in my mind: why we continue this tax exemption of Government buildings. Why should not the State pay civic taxes on its buildings? The people of Canada, through their Government, may decide to put up a building in the City of Toronto to carry on certain Government work for the people. Why should not all the people of Canada pay a tax on that building just as the citizens of Toronto pay a tax on every building which they erect? Take all the Government buildings across Canada: why should they continue under the protection of a law, at least ten centuries old, exempting the Crown from payment of taxes? After all, the Crown now is the people; and if certain properties and buildings are required for the purpose of carrying on business in the interest of the people as a whole, then why should not those properties and buildings be subject to taxation? Tax exemption of Government property is merely a perpetuation of the medieval right of the King to be exempt from taxation. That right does not exist now. The King does not own this building. The people of Canada own it and all the other buildings we occupy and use. Why should the State not pay taxes to the municipalities in which its buildings are located?

Hon. F. B. BLACK: Honourable senators, this is a very large question. I agree, I think, almost entirely with the remarks of the honourable senator from Vancouver (Hon. Mr. McRae). It is quite true that the system of exempting Government property from taxation is inherited. It has come down to us from the days when the King owned all the property under his jurisdiction. But, as the honourable senator from Moncton (Hon. Mr. Robinson) and the honourable senator from Vancouver (Hon. Mr. McRae) have said, if we undertake to investigate the Ottawa situation we shall be asked to investigate the situation in Moncton, Saint John, Vancouver, Toronto, and every other town where there is Government property.

After all, we must remember that Government property is not the only property that is exempt from taxation. Churches, hospitals, buildings used for charitable purposes, and

properties of that kind are exempt throughout Canada. They, like Government buildings, are owned by the public, and if we are to remove the tax exemption from Government properties, why should we not also remove it from other properties which are exempt?

I think the question is a very dangerous one, and that we had better leave it alone.

Hon. Mr. COTE: I moved that the Bill be referred to a committee—

Hon. Mr. COPP: I submit that my honourable friend is entirely out of order. We have not yet had the second reading. If we had had the second reading, my honourable friend's motion would be in order.

The Hon. the SPEAKER: The question is on the second reading of the Bill.

Hon. Mr. KING: Honourable senators, I spoke before, and I rather thought we were through with the discussion, but I should like to say that the question raised by the honourable senator from Moncton (Hon. Mr. Robinson) and discussed by the honourable member from Vancouver (Hon. Mr. McRae) and others is somewhat broader than what is proposed by the honourable senator from Ottawa East (Hon. Mr. Coté).

Times have changed very much since the day when the Crown was first exempted from taxation. To-day the Crown owns property and buildings for the use of the people. I think the governments of Canada have been very careful in regard to this question. They have recognized the principle that certain services should be paid for; but I do not think that any government heretofore has accepted, or that any government to come will accept, the principle of making an allowance in lieu of taxes on property it owns.

I hope my honourable friend will not press his motion. These are difficult times. This subject has been thoroughly reviewed in the House of Commons, and the members there were satisfied to allow the matter to stand over until the officers dealing with it have had an opportunity to investigate and to report to Parliament.

Hon. Mr. HORNER: Honourable senators, it is not only the cities which have suffered as a result of the exemption from taxation of property owned by the Crown.

Hon. Mr. COPP: Honourable senators, I must point out that my honourable friend is not in order until we have had the second reading of the Bill. Then, if a motion were made to refer the Bill to Committee, all this talk would be in order.

Hon. Mr. HORNER: The second reading was taken some time ago.

Hon. Mr. COPP: No.

Hon. Mr. HAIG: On the point of order, I think the honourable gentleman is out of order.

Hon. Mr. KING: The debate is closed.

Hon. Mr. HORNER: I wish to make a few remarks merely for the information of honourable members from the cities. In the rural municipalities of Western Canada a great deal of land is held by the Crown.

Hon. Mr. COPP: I suggest that the honourable gentleman is speaking, not to the second reading of the Bill, but to the motion to refer it to a committee. That is his argument.

Hon. Mr. HORNER: I merely wish to point out that not only have the cities lost money as a result of this exemption, but rural municipalities in Western Canada also have lost huge sums of money by reason of Government-owned lands being free from taxation, although the lands of individual farmers across the road are taxed every year.

Some Hon. SENATORS: Question!

Hon. Mr. LAMBERT: Honourable senators, as the junior member from Ottawa I feel that I should say a word, if I may, in relation to the motion proposed by my senior colleague on the other side of the House (Hon. Mr. Coté).

Hon. Mr. LITTLE: It has not been put yet.

Hon. Mr. COPP: No, it has not been put.

Hon. Mr. LAMBERT: I should like to say a word on it.

The Hon. the SPEAKER: The motion is on the second reading of the Bill.

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

MOTION FOR REFERENCE TO COMMITTEE

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

Hon. Mr. COTE: Honourable senators, I now move, seconded by the honourable senator from Parkdale (Hon. Mr. Murdock), that this Bill be referred to the Standing Committee on Banking and Commerce.

In support of my motion I shall not add anything to what I have already said, except this. The purpose of the reference is not to make possible a general discussion or study of the relation of the Crown to every muni-

cipality in the country in which the Government happens to own a post office or some other building. The reference obviously would be limited to the Bill before the House, which deals with the agreement between the Government and the City of Ottawa. That would not open up any question of colossal magnitude which would be embarrassing. The study of the committee would be limited to the relations between the Government and the City of Ottawa with respect to the payment by the Federal Government for certain services furnished by the City of Ottawa, and nothing else. For that reason I am not very much impressed by some of the objections which have been made to referring this Bill to committee.

So far as the Federal Government is concerned, the City of Ottawa stands in quite a different position from Moncton or some other place which has been graced by a post office, even though it may be a rather fine one because at some time the sitting member happened to be somewhat influential.

In the City of Ottawa $60,000,000 worth of real property is owned by the Federal Government, and that situation creates a special problem which does not exist in other places. It is solely to this problem that I for one should like to have the Standing Committee on Banking and Commerce direct its attention, and on this problem I should like it to hear evidence which would clarify and explain the attitude and claims of the Corporation of Ottawa and the other taxing authorities within the municipality, such as the Public School Board and the Separate School Board.

Hon. Mr. MURDOCK: I should be glad to second the motion to refer this Bill to the committee, and in so doing I should like to ask why Moncton or Vancouver should be injected into the question. The Bill before us refers to something that has existed for forty years, namely, an annual grant made to the Capital City of Canada for certain services furnished by it. If honourable gentlemen want to bring in some other cities, well and good; I am not sure that I would not be with them. My leader has proved the whole argument, I think. I believe he would agree that if he or I owned the property that is owned by the Federal Government in the City of Ottawa we should be paying taxes very much in excess of $100,000 a year.

Hon. Mr. COTE: You would be paying $2,000,000.

Hon. Mr. MURDOCK: I know it would be much more than $100,000.

Hon. Mr. KING: But there would be no Ottawa, as you know.

Hon. Mr. COTE: There was an Ottawa before you came here.

Hon. Mr. MURDOCK: Possibly, as the honourable senator from Vancouver (Hon. Mr. McRae) has suggested, we should leave this alone. But we were complaining a few days ago about having nothing to do. Are we to continue to do just that? Here we have a chance to make an inquiry into something. Are we going to do it, or are we going to say: "We have not done anything yet. Do not let us do anything now. Do not start something that will put us to work"?

Hon. Mr. LAMBERT: My disposition has been to support my honourable friend's motion.

Hon. Mr. COPP: If the honourable gentleman would allow the Speaker to put the question, he would be in order. The motion has not been put from the Chair.

The Hon. the SPEAKER: I think it opportune that the Senate should know what is going on. The motion for third reading has not been made, but it has been moved that the Bill be referred to committee. I think we should retrace our steps and have a motion for the third reading.

Hon. Mr. COPP: After the motion for second reading was carried, the honourable senator from Ottawa East (Hon. Mr. Coté) moved that the Bill be referred to the Standing Committee on Banking and Commerce, and that is the motion that will be under discussion as soon as it is put from the Chair.

The Hon. the SPEAKER: It is moved by Hon. Mr. Coté, seconded by Hon. Mr. Murdock, that this Bill be referred to the Standing Committee on Banking and Commerce.

Hon. Mr. LAMBERT: Honourable senators, I have not much to say on this question. My disposition is to support the motion, subject only to one consideration—that referred to by the honourable leader of the House when he said that at the present time negotiations were under way between the Government and the City of Ottawa regarding the proper amount—

Hon. Mr. COPP: Regarding water only.

Hon. Mr. LAMBERT: Well, regarding water. I think we should bear in mind the possibility of any discussion before the committee prejudicing such negotiations, if they are now in progress.

Hon. Mr. MURDOCK: That has been the argument for ten years.

Hon. Mr. LAMBERT: As a matter of information I should like to know just what form these negotiations between the Government and the City of Ottawa are assuming. If they are merely a repetition of what has been going on for ten years, I can see no particular reason why we should not make an exception this year and have some light thrown on the subject in the Banking and Commerce Committee. There is need, and great need, it seems to me, for more light to be thrown upon the relations between the Government and the City of Ottawa, for the benefit not only of members of both Houses and of the people of Ottawa, but of all the people of this country. Possibly the position of Ottawa as the Federal Capital of Canada would be much more impressive and effective, from a national point of view, if instead of having dual authority in this area we had something like the form of government prevailing at Washington.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. LAMBERT: Formation of a District of Ottawa would obviate all these petty discussions which arise every year in regard to payment by the Government for services rendered by the municipality of Ottawa. It seems to me there is a great deal to be said in favour of taking steps, even at this stage, towards the formation of a District of Ottawa. That would suggest national growth, for one thing. It would suggest there is a prospect that after the war this country will be much more definitely national in its proportions than it has been in the past. And I think it would be a complete answer to the rather isolationist suggestions of my honourable colleagues from Moncton (Hon. Mr. Robinson) and Saskatchewan North (Hon. Mr. Horner), if we had here a community identified with the dignity of a capital city for the Dominion.

At any rate, no one wants to feel that $100,000 is merely so much money thrown into a pot every year without any consideration for the balancing of the accounts. I happen to live in a suburb adjacent to Ottawa, which is helping to pay some of the water charges that seem to be a point at issue just now. It has been urged that the village of Rockcliffe should protest vigorously that the charges made to it for water supplied by the City of Ottawa are at present beyond all reason. If that position is correct, I might be justified in assuming that the Government should be paying more than it is for its water service. However that may be, I feel there is a real case for having this whole subject referred to the Committee on Banking and Commerce.

Hon. Mr. MURDOCK.

Hon. A. B. COPP: Honourable senators, I dislike being one to place any obstacle in the way of my honourable friend from Parkdale (Hon. Mr. Murdock), who wants to do a lot of work in regard to this and other matters, but I suggest we should think very seriously before we refer a Bill such as this to a committee with the object of carrying on an investigation into matters that may come under review later.

The purpose in referring a bill to a standing committee is that the bill may be revised there, if necessary. But, as I understand it, no honourable senator recommends that this Bill ought to be revised. I do not think we should use this Bill as an excuse for carrying on an investigation. If honourable members feel it would be a useful undertaking for the Senate to have an inquiry into the various matters that have been mentioned here, it would be quite in order to appoint a committee to study the whole question, and we could then employ our brains upon it. It would also give us an opportunity to take advantage of the desire on the part of a number of honourable members for extra work, a desire with which I do not entirely agree. But, I repeat, it would be a mistake to refer this Bill to a committee for the purpose of carrying on an inquiry.

Hon. Mr. MURDOCK: Is the honourable gentleman aware that we are wanted at the Divorce Committee?

Hon. Mr. COPP: State business before matrimonial affairs.

The motion was negatived, on division.

THIRD READING

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

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

DOMINION-PROVINCIAL TAXATION AGREEMENT BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 16, an act to authorize the Governor in Council to enter into agreements with the governments of the provinces of Canada respecting the vacation by the provinces of the personal income and corporation tax fields for the duration of the war.

He said: Honourable senators, there are two companion Bills here, Nos. 16 and 17. In Bill 16 it is proposed to give the Governor in Council the right to enter into an agreement with the various provinces whereby they will vacate the fields of income and cor-

poration taxes and permit those fields to be occupied by the Federal Government alone. At this time when the Dominion Government's need of money for war purposes is so great, such an agreement seems advisable, and, indeed, absolutely necessary. The Bill provides that the Dominion will compensate the provinces for their loss of revenue from these sources. It is also agreed that the provinces will give up the taxation on gasoline, and in lieu of their expected receipts from that source the Dominion will compensate them on the 1940 basis.

Hon. Mr. HAIG: Will the honourable leader permit a question? Is he sure that last statement is correct? I thought the intention was to compensate the provinces for loss of revenue arising from restrictions on the sale of gasoline. The provinces will continue to impose the tax.

Hon. Mr. HAYDEN: That is right. Section 5 shows that.

Hon. Mr. MORAUD: The provinces will still collect the tax.

Hon. Mr. KING: I know the intention of the Minister is that the provinces should not suffer loss of revenue because of the restrictions on the sale of gasoline. Under this arrangement they stand to gain, because it is based on the revenues of 1940. The provinces will also continue to levy succession duties.

I may say the agreements with five of the provinces state the amount to be paid to them for their ceasing to levy personal income and corporation taxes is calculated on the basis of their 1940 receipts from these sources. These provinces are British Columbia, Alberta, Manitoba, Ontario and Quebec. The amount to be paid to each of the other four provinces—Saskatchewan and the Maritimes—is calculated as equivalent to the net debt service paid by the province during its fiscal year ending nearest to December 31, 1940.

Hon. Mr. MORAUD: Has Quebec signed the agreement?

Hon. Mr. KING: Yes, Quebec has signed. I have a note here that the necessary Bill has been passed by the Quebec Legislature, and the agreement has been signed, and has been received by the Minister to-day. The agreement, which, it would seem, has now been entered into with all the provinces, is to continue from year to year, until one year after the war. Every province has the right to complain at any time if not satisfied, and upon giving thirty days' notice it may withdraw from the agreement.

Hon. C. P. BEAUBIEN: After the war?

Hon. Mr. KING: No; at any time.

I have given a brief outline of the Bill. The matter is very important, and it seems to me that it would be well to have it referred to the Banking and Commerce Committee for consideration to-morrow morning. We could have officers from the Department of Finance present to tell us how they arrived at the various amounts to be paid as compensation and to give us any other detailed information required. In moving second reading now, I do so on the understanding that the Bill will be referred to committee.

Hon. Mr. BALLANTYNE: The honourable leader has pointed out that the provinces are to be compensated on the basis of the taxes collected on gasoline during 1940. Well, there will be a great difference between the tax returns on gasoline in 1942 and in 1940. Unless the provinces are willing to make some adjustments with the Federal Government, they will gain very handsomely.

Hon. Mr. KING: Of course, at the time of the negotiations for these agreements there was no indication that a gasoline shortage would occur. I think the agreements were not discussed on that basis.

Hon. C. P. BEAUBIEN: Will the Minister explain a little more fully what is the basis of the agreement with Saskatchewan?

Hon. Mr. KING: The province of Saskatchewan and the Maritime Provinces have taken as the basis their debt service paid in carrying on the public business for 1940, and the Federal Government has agreed to pay them the amount required for that purpose rather than a subsidy such as the equivalent of the total revenue from income tax.

Hon. Mr. BEAUBIEN: Rather than make up the loss?

Hon. Mr. KING: Yes. They had the option of taking one form or the other.

Hon. Mr. COTE: I have been expecting a speech from the honourable senator from Westmorland (Hon. Mr. Copp) against referring a money bill to a standing committee for study.

Hon. Mr. COPP: This is not entirely a money Bill. It is essentially an agreement to do certain things.

Hon. Mr. COTE: An agreement to pay certain money—just the same as the Ottawa Bill.

Hon. Mr. COPP: It is an enabling agreement; quite a different thing.

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

On motion of Hon. Mr. King, the Bill was referred to the Committee on Banking and Commerce.

MARITIME PROVINCES ADDITIONAL SUBSIDIES BILL

SECOND READING

Hon. Mr. KING moved the second reading of Bill 17, an Act to provide for the payment of additional subsidies to the Maritime Provinces.

He said: This is a companion Bill to that which we have just dealt with. It sets forth that in lieu of the Maritime subsidies which were granted in pursuance of the recommendations of the Duncan Commission, additional subsidies shall be paid; namely, to Nova Scotia $1,300,000, to New Brunswick $900,000, to Prince Edward Island $275,000.

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

On motion of Hon. Mr. King, the Bill was referred to the Standing Committee on Banking and Commerce.

TORONTO HARBOUR COMMISSIONERS BILL

SECOND READING

Hon. Mr. KING moved the second reading of Bill 68, an Act respecting the Toronto Harbour Commissioners.

He said: This is a short Bill and provides that the Toronto Harbour Commissioners may borrow money to the extent of $5,000,000 for the purpose of refunding a portion of a refunding loan.

The explanatory note reads:

The Toronto Harbour Commissioners in 1937 issued debentures totalling $20,456,000 in connection with refunding operations under the authority of its Act of incorporation, chapter 26 of the Statutes of 1911, and the provisions of chapter 11 of the Statutes of 1936.

The Commissioners now wish to refund an instalment of principal of the refunding debentures issued in 1937, amounting to $5,000,000, which becomes due on September 1, 1942, and doubt has been expressed as to the power of the Commissioners under existing legislation to borrow money by the issue of debentures to pay and redeem debentures which were themselves refunding debentures such as this instalment of $5,000,000.

Upon application of the Commissioners it is now proposed to clarify the matter so that no doubt will arise as to the power of the Commissioners to renew or refund original or renewal or refunding debentures.

I think this note fully explains the purpose of the Bill.

Hon. Mr. COPP.

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

THIRD READING

Hon. Mr. KING: With leave of the Senate, I move third reading of the Bill now.

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

DESTRUCTION OF BANANAS AT HALIFAX

ANSWER TO INQUIRY

Hon. Mr. KING: Honourable senators, before adjournment I wish to present a report in answer to certain articles which appeared in the Halifax Herald with reference to the destruction of bananas in Halifax harbour. The matter was brought to our attention by the honourable senator from Bedford-Halifax (Hon. Mr. Quinn). This is the report furnished by the Minister of the department concerned:

On April 30 there reached Halifax a cargo of bananas, a considerable portion of which was in an overripe condition and proved to be unsaleable and unshippable. The spoiling appears to have been due to war shipping conditions, causes entirely beyond the control of either the exporter or the importer. I understand that part of the shipment was given away by the owners to certain charitable institutions. None of the shipment was dumped in the harbour proper. The spoiled bananas were removed from the wharf by the Harbour Board and put in a special dump at pier 40. It may be possible that some of the bananas were removed from pier 40 by truck drivers entirely without the consent of the Harbour Board. I understand it is reported that some even turned up in the Northwest Arm. If so, I am assured by the harbour authorities that they were moved by truck drivers or other unauthorized persons from the harbour dump and placed there.

CANADA EVIDENCE BILL

FIRST READING

A message was received from the House of Commons with Bill 66, an Act to amend the Canada Evidence Act.

The Bill was read the first time.

BANKING AND COMMERCE COMMITTEE

Hon. Mr. BLACK: Honourable senators, I desire to call the attention of members of our Standing Committee on Banking and Commerce that it will sit to-morrow morning at 10.30. Notices will be sent out in due course.

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

THE SENATE

Thursday, May 28, 1942.

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

Prayers and routine proceedings.

DOMINION-PROVINCIAL TAXATION AGREEMENT 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 16, an Act to authorize the Governor in Council to enter into agreements with the governments of the provinces of Canada respecting the vacation by the provinces of the personal income and corporation tax fields for the duration of the war.

He said: Honourable senators, the Banking and Commerce Committee have had this Bill under consideration and beg to report the same with the following amendments:

Page 2, line 41, after the word "pay" insert "during each year of the term of the agreement."

That insertion is proposed in order to clarify the meaning of section 5.

Page 2, line 42, after the word "receipts" insert "during the said years."

Another slight amendment, simply a change in wording, was suggested by the Minister of Finance. I shall move that amendment on the motion for third reading.

The motion was agreed to.

Hon. Mr. KING: Honourable members, during our discussion in committee this morning the honourable senator from Pictou (Hon. Mr. Tanner) intimated that it would be well to have on record a statement showing details of the payments required to be made to the provinces each year as a result of the Dominion-Provincial tax agreements. With the consent of the Senate, I now place this information on Hansard:

The following table shows in detail the payments required to be made to the provinces each year as a result of the Dominion-Provincial tax agreements:

	Option favourable to each province	Grant under proposals	Fiscal need subsidies: For loss of revenue	Fiscal need subsidies: Additional subsidy	Total grants
P.E.I.	Debt	$ 264,769 94	$262,174 02	$ 175,000 00	$ 701,943 96
N.S.	Debt	2,585,308 72	325,769 31	.....	2,911,078 03
N.B.	Debt	3,278,574 15	71,493 30	300,000 00	3,650,067 45
Que.	Tax	20,586,074 56	.....	.....	20,586,074 56
Ont.	Tax	28,964,039 54	.....	.....	28,964,039 54
Man.	Tax	5,054,740 92	.....	600,000 00	5,654,740 92
Sask.	Debt	4,330,471 29	.....	1,500,000 00	5,830,471 29
Alta.	Tax	4,080,860 64	.....	.....	4,080,860 64
B.C.	Tax	12,048,367 51	.....	.....	12,048,367 51
		$81,193,207 27	$659,436 63	$2,575,000 00	$84,427,643 90

It will be noted that the total payments required to be made to the provinces, excluding any payments on account of the guarantee of gasoline tax revenues, amount to $84,427,643.90. This compares with a total yield from personal income and corporation taxes temporarily vacated by the provinces and their municipalities of $77,140 during the fiscal year of the provinces ending nearest to December 31, 1940. (It is possible that had the provinces and the municipalities retained these taxes, their revenues from these sources of taxation might have gone on increasing during the war, particularly revenues from corporation taxes.) The total fiscal need subsidies amount to $3,234,436.63, which compares with a total of special grants cancelled of $5,475,000. (P.E.I. $275,000; N.S. $1,300,000; N.B. $900,000; Man. $750,000; Sask. $1,500,000; and B.C. $750,000). In addition to the above the Dominion has guaranteed net receipts from provincial gasoline taxes at 1940 levels as follows:

Prince Edward Island	$ 307,901 72
Nova Scotia	2,853,363 82
New Brunswick	2,101,072 01
Quebec	11,803,248 13
Ontario	26,608,290 59
Manitoba	2,678,148 64
Saskatchewan	3,397,279 42
Alberta	3,221,975 68
British Columbia	3,763,625 95
	$56,734,905 96

THIRD READING

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

Hon. Mr. BLACK: I move the following amendment:

To section 5 of the Bill as amended add the following amendment: for the word "during" substitute the words "with respect to".

I may say that the proposed amendment is accepted by the Minister.

The amendment was agreed to.

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

MARITIME PROVINCES ADDITIONAL SUBSIDIES BILL

REPORT OF COMMITTEE

Hon. F. B. BLACK, Chairman of the Committee on Banking and Commerce, presented the report of the committee on Bill 17, an Act to provide for the payment of additional subsidies to the Maritime Provinces.

He said: The committee have examined this Bill and beg to report it without amendment. I may add, however, that a change has been agreed to by the Law Clerk and the representative of the department. The necessary amendment to effect this change will be moved on the motion for third reading of the Bill.

THIRD READING

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

Hon. Mr. HAYDEN: Before the Bill is read a third time I should like to move the following amendment:

Page 2, lines 16 and 17. Leave out the words "of the said provinces" and insert the words "such province."

As amended the proviso will read:

Provided the said subsidies shall not be payable to any such province while an agreement under the provisions of the Dominion-Provincial Taxation Agreement Act, 1942, remains in force with respect to such province.

Hon. Mr. HAIG: Is that change agreed to by the Minister?

Hon. Mr. HAYDEN: Yes.

Hon. Mr. MURDOCK: I am very sorry, but I really do not know what it is that we are asked to vote upon, and I should like the honourable gentleman who moved the amendment, or someone else, to explain in such a way that we can hear.

Hon. Mr. HAYDEN: For the benefit of the honourable senator from Parkdale (Hon. Mr. Murdock), and others, I may say that there was some doubt as to the meaning of the language of the proviso to section 2 of Bill 17 in the form in which it originally appeared. It was feared that it might mean that any province withdrawing from the Dominion-Provincial Taxation Agreement, so long as any other province remained within the scope of the agreement, could not claim the benefits of this Bill. It was felt that the words "such province" should be substituted for the words "of the said provinces," to make it perfectly clear that any of the Maritime Provinces by withdrawing from the Dominion-Provincial Taxation Agreement could get the benefit of the payments provided for. It is for clarification.

The amendment was agreed to.

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

MILITARY TRAINING—ALLEGED FRAUDULENT EXEMPTIONS

MOTION FOR RETURN

On the motion by Hon. Mr. Sauvé:

That an order do issue for a copy of all correspondence exchanged between the Government and all competent authorities, Royal Canadian Mounted Police, etc., concerning the supposed extortions exacted by Paul Hamelin, 4903 St. James St. West, Lachine, P.Q., or Montreal, charged with having received certain sums from young recruits by promising them to postpone their compulsory military training or even to exempt them from this training; and also concerning treatments handed down by military authorities to young men whom recently Justice Gustave Marin, of Montreal, called "victims".

Hon. Mr. MURDOCK: The honourable senator from Rigaud (Hon. Mr. Sauvé) is not here.

Hon. Mr. KING: There is no objection to the motion.

Hon. C. P. BEAUBIEN: In the absence of the honourable senator from Rigaud, I will move the motion standing in his name.

The motion was agreed to.

DIVORCE BILLS

SECOND AND THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the second and third times, and passed, on division:

Bill C3, an Act for the relief of Annie Miriam Scott.

Bill D3, an Act for the relief of Marguerite Elsie Ramsay Murdoch.

Bill E3, an Act for the relief of Elizabeth Molnar Schneider.

Bill F3, an Act for the relief of Max Kaback.

Bill G3, an Act for the relief of George McDonald Joseph Carew.

Bill H3, an Act for the relief of Wandless Joseph Henry Verdon.

Bill I3, an Act for the relief of Mary Eileen Scott Warrington.

Bill J3, an Act for the relief of Joseph Bergman.

Bill K3, an Act for the relief of Marie Martha Hermine Browne Peters.

Bill L3, an Act for the relief of Ethel Gerson Kalmanovitch.

Bill M3, an Act for the relief of Freda Sweet Simon.

Bill N3, an Act for the relief of Phyllis Mary Alice Verrinder Horrell.

Bill O3, an Act for the relief of James McKinna Wood.

MOTION FOR SECOND READING

Hon. Mr. ROBINSON moved the second reading of Bill P3, an Act for the relief of Leah May Jarvis Traver.

He said: Honourable senators, the reason I did not include this Bill in the motion I made a few moments ago was that I thought an honourable gentleman might want to say something about this case. I now move second reading.

Hon. Mr. GOUIN: Honourable senators, the honourable gentleman from Sorel (Hon. Mr. David) desires to make some remarks concerning this Bill, and he asked me to request that the second reading be not proceeded with before our next sitting.

Hon. Mr. ROBINSON: That is agreeable.

The motion for second reading stands.

CANADA EVIDENCE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 66, an Act to amend the Canada Evidence Act.

He said: Honourable senators, this is an enactment to enable governments, banks, railway and express companies, telegraph and telephone companies and insurance companies to use as evidence photographic copies in lieu of original records. The idea is that much less space is required for storage of films than of the actual documents themselves. It is said that 2,600 sheets of letter size can be recorded on one photographic film of 200 feet, at a cost of about seven dollars a film. The process is so speedy that twenty-five sheets can be photographed on both sides in one minute. By the use of a projecting machine, which throws an enlarged picture upon a screen, the photographed record can be examined readily. When a particular document is required for evidence, an enlarged print may be easily obtained from the film.

This process, I understand, is in use in the United States, and five of our provinces have passed legislation along the lines of the present Bill. If a government body, bank or company covered by the Bill wished to destroy old records which it is now obliged to keep, a microfilm would be made and an affidavit executed by the photographer and the person who destroyed the original record. If in future it became necessary to use any of these records in evidence, an enlargement of the film, submitted to the court with a copy of the affidavit, would be received as evidence of what the original record contained. I think that is all I need say. Some of our legal friends may care to discuss the matter.

Hon. L. COTE: Honourable senators, I have read the report of the discussion on this Bill in the other House. The Bill was promoted by the Minister of Justice, who, I should judge from the discussion, considered it very thoroughly and in his usual able way. That in itself is a recommendation in favour of the measure. I think nothing can be said against the principle of the Bill. The moment this measure became law it would be applicable to procedure in federal courts and with regard to matters governed by federal law; for instance, in cases under the Criminal Code. But I understand that provincial legislation would be required before the new rule of evidence would become effective in other places.

Hon. Mr. KING: Except in the provinces that have already adopted similar legislation.

Hon. Mr. COTE: Except in provinces where similar legislation has already been adopted. That is quite right. Personally I have no objection to the Bill. I certainly do not object to second reading. It has been suggested by some members on this side of the House that in order to understand better, not only the meaning, but also the scope of this proposed amendment to the Evidence Act, there should be a reference to the Committee on Banking and Commerce. I wonder whether the honourable leader would consent to that procedure, as there is no urgency about the Bill.

Hon. Mr. KING: There is no urgency, and I cannot see any objection to a reference to the committee.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. King, the Bill was referred to the Standing Committee on Banking and Commerce.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Honourable Thibaudeau Rinfret, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 5.45 p.m. for the purpose of giving the Royal Assent to certain Bills.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the Senate adjourns to-day it stand adjourned until Tuesday, June 9, at 8 o'clock in the evening.

Hon. Mr. HAIG: May I suggest what I believe will be acceptable to the honourable leader of the Government,—that the Clerk of the Senate be instructed to notify by wire those senators who live at a distance from Ottawa whether there will be a further adjournment shortly after June 9. I do not like to find, on coming down here, that the Senate is about to adjourn after being in session only a couple of days.

Hon. Mr. BARNARD: I would say the trouble of the honourable member who has just taken his seat (Hon. Mr. Haig) is that he does not live far enough away from Ottawa. If he did, he would accept these adjournments quite philosophically.

Hon. Mr. KING: It would be pretty hard for the Clerk to determine what distance from Ottawa should entitle a senator to receive the notice suggested. So I think we shall have to leave things as they are.

The motion was agreed to.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

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

An Act to repeal the Petroleum and Naphtha Inspection Act.

An Act respecting the appointment of Auditors for National Railways.

An Act to authorize an Agreement between His Majesty the King and the Corporation of the City of Ottawa.

An Act respecting the Toronto Harbour Commissioners.

An Act to authorize the Governor in Council to enter into agreements with the governments of the provinces of Canada respecting the vacation by the provinces of personal income and corporation tax fields for the duration of the war.

An Act to provide for the payment of additional subsidies to the Maritime Provinces.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1943.

The House of Commons withdrew.

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

The sitting of the Senate was resumed.

The Senate adjourned until Tuesday, June 9, at 8 p.m.

THE SENATE

Tuesday, June 9, 1942.

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

Prayers and routine proceedings.

CONFEDERATION PARK AREA, OTTAWA

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. What was the total expenditure of the Government in acquisition of properties, construction work and other incidental costs (including the value of the old Post Office building and its demolition, and costs of providing a new Post Office building; but not including the cost of the War Memorial) for the purposes of Confederation Park and the boulevard between Sparks street and Laurier avenue in the City of Ottawa?

2. What was the total cost to the Government of the lands that are leased to the Lord Elgin Hotel Company at Elgin street; and on what terms is such property leased to said company?

3. Does the Government now own all the properties between Queen street and Laurier avenue at the west side of Elgin street? What does the country pay for each of those properties?

4. Is the Government providing for and paying through its Federal District Commission the costs of repairs, renewals and caretaking of Confederation Park and the boulevard roadways?

5. Did the Federal District Commission perform the work and pay the costs of reducing the size of the traffic island at the junction of Elgin street and Laurier avenue?

6. Did the Federal District Commission perform the work and pay the costs of restoring sidewalks and grass plots and making roadways at the west side of Elgin street fronting the hotel building after the hotel was erected?

7. Has the Government or any branch of government service any control or supervision of traffic and parking on the said roadway boulevards?

8. Is the Government aware that the boulevard roadway at the west side of Elgin street is constantly used for car parking purposes, and that the sodding alongside the sidewalks at both roadways is being persistently destroyed; and will steps be taken to correct this vandalism and preserve the park and boulevards on which great sums of Dominion and city public money have been invested to create a district of historic interest and scenic beauty?

9. It is a fact, is it not, that the total War Memorial outlay was $292,796 or thereabouts?

Hon. Mr. KING: Honourable senators, in reply to this inquiry I would give the following information:

1. Public Works Department—

Acquisition of properties: Properties east of Elgin street and between Wellington and Sparks streets, $1,126,969.11; Confederation Park—work done in vicinity of Elgin and Queen streets and the War Memorial, including the widening of Connaught Place, $620,998.76; cost of new post office, including site, $1,080,667.59. Total, $2,828,635.46.

There is no information as to the value of the old Post Office building at time of demolition. The original building was built in 1876 at a cost of $242,856.73. A further expenditure of $341,897.99 was made for the restoration of the building after the fire of 1904, and for alterations and repairs since erection. The demolition cost was, $3,547.

Federal District Commission—

1927-28, $180,954.54. (Covers purchase of Dey's arena and land, Sherwood property, addition to west end of Laurier avenue bridge and filling and grading of Rideau canal basin.)

1928-29, $1,328,078.75. (Purchase of properties in block bounded by Sparks, Elgin, Queen and canal, valuation, compensations, legal fees, etc.)

1929-30, $130,749.78. (Birkett lease expropriated, grading, landscaping, etc.).

Total, $1,639,783.07.

2. (a) $147,000 (Exchequer Court award).

(b) Leased for 99 years from September 4, 1940, at $5,000 per annum. The lease provides that the company pay all charges, taxes, rates and assessments which shall, during the term, be charged upon or payable in respect to the demised premises, and that the hotel building be vested in the Crown on the termination of the lease.

3. (a) Yes.

(b) The Exchequer Court award in each case was as follows: Estate of John Bishop, $11,500; Laurentian Realty Company, $145,000; H. G. Colin Campbell, $71,000; Ottawa Amateur Athletic Association, $76,000; Elgin Realty Company, $497,500; Mary Franklin, $21,200; Laurentian Club, $12,750.

4. Yes, for Confederation Park. No, for boulevard roadways on Elgin street.

5. No.

6. The Federal District Commission landscaped the hotel grounds and restored the grass strips fronting the hotel on Elgin street at the cost of the hotel company.

7. No.

8. The Federal District Commission is aware that the grass strip adjoining sidewalk on west side Elgin street between Queen street and Albert street has been damaged. It is difficult to correct this condition while the buildings facing Elgin street in this block are used for war business, with resultant parking of cars and service deliveries in connection therewith on Elgin street.

9. Yes, $292,796.78.

INCOME TAX CONVENTION BETWEEN CANADA AND UNITED STATES

NOTICE OF MOTION

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

That it is expedient that the Houses of Parliament do approve of the convention and protocol entered into at Washington on the 4th day of March, 1942, by the Government of Canada and the Government of United States of America concerning rates of income tax upon non-resident individuals and corporations, the avoidance of double taxation, the prevention of fiscal evasion in the case of income tax, and the exchange of certain fiscal information, and that this House do approve of the same.

Hon. Mr. BALLANTYNE: Honourable senators, there are two points I should like the Minister to throw some light upon. Canadians who pay a sizable income tax have been allowed to deduct the United States tax of 27½ per cent, and I notice in the remarks of the Minister in another place that refunds will be made. How will these refunds be made? And how will Canadians who have already had the 27½ per cent deducted from their income tax be dealt with?

Hon. Mr. KING: I think the arrangement is that United States corporations will return to Canadian investors the amount of taxation over and above the rate now fixed.

Hon. Mr. BALLANTYNE: Will the Government raise no objection in regard to those who have already benefited by the 27½ per cent deduction?

Hon. Mr. KING: Benefited?

Hon. Mr. BALLANTYNE: Yes.

Hon. Mr. McRAE: I should think it would be obvious that the Government might be expected to revamp the return for 1941 so that our income tax would apply to the exemption allowed on the tax already paid in the United States. Canadian taxpayers, when they get a refund on the 27½ per cent deduction made in the United States, will be so much ahead, unless the Government of Canada collects a percentage as tax on that refund.

Hon. Mr. BALLANTYNE: I should like to get that statement direct from the Minister.

Hon. Mr. KING: I think that is the understanding. However, I am only giving notice of motion now, and the point raised by my honourable friend opposite will be open for discussion to-morrow. The benefit which the individual receives in the refund from the American corporation will undoubtedly be taxable when it appears in his 1941 or 1942 tax return.

Hon. Mr. BALLANTYNE: I do not want to rise too often, but that explanation is not clear enough for me.

Hon. Mr. KING: That is the information given me.

Hon. Mr. COPP: There is only a notice of motion now before the House. The time for discussion will come to-morrow.

Hon. Mr. McRAE: I think if the honourable leader of the House would ascertain from the Treasury Department how the refund will be dealt with, the explanation could be given to the Senate to-morrow, and there would be no disappointment throughout the country.

Hon. Mr. KING: I think the Minister cleared up the matter in the other House.

DIVORCE BILL

SECOND READING

On the Order:

Second Reading Bill P3, an Act for the relief of Leah May Jarvis Traver.

Hon. C. W. ROBINSON: Honourable senators, this motion was allowed to stand over for the convenience of an honourable senator. He is not in his seat to-night, and I do not know whether it is desirable to let the motion stand over again.

Hon. Mr. HARDY: No.

Hon. Mr. ROBINSON: I think it is up to the honourable senator to be ready to discuss the motion. I move second reading of the Bill.

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

BUSINESS OF THE SENATE

Hon. Mr. KING: Honourable senators, it is disappointing to find there is no other business on the Order Paper. We had hoped to deal with a number of bills to-night, but unfortunately there has been delay in another place. However, I believe legislation will reach us to-morrow. I move that the Senate do now adjourn.

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

THE SENATE

Wednesday, June 10, 1942.

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

Prayers and routine proceedings.

WAR APPROPRIATION BILL NO. 2

FIRST READING

A message was received from the House of Commons with Bill 95, an Act for granting to His Majesty aid for national defence and security.

The Bill was read the first time.

LOAN BILL

FIRST READING

A message was received from the House of Commons with Bill 96, 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.

CANADA EVIDENCE BILL

THIRD READING

Hon. Mr. KING moved the third reading of Bill 66, an Act to amend the Canada Evidence Act.

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

INCOME TAX CONVENTION BETWEEN CANADA AND UNITED STATES

RESOLUTION OF APPROVAL

Hon. J. H. KING moved:

That it is expedient that the Houses of Parliament do approve of the convention and protocol entered into at Washington on the 4th day of March, 1942, by the Government of Canada and the Government of United States of America concerning rates of income tax upon non-resident individuals and corporations, the avoidance of double taxation, the prevention of fiscal evasion in the case of income tax, and the exchange of certain fiscal information, and that this House do approve of the same.

He said: Honourable senators, this motion becomes necessary in order that the Parliament of Canada may formally approve of the convention and protocol for the avoidance of double taxation and the prevention of fiscal evasion in respect of income tax.

It might be well to review briefly the history of these extraterritorial taxes. In 1933, for the first time, Canada imposed a 5 per cent tax deduction in respect of dividends and certain interest payments leaving the country. It was not until three years later that the United States imposed a corresponding tax deduction at the rate of 10 per cent. In 1936, as a result of negotiations, a convention was entered into between the two countries whereby parity of deduction was brought about and the tax fixed at 5 per cent. That rate remained in effect until April, 1941, when Canada increased her tax on dividends arising in the United States to 15 per cent. This automatically abrogated the convention. At that time the law of the United States required a tax deduction of 16½ per cent. In 1941 this tax was raised to 27½ per cent, and during the last three months of 1941 it was deducted at the source from dividends or interest originating in the United States and payable to Canadian resident holders of United States securities.

The discrepancy between the 27½ per cent tax imposed by the United States and the 15 per cent levied by Canada became the subject of negotiation with a view to parity of deduction. The agreement arrived at is embodied in the present convention. Broadly speaking, it reduces the United States tax deduction at the source from 27½ to 15 per cent, which brings it into line with our tax deduction.

Certain extraterritorial features are eliminated. By way of example: the United States law imposed a tax on any Canadian company 50 per cent or more of whose revenue was derived from sources within the United States, if the income was accumulated by a recipient Canadian company, and a Canadian who received dividends from a Canadian company which got 50 per cent of its revenue from the United States was liable to taxation under the United States extraterritorial law. We are excluded from those provisions by the agreement.

Prior to 1936 the United States revenue officials undertook to collect taxes from Canadians who had dealings, through Canadian brokerage houses, with the stock exchanges of the United States. Many claims ante-dated 1929. It was represented that profits or gains made on the sale of securities would be taxable. In many cases the claims were resisted by Canadian taxpayers on the ground that they were not carrying on business in the United States, and were not subject to the revenue laws of that country. For a time the United States authorities ceased to press these claims, but in 1932 they again undertook to enforce their laws, insisting on the right to tax such transactions. This convention provides for the settlement of these claims on the basis of the 1936 tax rate of 5 per cent in respect of any dividends or interest received from United States securities; and there will be no claim in respect of any capital gains on stock market transactions.

It should be noted that any person in Canada who wishes to take advantage of this convention must within two years from the date of the convention apply to Washington for a settlement on the basis outlined. If he does not do so, the law as formerly asserted by the United States may again be imposed against him.

It is pointed out that if a United States company doing business in Canada, or vice versa, is being taxed on more than 100 per cent of its profits, by reason of the apportionment of profits, it can ask for a conference between representatives of the two governments with a view to securing an adjustment.

The convention also provides for an exchange of information pertaining to the payment of dividends, interest and other fixed periodic payments; and, finally, if the authorities of one of the contracting states are under the belief that the other country is being used as a basis of perpetrating fiscal fraud, a request may be made for special information in relation to the person who is believed to be committing the fraud.

There are minor features of the convention which are self-explanatory. Charitable organizations, if they come within the terms of the American law, are exempted.

The convention will be beneficial to all Canadians who receive income from sources within the United States, not only in the tax reduction from 27½ per cent to 15 per cent, but by reason of the fact that they will have returned to them the amount in excess of 15 per cent that has been collected since April, 1941. It will also be beneficial to the revenues of Canada, inasmuch as amounts which have been deducted in the United States from income taxable in Canada will now come to Canada and be taxable here.

I think that is all I have to say in regard to the resolution.

Hon. C. C. BALLANTYNE: Honourable senators, in view of the complete and full explanation the Minister has been good enough

to give to the House, I for one can take no objection to the convention. I think it is a very good thing that we have made such an arrangement with our neighbours to the south, and I am satisfied that it will work out beneficially to both sides. The convention, when it becomes law, will be especially helpful to the Canadians who, in a small way, have bought American securities. Heretofore 27½ per cent was deducted; now the deduction will be only 15 per cent. I have great pleasure in giving my entire approval to the convention.

Hon. A. D. McRAE: Honourable senators, I think the convention is a splendid working arrangement. The United States Government last year increased its withholding tax to 27½ per cent for the obvious reason that securities held in the United States by people of other countries, particularly of Europe, were not contributing sufficiently to the war, and that tax was probably the one avenue through which it could get a substantial contribution from foreigners who were taking advantage of the American investment market for securities. As the honourable leader has stated, the previous convention was nullified by our increasing the Canadian tax to 15 per cent; so we were left in the same position as Europeans investing in the United States and became subject to the deduction of 27½ per cent.

It would have been very natural for our Government, in the new budget, if the present arrangement had not been made, to increase its withholding tax from 15 per cent to 27½ per cent; and I think it is not amiss to state that to do so would have been very advantageous to the treasury of Canada. As it is said, there is eight times as much American money invested in corporations in Canada as there is Canadian money invested in the United States; consequently, by making our withholding tax the same as the American, we probably could have brought back to our treasury eight times as much as we should have had to pay out through the deduction made on the other side of the boundary. I think that is clear. So, from the point of view of the treasury alone, the logical thing would probably have been for us to increase our tax rate to make it equal that of the United States—a procedure to which no objection whatever could have been taken.

On the other hand, a good many complications have arisen under these withholding taxes. Smaller investors have been obliged to suffer, inasmuch as the withholding tax in the United States was more than the withholding tax here. This adjustment corrects that, at least to some extent.

Hon. Mr. BALLANTYNE: I was interested in the remarks of the honourable leader in regard to what are called capital gains, for which claims have been made in the United States for a number of years. I notice that those who have not settled heretofore can now settle on the basis of 5 per cent. What I am interested in, however, is whether the provision is retroactive, and whether those who have met the demands of the United States can now state their case with any hope of getting a refund, so that all may be treated alike.

By and large, I think this convention is desirable, and I see no objection to it except for the one point I have raised. If the honourable leader could find out about that for us, I am sure it would be of interest to many people who have paid the tax.

Hon. Mr. KING: I do not think those who have paid will get a refund.

Hon. Mr. COPP: They can make their claims, I suppose.

The resolution was agreed to.

TRAVER DIVORCE BILL

THIRD READING

Hon. C. W. ROBINSON moved the third reading of Bill P3, an Act for the relief of Leah May Jarvis Traver.

He said: Honourable senators, in moving the third reading of this Bill I have thought it advisable to put on record something as to why the committee recommended its passage.

The petitioner, Mrs. Traver, is 47 years of age; the respondent, Mr. Traver, is 51. They were married in April, 1927, and lived together until 1933. In 1933, as Mrs. Traver stated in evidence, conditions became unbearable and she could not live with her husband; and in October of that year a judgment was rendered by the Superior Court in Quebec, separating the parties as man and wife.

Mrs. Traver stated in evidence that her husband never supported her; that she was taking roomers, and going out at night to look after other people's children; that she sold coal on a commission basis and Mr. Traver collected the money due her, before she had a chance to collect it herself; and that her life as a wife thus became unbearable.

On page 12 of the evidence the statement will be found that Barney Tulin, an investigator, and his associate investigator, Camille Mancini, were at Lake Gratton, Quebec, on October 10, 1941. Both these investigators said that at about 11.30 p.m. they got to the shack where Mr. Traver was living, they knocked on the door, and a dog was barking inside. They both stated that after some little discussion

Mr. Traver opened the door; that they got into the shack; that there was only one room in the place; that there was just a double bed, and that a woman was covered up in the bed.

Later evidence from the respondent, Mr. Traver, and also from a Mr. Charles Budd (page 33 of the evidence) would appear to prove conclusively that this shack in the woods—one, it is said, of about eighty similar shacks—was not a one-room shack or cottage, but that there were three or four rooms in the place.

The two investigators also stated, and repeatedly insisted, that when Mr. Traver opened the door and let them into the shack he turned on an electric light. Later evidence appeared to show conclusively that there were no electric lights within five miles of that particular spot.

From the evidence of the detectives it would appear to be possible that they did not get into the shack at all, but only saw the inside of the shack through the open window when Mr. Traver was turning a flashlight on them and answering their questions.

Later it was sworn by Mr. Traver that Miss Empey was not at the shack on October 10, 1941, but had gone away some days previously.

By reference to page 27 of the divorce proceedings it will be noted that Mr. Traver admitted he and Louise Empey lived in this shack for many weeks or months. This being the case, and the background being that man and wife had been separated since 1933, divorce appears to be duly warranted.

It should be here noted that Mr. Traver himself admitted that this cottage or shack was about eighteen feet by eighteen feet, and (on pages 26 and 27 of the report) that he and Miss Empey lived there during the summer time. He said that she had her portion of the house and he had his. When asked who did the cooking, Mr. Traver answered, "She does it part of the time, and stays in bed until 11 in the morning, and I usually get my own breakfast."

Regardless of the inaccuracies of the two investigators, the committee recommended the divorce. In coming to this conclusion the committee was influenced by the fact that the parties are already separated by a judicial decision of the courts. It may be noted also that the respondent has not been contributing to the support of his wife; and, on the order of the committee, his expenses to Ottawa were paid by her. His attitude did not impress the committee favourably.

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

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 Q3, an Act for the relief of Barbara Patricia Strange Wolfe.

Bill R3, an Act for the relief of Bella Miller Keller.

Bill S3, an Act for the relief of Effie Euphemia Shannon Monette.

Bill T3, an Act for the relief of Elsie May Cape Newman.

Bill U3, an Act for the relief of Bella White Wolfe.

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

THE SENATE

Thursday, June 11, 1942.

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

Prayers and routine proceedings.

PRIVATE BILL

THIRD READING

Bill B3, an Act respecting certain transmission and distribution lines of Saguenay Transmission Company, Limited, Saguenay Electric Company and Aluminum Power Company, Limited.—Hon. Mr. Copp.

NAZI DESTRUCTION OF CZECH VILLAGE OF LIDICE

DISCUSSION

On the Orders of the Day:

Hon. A. K. HUGESSEN: Honourable senators, before the Orders of the Day are called, I wish to direct the attention of the Senate to a matter of urgent national and, indeed, I think, international importance arising out of what we read in our newspapers this morning. I refer to the obscene crime of the Nazi destruction of the Czech village of Lidice. May I read the official German radio announcement on the subject as reported in this morning's Montreal Gazette:

> All male grownups of the town were shot, while the women were placed in a concentration camp, and children were entrusted to appropriate educational institutions.
>
> The township was levelled to the ground, and the name of the community extinguished. The inhabitants of Lidice, near Kladno, number 483.

Words, of course, are quite insufficient to describe the horror that every one of us feels at this crime, and to express our deep commiseration with the inhabitants of the unfortunate land of Czechoslovakia, and also with those in this country who are of Czech blood and ancestry.

But it is not for that purpose that I have risen this afternoon. It is to make a suggestion by which this foul outrage can be avenged and its repetition perhaps prevented. I hasten to say that this is not a suggestion originating with myself. It was made about a week or ten days ago by that well-known columnist Dorothy Thompson in her daily column; and no doubt a number of honourable senators have read it. But it derives additional significance from the crime of Lidice. It is a suggestion which is made possible by the great and growing superiority of the Allied Nations over the air of Western Europe.

It is this. The Allies should now announce over every radio, to occupied Europe and to Germany, that Lidice has been destroyed, and that they intend to take immediate vengeance by bombing out of existence one or more villages in the heart of Germany. The general districts in which these villages are situated should be specified, but not, of course, the villages themselves. That would ensure a general state of terror and alarm throughout the districts mentioned. Then the Allied forces should proceed at the first favourable opportunity to wipe out a German village in each of these districts. After that they should make the widest possible announcement over the European radio of what they have done and why they have done it, and give notice that it will be done again if the Nazi authorities perpetrate any further crimes like the crime of Lidice.

Quite apart from the question of vengeance, as Miss Thompson says, such a course of action would have two obvious advantages. Firstly, if anything will deter the Nazis from repeating this crime, that will do it. Their own people will have suffered as a direct result of their action, and every village throughout Germany will have a vital interest in preventing a repetition. Secondly, and far more important, it will have a great effect on the morale of the conquered peoples of Europe. They will know and will realize that their sufferings are being watched by powerful allies, and that each specific crime committed against them by the masters of the German people is being at once avenged in kind upon the German people.

After all, honourable senators, these Czechs are our allies. We count on them now for acts of sabotage against the German forces, and we shall have to count on them still more when the Allied Nations invade the continent of Europe, as they inevitably will. I say we count on them. They in turn have a right to count on us. We are in honour bound to do everything we can to bolster their morale, to show them that their heroic struggle is not in vain, and to encourage them to go on. That is one thing that our military chiefs can do now, and that is why, it seems to me, Miss Thompson's suggestion should now be brought to their attention. It is, of course, merely a suggestion. No civilian could do anything more than make a suggestion to the Allied military authorities. No civilian is in a position to judge and properly estimate all the factors of material, power, munitions and so forth that are involved. Therefore it can only be a suggestion coming from the civilian population. But I think I can confidently say this: if the Allied military authorities decide to adopt such a course, it will meet with the enthusiastic approval, not only of this House, but of this country.

Hon. J. A. CALDER: Honourable members, may I say a word in reference to this matter which has just been brought up? I am sure we are all absolutely horrified at what took place and has been reported. When I read it in the Press I could not help saying to myself, "Something must be done to stop what is occurring in the world." I had not read Miss Dorothy Thompson's article and did not know that she had made the suggestions just referred to.

The United Nations have very distinctly told Germany that if she uses gas, they will use gas in abundance. We all know what the use of gas means, and the results of it. Briefly, what the United Nations have done is this: they have simply said, "You shall not use that horrible thing and cause those terrible sufferings which result from gas; but if you do use it, you shall be punished." In the same way the Allied Nations have served very definite notice on Japan. Japan has been using gas on civil populations. Gas could not be used over England to any great extent without reaching the civil population.

Well, to my mind, this horror that is occurring in Europe is worse than any gas used in war, and I thoroughly agree with what the honourable gentleman from Inkerman (Hon. Mr. Hugessen) has said, that it is time to do something about it. We do not like the idea of vengeance, but how in the world are these horrible things to be stopped unless the people who are doing them are taught a lesson? They would never be stopped; they would go from bad to worse,

as they have done already. The United Nations must tell Germany and her allies very definitely that they cannot do these things unless they are prepared to take the consequences. And let us see to it that, if the things are done, the consequences shall be applied. What action should be taken and how it should be taken, I do not know, but I am thoroughly in sympathy with the idea that has been put forth by the honourable senator from Inkerman.

WAR APPROPRIATION BILL NO. 2

SECOND READING

Hon. J. H. KING moved the second reading of Bill 95, an Act for granting to His Majesty aid for national defence and security.

He said: Honourable senators, usually this House does not spend a great deal of time on financial bills coming from the House of Commons, but this measure is a little different from the ordinary supply bill, in the fact that it provides the appropriation which the Government is asking Parliament to grant for carrying on Canada's war effort during the fiscal year ending March 31, 1943. The appropriation for our direct war expenditure during the year will amount to two billion dollars, less the $500,000,000 which we voted before Easter in an interim supply bill. It will also be remembered, and I think I should refer to it, that at that time we passed what is known as the War Appropriation (United Kingdom Financing) Bill, providing one billion dollars. A small portion of that appropriation had been expended during last year. The rest will be used this year to finance Great Britain's purchases in Canada of foodstuffs, munitions and so forth. So in these two Bills the Canadian Parliament is voting this year three billion dollars to be used directly or indirectly for war purposes.

An examination of the Bill will show that, in the first place, it votes at this time a maximum of two billion dollars for war purposes; secondly, that it authorizes the Governor in Council to borrow, by the issue and sale of securities, up to two billion dollars, to pay for any of the expenditures covered by this Bill and the War Appropriation Act No. 1; and, thirdly, that it empowers the Government to act as agent of any British or Allied Government and in this capacity to incur temporary obligations or costs, which are recoverable from the Government concerned

In introducing this measure to the other House, the Minister of Finance indicated the allotment that would be made to each of the war departments. I think it would be well to place these figures on our Hansard. They are as follows:

National Defence		
Army Services....	$997,000,000	
Naval Services...	259,000,000	
Air Services.....	585,000,000	
Sundry	21,000,000	
		$1,862,000,000
Munitions and Supply.....		355,000,000
		$2,217,000,000
Less duplications and recoverable items, say.....		150,000,000
Leaving for total Defence and Supply departments.....		$2,067,000,000
War expenditures for other departments		146,000,000
Total.....		$2,213,000,000

This Bill provides for only two billion dollars, but, as the Minister explained, if it is found, as it probably will be, that larger sums are required, he will be in a position to come to Parliament before the end of the year and ask for supplementary appropriations. One can well understand that in these uncertain times it would be very difficult to estimate accurately the expenditures necessary in our war effort.

In a statement made to the House of Commons on March 26, the Minister of National Defence gave a break-down of the amount allotted to his department, for Army Services, $997,000,000. The break-down is as follows:

1. Canadian formations and functions, at present overseas, including increments to same....	$494,746,183
2. Canadian formations and functions to be sent overseas during the fiscal year 1942-43.....	135,374,238
3. Coast defence, special detachments, guards for vulnerable points and other operational functions in Canada.....	166,095,931
4. National Defence headquarters and district services, including depots	41,696,443
5. Training and reinforcement functions in Canada, Active Army and National Resources Mobilization Act	74,748,414
6. Reserve Army, C.O.T.C's and reserve units of Veterans' Guard of Canada.....	30,154,575
7. Miscellaneous army activities in Canada, including C.W.A.C. ...	9,989,216
8. Revotes of funds already committed	43,600,000
9. Training equipment not provided elsewhere	595,000
	$997,000,000

On May 7 the Minister of National Defence for Naval Services presented to the other House a statement which I think it would be wise to incorporate in Hansard of the Senate.

The total amount asked for Naval Services, $258,542,713, he divided, in round figures, as follows:

Civil salaries and wages	$ 3,768,000
Pay and allowances	53,195,000
Travel and transportation	2,585,000
Operating expenses of properties	1,455,000
Ships: acquisition by purchase, construction, charters, repairs and upkeep	80,153,000
Equipment division components	3,923,000
Purchase of new machinery and repairs to buildings and machinery	2,874,000
Buildings: acquisition, construction and purchase and rental of land and buildings	21,955,000
Stores, equipment and supplies	52,720,000
Armament stores	34,166,000
Sundries	1,743,000

I notice that a few days ago an eminent naval authority visiting this country stated that the growth of the Canadian Navy since the beginning of the war had been almost a miracle.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: I am sure those of us who have familiarized ourselves with the development of our Naval Services will share his view. As is well known, at the beginning of the war we had some fifteen ships available, and officers and men numbered about 1,700. To-day we have some hundreds of ships, and officers and crews total more than 20,000. I understand that within the year more volunteers and ships will be added. Our naval forces are engaged day and night in protecting our coast-line and in the important duty of convoying transports across the Atlantic. The services thus rendered are, I think, such as Canadians may well be proud of.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: In the House of Commons on May 12 the Minister of National Defence for Air made a break-down of the Estimate of $625,462,892 allotted to his department, as follows:

Joint Air Training Plan	$344,267,745
Home war	247,139,903
Overseas war	33,905,244
Departmental administration	150,000

Of this total there will be repayments from Australia and New Zealand amounting to $40,000,000, reducing the expenditure to $585,462,892.

The Minister for Air, in a further statement, gave an additional break-down of this total as follows:

Pay and allowances—	
B.C.A.T.P.	$106,217,454
H.W.E.	25,505,615
Overseas	26,034,937
Total	$157,758,006
Construction and improvements—	
B.C.A.T.P.	$ 25,966,199
H.W.E.	28,877,825
Total	$ 54,844,024
Aircraft engines and spares—	
B.C.A.T.P.	$ 36,785,986
H.W.E.	134,969,419
Total	$171,755,405
Clothing and necessaries—	
B.C.A.T.P.	$ 15,081,560
H.W.E.	3,322,505
Overseas	6,240
Total	$ 18,410,305
Miscellaneous stores—	
B.C.A.T.P.	$ 12,083,550
H.W.E.	10,171,669
Overseas	3,000
Total	$ 22,258,219
Rations—	
B.C.A.T.P.	$ 14,008,888
H.W.E.	2,782,475
Total	$ 16,791,363
Bombs and ammunition—	
B.C.A.T.P.	$10,843,950
H.W.E.	6,363,222
Total	$ 17,207,172
Aero gas and oil—	
B.C.A.T.P.	$ 16,721,610
H.W.E.	3,918,000
Total	$20,639,610
Overhaul of aircraft and engines—	
B.C.A.T.P.	$ 27,206,609
H.W.E.	7,645,774
Total	$ 34,852,383

We are all familiar with the fact that the British Commonwealth Air Training Plan has been a tremendous undertaking. Only recently the United Nations opened an Air Training Conference in this Chamber. Subsequently committees were formed to consider co-ordinating the air training of the various Air Forces, to enlarge the general plan and arrange for its continuation up to 1945.

We have learned with pride that flyers of the Royal Canadian Air Force have recently been engaged with the British Air Forces in the tremendous bombing raids over Germany.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: As to the original Air Training Plan, I notice this morning in the Press a rather interesting statement which I should like to place on Hansard. The Right

Hon. Malcolm MacDonald, British High Commissioner to Canada, in addressing the Canadian Club in Toronto last week, had this to say:

> Two years ago Prime Minister Winston Churchill was inclined to underrate the importance of the Commonwealth Air Training Plan in Canada, believing that other things were more important and powerful items in the war plan. But to-day Mr. Churchill believes it to be one of the greatest and most irresistible forces at our command.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: I should like to direct the attention of honourable senators to the rapid increase in our war expenditures since 1939. For the fiscal year 1941-42 the Estimates showed total war expenditures of $1,431,000,000, as against a total of only $118,000,000 for the fiscal year ending March 31, 1940. A comparison of these figures shows how rapidly our war effort has been growing and its cost increasing. Honourable members may recall that the total cost to Canada of the last war was estimated at about $1,680,000,000. This year we are likely to spend on our direct war effort alone substantially more than the total cost of the last war.

If we examine the Bill in detail we shall find that section 2 is the main operative section. It provides for the grant of $2,000,000,000, less the sum already voted, towards defraying any expenses or making any advances or loans that may be incurred or granted by or under the authority of the Governor in Council during the year ending March 31, 1943, for war purposes. In this section provision is made for the allotment of funds by the Treasury Board. It has been found that in practice it is desirable to provide that the Treasury Board shall check estimates and allot funds after the Governor in Council has approved of the principle of specific projects. It may also be noted that any money received as a refund or repayment of any advance, loan or expenditure made under the authority of previous War Appropriation Acts or of the new Act may, with the approval of the Governor in Council, be expended, advanced or loaned for the purposes mentioned in the Bill.

Section 3 enables the Government of Canada to act as the agent of the Government of any British or other Allied country for any purpose which will aid directly or indirectly in the prosecution of the war, and any obligations or costs incurred temporarily or assumed by the Government of Canada, acting in its capacity as such agent, may be paid out of any unappropriated moneys in the Consolidated Revenue Fund. This provision, which is subsection 1 of section 3, has been in all War Appropriation Acts since the beginning of the war. Subsection 2 has been added in the present Bill to make it possible for the Government to advance funds for the payment temporarily of expenses that may be incurred by Government-owned corporations set up to place orders for any British or foreign country allied with His Majesty. It is understood that this is desired primarily to enable the Government to advance funds to War Supplies Limited, a Government-owned corporation which accepts war contracts from United States Government agencies. The Corporation must be enabled to make progress payments to Canadian manufacturers, and when the project has been completed and delivered to the United States agency it will be recouped for the payments so made.

Section 4 is a standard clause giving the power to borrow, if necessary, for the purposes of the Act up to a maximum of $2,000,000,000.

Section 5 merely gives the Governor in Council power to make such orders or regulations as may be deemed necessary to give effect to the purposes of the Act.

And section 6 provides that when the Treasury Board has made an allotment of any part of the appropriation to provide for the cost of any service, the Minister of Finance shall cause an accounting record to be maintained in a form that will disclose the financial commitments entered into and the expenditures made.

With this explanation I move second reading of the Bill.

Hon. C. C. BALLANTYNE: Honourable senators, as the honourable leader has pointed out, it is a well-known fact, in theory at least, that this Chamber has not authority to alter a money bill. Furthermore, we should have no desire to do so, especially in this case, when the $2,000,000,000 is required principally for war purposes. I think I am safe in saying, however, that never before has there been placed before Parliament a money bill that covered so wide a field, including, as it does, not only the three fighting services, but also price control, subsidies, and other expenditures that you see listed on the last page of the Bill.

The present Prime Minister said to me not long ago that he regretted that senators were not more active in debate when legislation came before this House. There is a fine opportunity here for honourable members to enter into debate in regard to the subjects I have just mentioned. Every senator in this Chamber has a special knowledge of not only one particular problem, but many. Therefore,

if this afternoon there is a more general debate than usual, I for one shall be much pleased.

I rise, however, this afternoon for one particular purpose. The greatest problem that confronts Great Britain and her gallant Allies at the present time is the shortage of shipping. All the American ocean ports, including those of Canada, are chock-a-block with war equipment and supplies, as are also the railways in both countries, as the result of a great bottleneck caused by a shortage of shipping space. I regret that the Minister of Munitions and Supply has been so reticent in giving information with regard to our shipbuilding programme. In fact, he has, so to speak, drawn a veil of secrecy over it. I cannot understand why he should do so, in view of the fact that his colleagues in the Government, such as the Minister of Defence, the Naval Minister, and the Minister of Defence for Air, give out full information about the men in the three combined forces, both here and overseas. As a matter of fact, only a few weeks ago the Minister in charge of Naval Services visited Halifax to drive rivets in the keels of two destroyers on which construction had just been commenced, and he was not as modest as my friend the Minister of Munitions and Supply: he had movie-camera men there, and reporters, and the widest publicity was given to the laying of the keels for these destroyers. I am not sure, myself, that that was the wise thing to do. While it may be all right to give out information about cargo ships, I doubt if it is wise to do so about naval construction, especially when the ships are being built in the most vulnerable port of Canada.

I desire to read a very brief article to show what wide publicity the American Press gives to the shipbuilding programme in the United States. The heading of this article is: "With the Victory Fleet. Let's go." Then there is a song which I will not read. The article says:

> Morale building is the big idea behind observance of Maritime Day this year, and this whole shipbuilding programme is something to give your spine a tingle. It is not just something to celebrate on salt water, either. . . . Not completed ships, of course, but completed subassemblies. For, thanks to American assembly line production genius, the building of ocean vessels now begins with the making of lifeboats, complete with oars and ready to swing from the davits, at Kokomo, Indiana; the making of steel plate assemblies at Denver, the making of switchboard installations at Plainfield, Connecticut, the making of turbines at Schenectady, N.Y., and so on.
>
> A full million men are building parts of ships at these inland plants—parts so complete they can be timed to arrive just when they are needed, hoisted into the hulls of the shipyard ways, riveted or welded into place and be ready to function.
>
> These million workers are just as much entitled to break a bottle of champagne over a boiler or a reciprocating engine, give a cheer and sing the song of the Victory Fleet, as their fellow workmen at tidewater.
>
> Perfection of this technique for shipbuilding has done wonders. Originally it was figured that six months—one hundred and eighty days—would be required to build a Liberty ship from keel-laying to commissioning.
>
> But the time was soon cut to one hundred and five days, and as a record of eighty-three days has been set, marine engineers now figure that the average time will soon be ninety days. That's building ships, Mister, in any language.

Let me discontinue for a moment to say that out in one of the California yards, not long ago, the building of a 10,000-ton Liberty ship took only forty-five days from the time of the laying of the keel until she was fully commissioned and ready to go to sea.

> By the end of 1943 it will be three thousand new ships completed. Half of them, one thousand five hundred, will be the 10,000-ton Liberty ships that started out to be called ugly ducklings. Five hundred will be the modern C-type vessel that will form the nucleus of America's post-war merchant marine. Three hundred will be tankers. Seven hundred will be smaller ocean tugs and barges.
>
> Small wonder, then, they sing the interlude to this new song of the Victory Fleet.

I quote that merely to show that the United States authorities do not hold the same view that my honourable friend the Minister of Munitions and Supply does. They give the fullest information of what they are doing in regard to the construction of ships.

Hon. Mr. KING: I do not wish to interrupt the honourable gentleman, but I think I should interject here that Mr. Howe informed me just recently that he is under obligation to the British and American Governments, for whom the majority of these ships are being built, not to disclose the number.

Hon. Mr. BALLANTYNE: I am coming to that. If Mr. Howe does not disclose it, perhaps I may state that the Chairman of the Shipbuilding Committee does.

Hon. Mr. KING: He may have erred.

Hon. Mr. BALLANTYNE: Oh, no. Here is what the Chairman said in making a speech before the Canadian Club in Montreal. He said the Canadian Government had contracted for one hundred and seventy-two ships, eighteen being of 4,600 tons, and the rest of 10,000 tons. That is the Chairman's statement.

Hon. Mr. SINCLAIR: What is the date of that?

Hon. Mr. BALLANTYNE: A few weeks ago.

In addition to that, the Chairman of the Shipping Board came back from Washington and announced that he had an order from the

United States Government for 125 ships to be built in Canada and paid for under the Hyde Park agreement. There does not seem to be very much co-operation between the Minister and the Chairman.

Hon. Mr. COPP: The information being given, it does not much matter who gives it, I suppose.

Hon. Mr. BALLANTYNE: There is nothing secret about the building of cargo ships, and my honourable friend will agree, I think, that Parliament has a right to know how this shipbuilding programme is going. It is the duty of the Minister to tell Parliament from time to time, in a full and complete way, what he is doing and how he is getting on, just as it was my privilege to inform Parliament during the last war.

Now I quote a few brief statements the Minister made recently. I will give the best one first:

We have perhaps two yards in Canada that are fully manned; the other seventeen yards are still in process of expansion. One new large six-berth yard in Montreal laid down its first keels last week. At the present time we are launching a 10,000-ton merchant ship every four days, and we expect later on to bring this period down to three days.

He does not make very long statements. Then again, in referring to the type of 10,000-ton cargo ships that we are building to-day and the statement that it might be greatly improved, he said:

I may say that this ship was designed particularly to meet present-day war conditions. All the designers in England pooled their ideas to produce the design, which came from England, and I might say that in the United States and in Canada that design was accepted with very slight modifications. I understand that the Liberty ship in the United States is slightly, but only very slightly, different from the 10,000-ton freighter which we are building in Canada. Both follow the design which is being used in England for common-type cargo ships.

I have only one more statement, but I think honourable members will be interested in hearing from the Minister himself. He said, speaking in another place:

I might give the committee some information which would be of interest. To-night at midnight two West Coast yards are each launching a 10,000-ton freighter. One of them was completed at the yard, in every way, in eighty days from the time the first piece of steel was laid for the keel. That is a record up to this date. Those two shipyards have just begun a three-shift, seven-day-week operation. They are the only two yards we have been able to staff up fully. I expect that later launchings will show a still shorter time of construction up to the point of launching. However, as I have said to the committee, we are at the present time delivering one ship, complete for sailing, every four days.

Then he makes this further statement:

The industry is constantly expanding. We never close the door on any industry; we are always expanding. We have laid keels in a new six-berth yard within the last week or two in Montreal. We are expanding berths at Vancouver Island, and we are also bringing in new berths at Pictou and Sorel. We attempt to fully staff one yard before we start on the next. We have made mistakes; we have opened new shipyards too soon. Once a yard is fully staffed and on a full-time basis—we have only two yards in the country on that basis—it may be worth while to start another yard; but while a yard in a locality is expanding it is not considered good business—and we were so warned by experts from the United Kingdom—to start another yard.

Hon. Mr. COPP: May I ask the honourable gentleman if what he has just been reading is a statement by the Minister?

Hon. Mr. BALLANTYNE: Yes.

I wish to indicate some of the salient points of these very brief statements of the Minister. You will note that he said we had nineteen yards in Canada, and only two of them partially manned.

Hon. Mr. HUGESSEN: Fully manned.

Hon. Mr. BALLANTYNE: Oh, no.

Hon. Mr. KING: Only two fully manned.

Hon. Mr. BALLANTYNE: I do not think he said that.

Hon. Mr. ROBINSON: Would the honourable senator speak a little louder, so that we may hear?

Hon. Mr. BALLANTYNE: I do not think I shall have any trouble in doing that. The Minister said:

We have perhaps two yards in Canada that are fully manned.

My honourable friend is right.

Hon. Mr. COTE: The Minister said "perhaps".

Hon. Mr. BALLANTYNE: Yes. Out of our nineteen yards only two are perhaps fully manned. After the British expert advised the Minister that it would be well not to build any more new yards unless the present ones were manned, it does seem to me a strange procedure for the Minister to be busy erecting new yards now, especially the one that he refers to, the six-berth yard at Montreal.

The Minister makes another statement that I cannot quite understand, though it may be clear to my honourable friend from Westmorland (Hon. Mr. Copp), a Maritimer. He says:

We can hardly build to the capacity of the yards unless somebody is prepared to man the boats when built. The department does not just run wild on a particular type of boat. If, during the next eight months, the plan is to train men for, say, twenty boats, we build the twenty boats. Britain may ask us to build fifty for them; we do it.

I do not see why shipbuilding should be retarded because Canada is unable to man the boats. Every effort should be made by the Government to build cargo ships as speedily as possible, and if more ships are built than we can man, the surplus should be turned over to England, the United States, China or Russia.

I will refer to the contracts that have been awarded for the construction of steel cargo ships in Canada. I may say here that I should not have had this information if my honourable friend from Pictou (Hon. Mr. Tanner) had not placed a question on the Order Paper. In response to his question this information was obtained. In January and April, 1941, twenty-six ships were ordered on account of the United Kingdom, and from May to October of that year seventy-seven ships were ordered on account of Canada. Here is the break-down that was supposed to be so very secret:

Total number of ships now contracted for:

(a) On United Kingdom orders and account—
26 ships, 10,000 tons, dead weight, each, approximately.

(b) On Canada's orders and account—
124 ships, 10,000 tons, dead weight, each, approximately.
18 ships, 4,700 tons, dead weight, each, approximately.

But only two ships have been fully commissioned and sent to sea.

There may be reasons for the strikingly slow progress that has been made in the building of ships, and perhaps the honourable leader (Hon. Mr. King) will be able to enlighten the House when he replies. Possibly there has been a shortage of skilled and unskilled labour, or structural steel, or ship-plate. If any such shortage has been responsible for the delay, would it not have been the right thing for the Minister to say so in the other House?

While I am on this subject of plates, I may say I understand that a new plate mill has been built at Sydney. We have never been informed that that mill is in operation. Why should Parliament not have been informed about that? We have never been told whether or not sufficient plates are being turned out there to take care of the requirements of the shipbuilding programme. I have no desire to criticize unduly or to retard the Government's efforts, but I do strenuously object to the long delay in this important matter of shipbuilding, especially when there is such a fearful shortage of ships. Happily, on the Atlantic ocean the loss has been only one per cent, but in the Caribbean and the South Seas the losses have been very serious. I hope my remarks will lead to a greater effort on the part of the Government, and particularly of those charged with the duty of seeing that ships are constructed. If there actually is a shortage of skilled and unskilled labour, why not have an announcement made over the radio, stating the need for men and the rates of wages? But to go along as we have been going and to receive a statement that after fourteen months only two ships have been put into commission—well, all I can say is, that information is very disappointing to Parliament and to the public.

I may be permitted to make a brief reference to the shipbuilding programme in the last war. We took over all the existing berths, in fourteen yards. We did not spend any money on the expansion of those yards, and we had our ships built at a fixed price. But, as I mentioned at the commencement of my remarks, I understand that this Government has spent vast sums of money on the expansion of shipyards, berths, and so on. I should very much like the honourable leader to tell us the amount that has been spent in this way, and also whether these yards are Government-owned. It would be very interesting to know that. I should also like the honourable leader to tell us, at his convenience, when it is expected the seventeen partially manned yards will be fully manned, and to give us some indication as to when shipbuilding is to be speeded up. Why build seventeen yards, at a cost of millions, and not be able to man them? Would it not have been the part of wisdom to sit down, in the first place, and study the available labour, skilled and unskilled, as well as the possibilities of getting structural steel and ship-plates, and then to expand your shipbuilding programme as you had the men and material to carry it along? I shall be very glad if the honourable leader can show that I am wrong, but it does look to me as if poor judgment was used in launching out quickly and constructing nineteen yards, with the result that I have mentioned.

There is only one more subject I want to touch on. The honourable leader referred to the expansion of the Canadian Navy. I say Amen to all his words in commendation of the Canadian Navy. A splendid effort has been made in connection with the Navy, and there has been a very fine development. But somewhat over a year ago, in this House, I differed with the Minister of National Defence

for Naval Services and urged the Government not to proceed with the construction of destroyers. I will give now the same reasons that I gave then. We have not the necessary expert technicians here, although I understand the Minister went to England and probably has been able to have some experts brought over. A destroyer will cost at least $5,000,000; two of them will cost a sum of $10,000,000. They are armed with 4·7 guns, anti-aircraft guns and torpedoes. Of course, destroyers are needed, but the need for them is not as pressing as it is for cargo ships. Five or six cargo ships, each of 10,000 tons, could be built in a relatively short time for the $10,000,000 that would be spent on two destroyers, whose construction would require two years. My honourable friend the leader (Hon. Mr. King) may not agree with the suggestion I will make now. He has a good deal of influence with his Cabinet colleagues and the Government, and I should like him to urge the Government to stop this destroyer-building business and to put every man, every dollar and every ounce of energy possible into the building of cargo ships.

Hon. CREELMAN MacARTHUR: Honourable senators, Prince Edward Island is considered a pretty poor province. We are the smallest province in Canada and we are getting no consideration from the Government. In the recent plebiscite Prince Edward Island voted Yes; Quebec voted No. Our gasoline ration coupons are good for two gallons each, but Quebec's are good for five gallons. There you are. We have a car ferry which is nothing but a glorified scow. Our $2,000,000 boat went to the bottom, and we can get no satisfaction as to what is being done about replacing it. Now, Prince Edward Island will either go along as one of the provinces of Canada, under Confederation, or it will go otherwise. We will not continue to put up with things as they are. We have no transportation service, and we cannot find out when we are likely to get any. I left home Sunday to get here. There was no train connection at Tormentine, but we got the bus to Moncton. We have no car ferry—nothing. Now, this condition must be remedied; that is all there is to it. We must have our transportation difficulties cleared up. We want honourable members from the Central and Western Provinces to support our claim for better transportation facilities. Either Prince Edward Island will have adequate train and car ferry services, as one of the nine provinces, or she will go out.

Hon. B. F. SMITH: Has the honourable senator the full say for Prince Edward Island?

Hon. Mr. MacARTHUR: I have something to say for it, and you in New Brunswick should also have something to say in our support. I repeat, these Prince Edward Island transportation deficiencies must be made good, and we are looking to honourable members from the West and the Middle West to give us a break. At the present time we are getting no satisfaction whatever.

Hon. C. E. TANNER: Honourable senators, I have something to add to the remarks with regard to shipbuilding so forcibly made by the honourable leader on this side (Hon. Mr. Ballantyne). I think one is quite safe in saying that the cargo-shipbuilding programme of the Government has proven to be the most calamitous and futile of any of its efforts.

Of course, this Bill comes to us after having been discussed for a long time in another place, where relatively few members endeavoured to get information as to how the war effort is being carried on. I endeavoured to follow the proceedings in the other House, and a perusal of the Debates convinced me that it was very difficult for members to get information, not because of any lack of diligence on their part in seeking it, but because those in a position to do so were most reluctant to furnish any information.

I think it is worth while calling attention to the fact that this country has now been at war for two years and nine months—and, mind you, we were not dragged into the war. Of our own volition we declared war, first on Germany, then on Italy. Parliament met and authorized those declarations of war. Then the Government, while Parliament was not sitting, forgot all about the pledges it had given to the country that Canada would never become involved in war with any nation without prior parliamentary approval. What happened? The Government declared war on Rumania, on Hungary, on Finland, and then, right off its own bat, on Japan. It might have been all right for the Government to do so in the absence of the pledges to which I have referred, but, these pledges having been given, it certainly was not all right for the Government to act without parliamentary approval. I often pondered, when the Government declared war on Rumania, and Hungary and Finland, and then on Japan, what plan of action it had in mind. What did it intend us to do—to sit down pat and wait for those nations to invade Canada, or to go out and meet them? I have never heard any member of the Cabinet explain just what the Government intended. Perhaps my honourable friend opposite (Hon. Mr. King) can enlighten us.

Now, as to the futile attempts by members of the other House to secure information from the Government, I would point out this other fundamental fact: the war is being conducted by what, without offence, can be called a hard-shell partisan Government, a Government that recognizes party, party, party first, and then the war.

In the 1940 general election over 2,000,000 of the electorate voted against this Government, and every man and woman of those voters, if above ground to-day, would rush to vote against it again, and their number would be tremendously reinforced. Those 2,000,000 Canadians have no representation in this Government at all. It is a party Government, and the members who represent those 2,000,000 voters fail to get the information they seek, because the Government will not give it to them, and, further, because the war is managed in the East Block and in the party caucus.

I do not know how it is with honourable members on the Government side, but we on this side cannot find out anything from the Government in relation to Canada's war effort. If you ask any question, the Government simply tells you, "Oh, it is not in the public interest to answer the question." The position is hopeless, and I have given up asking for information. I presume that in caucus the Government gives its followers information on Canada's war effort. But the door is shut against the poor, derelict 2,000,000 Canadians scattered all over this Dominion, and represented by a few members in the House of Commons and by some of our newspapers. All we can do is to look around and learn a little by observation.

I have been interested in cargo-shipbuilding ever since the war began. As honourable members know, and as has been pointed out by my honourable friend the leader on this side, shipping conditions to-day are a hundred times worse than they were at the beginning of 1941. In a sentence, they are deplorable. We have not sufficient ships, and as a consequence our ports are crammed with goods. Obviously there is something wrong with that situation. I am credibly informed that as far back as 1937 certain persons friendly to the Government, after earnestly studying world conditions were satisfied, as were many other people, that war was coming with certainty. Before the Prime Minister went to London to attend the Imperial Conference they urged him to keep in mind the difficulties of the last war, and to endeavour, even if he could not get co-operation in regard to our Navy, at any rate to get co-operation with regard to the construction of cargo-shipping. My information is that he referred the matter to another member of his Government, and that gentleman was not interested. The Prime Minister went to the Imperial Conference, but took no action along the lines suggested. Honourable members will recall that on his return to Canada the Prime Minister issued a printed statement in which he described his attendance at the Imperial Conference and, in a self-satisfying paragraph, declared that he had made no commitments on the part of Canada. That was the attitude and the policy of the Government in 1937.

Any person who has access to authentic information with regard to Australia, which was also represented at that Imperial Conference, will know that when its representatives returned home the Commonwealth Government began vigorous preparations for war, by the building of ships and the production of guns, aircraft and munitions, so that by 1939 it was well advanced for the crisis that confronted it. Contrast the policy of the Australian Government with that of our Prime Minister. He comes back to Canada and with great complacency says, "We made no commitments for Canada." No commitments! The only commitment really made between 1935 and 1938 was when $60,000,000 or more was handed over to the then Minister of National Defence. That money was spent, but no man ever saw anything for it in the way of military improvements. No wonder that in 1939 we found ourselves at the very beginning of preparations for war.

Though it is of no use for us without information to attempt to roam over this Bill, we should all be gratified that the people, no matter whether they voted for or against this Government, have displayed a splendid spirit of contribution in money and services, so that Parliament votes without a grumble every dollar the Government asks for. When appeals are made for loans the people flock in and provide the funds that are called for, and the purchase of war savings certificates and war savings stamps goes on every day. The people are all for a total war effort, and they want to be led that way.

But they are not being led that way. The leader does not catch up. The situation reminds me of a little story I heard one time about the Duke of Wellington. He was not always in high favour in London, and a mob of people were rushing to his house, tearing up the paving stones on the way, as honourable senators will remember, to break the windows. An observer, seeing an oldish man

walking along after the mob, accosted him and asked, "Who is the leader of this mob?" The straggler fellow replied, "I am the leader."

Now I come to the shipping business, and I have something which I want to put on record because it corroborates what my honourable leader has been saying. In 1941, on January 8, a man who was in the public service here as Controller of Ship Construction and Repairs, was in the city of Halifax. He was interviewed by a representative of the Halifax Chronicle, which is known to be an historic supporter of the Liberal party. In that brief interview this gentleman made a statement which is reported in the Chronicle as follows:

The naval and ship construction programme cannot be extended to Nova Scotia in any great degree, because you have not got the men nor the facilities for building the steel ships required.

That is what Mr. D. M. Carswell said—"You have not got the men nor the facilities for building the steel ships required."

I saw that statement, and after I came up to Ottawa I undertook to write a letter to Mr. Carswell—and I am going to read that letter. It is dated January 20, 1941, and is as follows:

The Controller of Shipbuilding and Repairs,
Department of Munitions and Supply,
Ottawa, Ontario.

Dear Sir:

I am referring to a news item (copy enclosed) that appeared in the Halifax Chronicle, Halifax, N.S., of the 8th instant. It credits you with saying at Halifax: "You haven't got the men nor the facilities for building the steel ships required." I assume that you had in mind the big steel ships for which Britain has let contracts in British Columbia and on the St. Lawrence.

I agree that at this moment there are not in the province plants to take on construction of such large ships, but that does not dispose of the matter.

I remind you of certain facts. In other provinces that were not equipped for large war orders for war materials, great plants have been created and equipped, and existing plants have been expanded and equipped, at a cost to the country of millions of dollars.

These war materials must be delivered at the war fronts. Is it not of vital importance that there be shipping to make these deliveries, and also to deliver products of Canada which we are selling to England? You will not say, "Leave it to England to provide the shipping."

I suggest that if it is good policy, and it is, to create manufacturing plants, it is just as necessary to establish shipbuilding plants so that production and transportation will go hand in hand.

As to the large tonnage—on what reasoning are we to be convinced (a) that ships of smaller tonnage than those ordered by Britain would not be of vital service; or (b) that wooden bottoms would not give practical service?

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I have viewed fleets of cargo ships assembled at eastern Canadian ports. Certainly a large percentage of them are below the tonnage in your mind.

I lived in Nova Scotia through the era of wooden ships. Keels were laid in the winter; ships were afloat in the spring; and those ships sailed every world ocean and carried every description of cargo. That could be done again. Facilities for wooden shipbuilding are available. Others could be provided. Relatively they are not expensive.

When will the big ships contracted for be launched? A year hence, or two years? Many vital events may happen in the meantime.

I suggest that there should not be complacency because we are to build freighters for England.

We are ourselves at war up to our necks. We declared war on Germany. We declared war on Italy. We are not merely a country to which England may come to buy supplies and carry them away in her own bottoms. Some people appear to suffer under that delusion. We are war-makers; and as Mr. Churchill says, "There is not a week, nor a day, nor an hour to be lost." If you read what he said at Glasgow on Friday last, you will remember his words: "Before us lie dangers. dangers which, if we neglect anything, will be fatal, mortal."

Coming to your saying at Halifax, "You haven't got the men," without any idea of discourtesy, I suggest that you do not really know Nova Scotia.

During the session of Parliament, last spring, I listened impatiently to a lot of that kind of preaching from Government benches. I resented it, and declared that Canadians, given the chance, could do anything needed for our war services. I repeat that.

The decisive answer to such defeatist talk is that now Canadians are either making or preparing to make what we were told last spring they could not make. And it is not long since the Minister of Munitions gave out to the public a resounding tribute to the "remarkable efficiency" of Canadian craftsmen.

I enclose a copy of a letter from Senator Thomas Cantley, of New Glasgow, published on the 6th instant in the Halifax Chronicle. I may say that Senator Cantley was during many years managing director of the Nova Scotia Steel Company. While he was head of the company, they built a fleet of steel cargo ships. In the steel industry and shipping he ranks high in practical knowledge and experience.

Last year I was in one of the smaller communities in Nova Scotia. I saw men who never before worked at naval construction engaged in converting large private yachts into naval craft. I have reason to believe that their work was considered to be very satisfactory. I hope they are not forgotten; that employment for winter months has been provided.

I find corroboration in an article on shipbuilding in the Ottawa Citizen of Friday last, data for which I have no doubt was supplied by you. In that article it is pointed out that with comparative ease thousands of competent men have already been mobilized in Canada for shipbuilding.

When we hear the almost daily appeals that come out of England for ships, and more ships,

and still more ships, many of us are dismayed by the hesitancy of Canada to leap forward with a practical and substantial shipbuilding policy—a shipbuilding policy labelled, "Ship Construction in Canada at Canada's Cost for Canada's War Services." That, it seems to me, would be timely action for a nation like Canada, that proudly and boldly stepped into the fighting ring and hurled defiance at Germany and Italy.

What is the radio news to-day from Canada's front line of defence, the British Isles? Three thousand eight hundred men, women and children killed in December and 7,000 others injured by German bombs.

And here we are in perfect safety, living on the fat of the land, while in England those who are not massacred must be content with reduced food rations. Why? Because the ships that were carrying food-stuffs have had to be diverted to the carrying of guns and munitions. Yet Canada hesitates, halts, and debates about building ships for Canada's war service.

Yours very truly,
(Signed) Chas. E. Tanner.

Now, I do not want to repeat that, honourable members. That is the position I took with the department in January, 1941. The honourable leader on this side of the House has mentioned a return, brought down at my request, which shows that after the letting of the contracts mentioned in the return, twelve months elapsed before two ships were put into the salt water. The other day there came a report from Sir Lyman Duff about the Hong Kong expedition. It showed that we had to get a British ship to take our men to Hong Kong, and that we had to get an American ship to carry the mechanical appliances for that force. And that ship with the mechanical appliances was diverted, Sir Lyman said; so it did not reach Hong Kong. He stated:

This miscarriage was not in any way due to any fault or mistake of any officer of the Canadian Forces or of any official of the Canadian Government.

Certainly not. It was wholly the fault of the Government, not of its understrappers. The Government had no vision at all with regard to shipbuilding and ship supplies. It let month after month after month go by, and here we are to-day without ships, our ports crammed with goods. As Sir Lyman said, that is not the fault of the officials. It is the fault of the Government, because it had no vision of future requirements.

I want to say a word or two about this wooden-ship business. In the other Chamber honourable members tried to interest the Government in the construction of wooden bottoms. I took a little part in that too, because I saw wooden ships built, I saw them sail, I knew the commanders and the seamen on them when they sailed out of Nova Scotian ports, and I know they sailed to almost every port in South America, that they went to the Indian Ocean, to the North Sea, to New Zealand, to Australia, China, the Dutch Islands—in fact, almost everywhere —carrying all sorts of cargoes. But no one could interest this Department of Munitions and Supply in wooden ships. Apparently the head of that department said to himself: "It is better to be without ships, if we cannot get steel to build them, than to have wooden ships; better to let cargoes rot than to have wooden bottoms built to carry them to England and other parts of the Empire." That is the conclusion one would come to, because nobody could interest him in wooden ships. In the fall of 1939 and the winter of 1940 he could have had hundreds of wooden bottoms constructed in Nova Scotia, New Brunswick and Prince Edward Island and on the Pacific coast, and they could have been carrying valuable cargoes. But no, nothing but steel bottoms would be satisfactory. And he was not building steel bottoms. After we actually embarked on the building of steel bottoms we got two ships in twelve months.

It may appear to be a waste of time to discuss these matters now, but I think the people have a right to know the facts. That is my justification for relating the facts. The people ought to understand why this shipbuilding business has not been carried on vigorously and successfully, as it should have been.

Hon. Mr. COPP. Would the honourable gentleman permit a question? He read an interesting letter that he wrote, with regard to shipbuilding, to a certain gentleman.

Hon. Mr. BALLANTYNE: Mr. Carswell.

Hon. Mr. COPP: I should like to inquire from my honourable friend if he received a reply, and, if so, what it indicated Mr. Carswell's reaction to be. My honourable friend has placed his letter on Hansard and I think it would be well to have the reply there too.

Hon. Mr. TANNER: I omitted to mention the reply, and I am glad my honourable friend has called my attention to it. In his reply the Controller denied that he made the statement. Later, when I was in Halifax, I checked up the matter with the management of the Chronicle, and they assured me that he did make the statement.

Hon. Mr. COPP: Then it is a question of veracity between the Chronicle and Mr. Carswell.

Hon. Mr. TANNER: Yes. Mind you, they are not political friends of mine.

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

THIRD READING

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

Hon. B. F. SMITH: Honourable senators, I should like to make one or two observations that I probably should have made on the motion for second reading. I listened with a great deal of interest to the explanation given by the honourable leader of the Government (Hon. Mr. King), and to the remarks of the honourable leader on this side (Hon. Mr. Ballantyne), and I cannot say that either one of them touched the vital point in connection with this Bill. It seems to me that the Government to-day is on a spending orgy and is to a certain extent glorifying spending, and I believe the people throughout this country appreciate that fact. The procedure seems to be: tax, borrow and spend. Now, I feel that in this country we have not a proper system of checking expenditures. Neither the leader of the Government (Hon. Mr. King) nor the leader on this side (Hon. Mr. Ballantyne) made any reference to this matter, which to me is of more importance than anything they referred to. As honourable senators know, taxing the people and spending their money without telling them where it goes have disrupted many countries in the past. Such procedure would disrupt this country as well. Let me say that the Government will not get by with the glorification of spending money and with no proper system of checking its expenditures.

I come of United Empire Loyalist stock—of people who had a strong belief in thrift. My mind goes back to the time when I was a boy and listened to the school meetings that were held in our district every year. At those meetings there was criticism of every dollar of expenditure. The people wanted to know where every last cent went. Later I attended meetings of municipal councils, which I believe are pretty good safeguards of economy, and I found that they kept a very careful check on expenditures. Still later I went to the Provincial Legislature in New Brunswick, where I found a public accounts committee, which had authority to criticize every expenditure made by the Provincial Government. But to-day the Government of Canada is spending huge sums—I heard the honourable leader (Hon. Mr. King) read off millions and billions as though they did not amount to anything—and when you stop to think, honourable members, you realize that we have no adequate check on those expenditures.

The suggestion that I had in mind to make when I rose was this, that after this Bill is passed—I would not attempt to obstruct it in any way—we ask the Government to approve the appointment of a committee by the Senate to scrutinize the public accounts and the expenditures which are being made by reason of the war. I believe it was the honourable leader on this side who said the Prime Minister had remarked to him that he regretted the Senate did not have more to do. Well, what I am suggesting would mean some work for us. Such a committee might be composed of, say, eleven members—two from Quebec, two from Ontario and one from each of the other provinces. I think that recommendations by a committee of that sort would go a long way towards assisting the Auditor General in making up his mind.

I really think that under present circumstances we have not a proper check-up of expenditures the Government is making. The people are getting tired of this state of affairs. They are taxed such and such an amount, and they are willing to pay their taxes; then the Government asks them to lend money by buying bonds, and they are willing to buy bonds; but they know there is not that rigid check there ought to be on expenditures.

Hon. J. A. CALDER: Honourable members, I have on previous occasions referred to this feature of the present situation, that the expenditures in this country and every other country of the world are simply appalling. And an amazing thing about it is that the public take this attitude: "Oh, well, let the Government have what it thinks it needs." I have no doubt at all that our Auditor General has full power to check the Government's expenditures, and that he does check them. I doubt very much if anything gets by him. If it does, he should cease to be Auditor General, because he is appointed to his position, where he is independent of the Government, for the very purpose of checking all expenditures. But what I fear—and I believe my fear is well grounded—is that all sorts of expenditures are arranged for that never should be arranged for. That is a very different thing. About a year ago I strongly urged the Government to set up a committee of thoroughly able men to keep a check on the countless obligations that are being incurred all the time, not only when Parliament is in session; a committee that would sit day after day and decide, upon proper representations being made to it, whether or not there was good, sound, valid reason for proposed expenditures. Honourable senators follow me?

Hon. Mr. COPP: That is, whether contracts should be awarded?

Hon. Mr. CALDER: As to whether or not the contract is necessary.

Hon. Mr. COPP: And should be awarded?

Hon. Mr. CALDER: Yes. From day to day I hear from persons in all parts of the country criticizing various expenditures which in their judgment should never have been made.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: Whether there is any basis for their opinion I am not in a position to know; but I can conceive that a board of four, five or six able men sitting in Ottawa could from day to day decide whether proposed expenditures are justified, before permission to make them is granted. I am merely intimating what is in the mind of many people, that at the present time there is a great deal of wasteful expenditure.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: I say again, I do not know whether that is the case, nor am I prepared to put my finger on any expenditure of that class, but I hear members from British Columbia, the Prairie Provinces or the Maritime Provinces grumbling about certain things being done which are costing large sums of money, and which in their judgment should never be done at all. What I fear in connection with the present situation is this: officials and ministers of all departments can ask for what they like, and get it, whether it is necessary or not. It seems to me there should be a proper system of control. The Minister of Finance cannot deal with it; he has not the time. Neither can the Minister of Supply; he, too, has not the time. If there are any men in Ottawa overburdened with work to-day, it is those two men. You must have a body to exercise that control. When the heads of the departments concerned think certain expenditure is necessary, let them go to this board and the Minister himself and show them why it is necessary. It would not take a month to do that. Suppose an expenditure of $10,000,000 or $15,000,000, or $800,000, is recommended for this, that or the other thing: I should not think it would take long to convince a business board that such an expenditure is or is not necessary. I may be reminded of the Treasury Board. That is a purely routine board. I have been on the Treasury Board, and I say you cannot depend upon it for two seconds to look after anything of that kind properly, and you cannot expect the Minister of Finance or any other busy Minister to do it properly. You must have a separate board to deal with that control and nothing else. I would suggest again that after a lapse of a year or two, unless this thing is taken in hand, the day will come when there will be a reckoning for huge expenditures which should never have been made. You do not hear much about them in Parliament just now, simply because there is more or less a political truce and members of Parliament do not wish to make trouble for those in authority.

Hon. Mr. KING: I do not wish to continue the argument, but I do desire to call the attention of my honourable friend opposite and other honourable members to section 6 of the Bill. The section reads:

> Upon the Treasury Board making an allotment of any part of the two billion dollars ($2,000,000,000) granted by this Act and by The War Appropriation Act, No. 1, 1942, to provide for the cost of any service, the Minister of Finance shall cause an accounting record to be maintained in a form that will disclose the financial commitments entered into and the expenditure made as a consequence of the allotment being provided for the service concerned.

I am not in a position to say whether the Minister has made that arrangement, but it is his duty to see that these commitments are carefully scrutinized. I quite agree with what my honourable friend opposite has said. The control he suggests is most important, but we all know that in the various departments an effort is being made to check carefully each and every one of these expenditures. To-day Ottawa is full of men constantly in conference with the various Ministers to insure that these moneys are properly expended.

Hon. B. F. SMITH: Honourable senators, we are aware of the section to which the honourable leader opposite has referred, but I would ask him whether he does not think that a committee specially appointed to look after matters of this kind could deal more satisfactorily with them than could a Minister who is over-burdened with other matters.

Hon. Mr. CALDER: May I say a word in reply? I have already stated that in my judgment—and I have had some experience—

Hon. Mr. KING: I know you have.

Hon. Mr. CALDER: —the Minister does not begin to handle what I have spoken of; he cannot possibly do so. So far as the Treasury Board is concerned, I have had long experience with treasury boards, both provincial and federal, and I know that to a very large extent they are merely routine bodies. The Treasury Board is called just on the eve of a meeting of Council, its members have two hundred things to deal with, and they go

through them like lightning—in many cases, if not in the majority, without consideration or discussion. They will not and cannot exercise control. So the provision in the Bill in that regard is not worth a snap of the fingers.

Hon. Mr. COPP: My honourable friend asserts that the Minister of Finance and other Ministers are overworked and cannot handle this thing, and we all agree with him. But the Bill reads, "The Minister of Finance shall cause an accounting record to be maintained." It is not necessarily to be done by the Treasury Board; it may be done by a committee or a commission or a body of men whom he selects to represent the Finance Department, which assumes responsibility for these expenditures. The Minister does not act in person. I quite agree with my honourable friend that great care should be taken to see, so far as possible, that every dollar is properly spent. There will of course be a certain amount of wastage; nevertheless I agree that every effort should be made to prevent it. I think this Bill provides that such an effort shall be made. I take it for granted, as I think we all should, that the Minister of Finance has assumed this responsibility and has a committee or body of men or experts to look after the control in the very way my honourable friend suggests.

Hon. A. L. BEAUBIEN: The House of Commons last session appointed a committee to investigate every war contract entered into by the Government with individuals and corporations. That committee sat throughout the session and during the greater part of the recess. It was reappointed this session and has been continuing its work. I think it may be assumed that, that special committee having gone into war expenditures very extensively, and having to report its findings to the Commons, the treasury is pretty well guarded.

Hon. B. F. SMITH: With reference to the committee just mentioned by the honourable senator from St. Jean Baptiste (Hon. Mr. Beaubien), a great deal of dissatisfaction has been expressed because the committee held its sessions in secret and many important things were never disclosed to it. I think my honourable friend will agree that such a committee could not effectively look after the interests of the people of Canada with respect to such expenditures as are covered by this Bill.

Hon. Mr. CALDER: One word more to make myself clear. I am not referring to accounting or auditing at all.

Hon. Mr. KING: I know.

Hon. Mr. CALDER: I am referring to control over expenditures that are not necessary. Let me give an illustration. It has been represented to me that a large sum of money has been provided for removing a rock in the Seymour Narrows—

Hon. Mr. KING: Ripple Rock.

Hon. Mr. CALDER: A rock that has been there thousands of years. If my information is correct, the cost of this work is to be somewhere in the neighbourhood of three or four hundred thousand dollars. Did you ever hear of such nonsense in your life? Do you mean to say a board of sensible men would permit an expenditure of that kind in these days? Well, I should say not! That is the kind of thing I am aiming at; not the ordinary, everyday expenditures of Government in connection with the war, but the extraordinary expenditures that are being made at this time in large amounts. I say an effective control should be placed upon that class of expenditures.

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

LOAN BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 96, an Act to authorize the raising, by way of loan, of certain sums of money for the Public Service.

He said: By this Bill the Governor in Council is authorized to raise money (1) to pay or redeem the whole or any portion of any loans or obligations of Canada; (2) to purchase unmatured securities of Canada; (3) for public works; (4) for general purposes. The main purpose for which it is intended to use moneys to be borrowed is to pay off securities of Canada which mature or are callable within the next year or two. Moneys borrowed under the authority given by the Bill may also be used for public works and general purposes by the Government of Canada. It is to be noted that the proceeds of the sale of securities issued under this authority have to be paid into the Consolidated Revenue Fund, and can be paid out of that fund only under parliamentary authority.

The amount to be authorized is $750,000,000. The Loan Acts of 1931, 1933, 1935, 1936, 1939 and 1940 have all authorized the borrowing of $750,000,000. There is no particular magic in that amount. In fact it would

appear to me that probably another Loan Act will be required next year, although two years have elapsed since the passage of the last Loan Act. I think honourable members are aware of the fact that a bill of this kind comes to us at intervals of one or two years.

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

THIRD READING

Hon. Mr. KING, with 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.

DIVORCE BILLS

SECOND AND THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the second and third times, and passed, on division:

Bill Q3, an Act for the relief of Barbara Patricia Strange Wolfe.

Bill R3, an Act for the relief of Bella Miller Keller.

Bill S3, an Act for the relief of Effie Euphemia Shannon Monette.

Bill T3, an Act for the relief of Elsie May Cape Newman.

Bill U3, an Act for the relief of Bella White Wolfe.

FIRST READINGS

Hon. Mr. ROBINSON presented the following Bills, which were severally read the first time:

Bill V3, an Act for the relief of Alan Swabey.

Bill W3, an Act for the relief of Jean Walker Creighton King.

Bill X3, an Act for the relief of Alice Beatrice Armand Roberts.

Bill Y3, an Act for the relief of Frederick William Merchant.

Bill Z3, an Act for the relief of Irma Kern Ulrich.

SITTINGS OF THE SENATE

Hon. Mr. KING: Honourable senators, I take this opportunity to notify you that it will be necessary to meet to-morrow at the usual time in order that Bill 95, the War Appropriation Act, may receive the Royal Assent. When we meet I shall advise the House as to the hour when the Royal Assent will take place.

Hon. Mr. BALLANTYNE: Could the honourable leader give us any intimation as to the length of time for which we shall adjourn after the Royal Assent has been given?

Hon. Mr. KING: It is the intention to adjourn until Monday, June 29, at 8 o'clock in the evening. By meeting then we shall have an opportunity of considering the Interim Supply Bill which will require to be assented to by Thursday, the 2nd of July.

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

THE SENATE

Friday, June 12, 1942.

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

Prayers and routine proceedings.

POOLING OF BRITISH AND AMERICAN PRODUCTION

INQUIRY

On the Orders of the Day:

Hon. A. D. McRAE: Honourable senators, I rise to ask the honourable leader of the House (Hon. Mr. King) whether he can give us any information on a subject that is of deep concern to me and, I am sure, to many Canadian producers. I have reference to an article which appeared in the Press a few days ago to the effect that Great Britain and the United States have pooled their resources, particularly production, and that the pool is to be administered by an American and a British representative. The American representative is to have charge of all of North America, which includes Canada. We in this Dominion produce many commodities which are more or less in competition with those of the United States, and while I have the highest regard and warmest friendship for our neighbours to the south, I do not know that either I or the producers of Canada would feel content to leave the administration of that pool, so far as our interests are concerned, entirely in the hands of our American friends. We have, as honourable senators are aware, occupied a favourable position in the British market for many years. Both before the war and since, we have had the benefit of very full co-operation by the British authorities, especially in the marketing of our agricultural products, and I have been wondering whether this pooling arrangement is likely to interfere with that co-operation. Will the honourable leader of the House tell us whether this Press

report is correct? If he is not able at the moment to reply to the inquiry, I would request that he get an explanation of the arrangement and give it to us at the first opportunity after we reconvene.

Hon. Mr. KING: I should not care to make any statement at the present time, but I will bring the honourable gentleman's remarks to the attention of the Government and will try to supply the information for which he has asked.

DIVORCE BILLS

SECOND AND THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the second and third times, and passed on division:

Bill V3, an Act for the relief of Alan Swabey.

Bill W3, an Act for the relief of Jean Walker Creighton King.

Bill X3, an Act for the relief of Alice Beatrice Armand Roberts.

Bill Y3, an Act for the relief of Frederick William Merchant.

Bill Z3, an Act for the relief of Irma Kern Ulrich.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Right Honourable Sir Lyman Poore Duff, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 5.30 p.m. for the purpose of giving the Royal Assent to certain bills.

ADJOURNMENT—BUSINESS OF THE SENATE

Hon. Mr. KING: Honourable senators, I have been informed that we shall this afternoon receive an Interim Supply Bill from the other House. This Bill covers one-twelfth of the ordinary estimates, and the money is required for the ordinary expenditures of Government for the month of July. If the Bill is received, passed and assented to this afternoon, it will in all probability not be necessary for us to return here in the month of June and we may resume at a later date.

I move that the Senate adjourn during pleasure, to reassemble at the sound of the bell.

The motion was agreed to.

The Senate adjourned during pleasure.

The sitting of the Senate was resumed.

APPROPRIATION BILL No. 4

FIRST READING

A message was received from the House of Commons with Bill 98, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1943.

The Bill was read the first time.

SECOND READING

Hon. J. H. KING moved the second reading of the Bill.

He said: Honourable senators, this Bill is to provide a sum not exceeding $19,401,586.20, being one-twelfth of all items in the main Estimates, to cover ordinary operations for the rest of June and as much of July as possible, and an additional sum of $550,655.91, one-twelfth of the following selected items, which amount will be needed within the next month or two by reason of the seasonal nature of the work provided for:

SERVICE

Item		Amount
	Agriculture	
31	Wheat Acreage Reduction payments representing carry-over from 1941-42	$5,225,000
	Fisheries	
80	Canadian share of expenses of the International Pacific Salmon Fisheries Commission (special work for overcoming sockeye salmon obstructions at Hell's Gate Canyon on the Fraser River)	40,000
	House of Commons	
Item		Amount
116	General Administration	494,895
117	Sergeant-at-Arms (salaries and other expenses of sessional staffs)	292,976
	Mines and Resources	
128	Geological Surveys	274,500
129	Topographical Surveys (expenses heavy in early part of the season getting survey parties under way)	188,500
	Public Works	
300	Burlington Channel—re-dredging	67,800
	Toronto—western entrance (contracts almost completed)	24,200
	Total	$6,607,871

Two interim supply grants have already been approved, namely, one-sixth of all items in the main Estimates to provide for necessary normal expenditures to the end of May, and one-twelfth of all such items to cover the month of June, plus an additional one-twelfth of the same selected items, made necessary by the seasonal nature of the work provided for.

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

THIRD READING

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

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

EMERGENCY SITTINGS OF THE SENATE

Hon. J. H. KING: Honourable senators, before we adjourn to-day I should like to call attention to the resolution which we adopted on January 27 of this year, providing that in the event of an emergency arising during any adjournment of the Senate the honourable the Speaker may notify senators, at their addresses as registered with the Clerk, to meet at a time earlier than that set out in the motion for such adjournment. I do this so there may be no misunderstanding as to the motion which I am about to move for a somewhat long adjournment. It is quite possible that before the end of the proposed adjournment the Senate may have to reconvene to deal with the Bill to amend the Mobilization Act, which is now under discussion in the other House. Subject to this reservation, I move that when the Senate adjourns to-day it do stand adjourned until the 14th of July next, at 8 o'clock in the evening.

The motion was agreed to.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

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

An Act to amend the Canada Evidence Act.

An Act to authorize the raising, by way of loan, of certain sums of money for the Public Service.

An Act for granting to His Majesty aid for National Defence and Security.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1943.

The House of Commons withdrew.

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

The sitting of the Senate was resumed.

The Senate adjourned until Tuesday, July 14, at 8 p.m.

THE SENATE

Tuesday, July 14, 1942.

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

Prayers and routine proceedings.

GREETINGS FROM THE ARGENTINE REPUBLIC

The Hon. the SPEAKER informed the Senate that he had received a copy of a communication addressed to the Federal Parliament of the Dominion of Canada by the President and Secretaries of the Chamber of Deputies of Argentina, congratulating the Dominion of Canada on the seventy-fifth anniversary of Confederation, in the following words:

Buenos Aires, July 2.

Federal Parliament of the Dominion of Canada, Ottawa.

The Chamber of Deputies of the Argentine nation has resolved in a session of to-day's date to send a cordial greeting of friendship to the Federal Parliament of the Dominion of Canada on the occasion of the seventy-fifth anniversary of the Act of 1867 which gave birth to the political government of the noble Canadian people whose organization, intellectual and material progress, and lofty spirit of American solidarity constitute an outstanding example of neighbourliness and continental fraternity. I salute the presidents (speakers) of the Senate and of the House of Commons and, through them, the worthy members of Parliament, with my highest respects.

José Luis Cantilo, President of the Chamber of Deputies of the Argentine nation.

Secretaries, Carlos G. Bonorinl, L. Zavalla Carbo.

REINSTATEMENT IN CIVIL EMPLOYMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 5, an Act to provide for the reinstatement in civil employment of discharged members of His Majesty's Forces or other designated classes of persons.

The Bill was read the first time.

WAR RISK INSURANCE BILL

FIRST READING

A message was received from the House of Commons with Bill 56, an Act to make provision with respect to insurance of property against war risks and the payment of compensation for war damage.

Hon. Mr. DUFF: Honourable senators, I wonder if it would not be in order for the honourable leader of the Government (Hon.

Mr. King) to give us an explanation of what this Bill means, before it receives first reading. I have been endeavouring during the last three or four hours to study the Bill, and, quite candidly, up to the present moment I have been all at sea.

Hon. Mr. KING: It is customary in this Chamber to explain a Bill on the motion for second reading. If we follow our usual procedure, the question will be discussed tomorrow, when the motion for second reading is made. The honourable member can acquaint himself with the Bill in the meantime.

The Bill was read the first time.

VOCATIONAL TRAINING CO-ORDINATION BILL

FIRST READING

A message was received from the House of Commons with Bill 64, an Act respecting the carrying on and co-ordination of vocational training.

The Bill was read the first time.

TRAINING CENTRES FOR ARMED SERVICES—WAR VETERANS' FARM SETTLEMENT

RETURN

On the inquiry by Hon. Mr. Tanner:

1. In what provinces of Canada are training centres or training schools now established and operating under the direction of the Army, Navy and Air Services, respectively?

2. Are these training centres or training schools exclusively for the benefit of men who are enlisted in the several services? If not exclusive, what other classes of persons are admitted to such training centres or training schools?

3. What other training centres or training schools, if any, is the Government now operating?

4. Is the Government carrying on any training centres or training schools in any of the provinces; and if so, in what provinces? What are the courses of training, and what classes of persons are admitted to such training centres or training schools?

5. Is the Government co-operating with any provincial Government in carrying on any training centres, training schools or vocational schools in any of the provinces; and if so in what provinces? What classes of persons are admitted to such training centres and schools, and what are the courses of training in such centres and schools? Has the training any relation to war services; or is it designed for post-war work?

6. What is the method, plan or system of training men and women in farm work and management intended to be set up and operated by the Government in relation to legislation now before Parliament to provide for the settlement of war veterans on farms?

Hon. Mr. KING: I would ask that this inquiry be treated as an order for a return, and I table the return forthwith.

CANADIAN NATIONAL RAILWAYS—ST. MARTIN'S BRANCH ABANDONMENT

INQUIRY

Hon. Mr. FOSTER inquired of the Government:

1. How many applications were made to the Board of Transport Commissioners by the Canadian National Railways for permission to abandon the St. Martin's branch in New Brunswick?

2. When was such permission granted?

3. When was the work to abandon commenced?

4. What was the value of material salvaged, exclusive of rails, (a) sold for cash, (b) retained for use otherwise?

5. What was the description of the rails removed from the main line?

6. What was the approximate value of all rails and fastenings?

7. What other means of transportation is afforded farmers, lumbermen and other residents who are located adjacent to the right-of-way?

Hon. Mr. KING: I have these answers to the inquiry:

1. Two; the first in 1935, the second in 1940.

2. On April 19, 1940, by Order No. 58946 of the Board of Transport Commissioners.

3. Dismantlement was commenced in the autumn of 1940 and the lifting of the steel was completed on December 13 of that year.

4. (a) $4,264; (b) $9,053.91.

5. 56-lb. rail, 27·74 miles; 67-lb. rail, 1·02 miles; 80-lb. rail, 2·79 miles; 85-lb. rail, 1·43 miles.

Miscellaneous scrap rail, 1126·23 gross tons.

6. The salvage value of the rails and fastenings was approximately $54,529.62.

7. A highway connects St. Martin's with Saint John, N.B., and a good gravel road runs parallel to the railway right-of-way from Hampton to St. Martin's. At the time of abandonment there was no regular bus service on these roads, but goods were carried in trucks owned by stores, or in trucks owned or hired by firms.

GOVERNMENT SHIPBUILDING CORPORATION

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. What is the total number of the employees of the corporation set up by the Government for the purpose of cargo shipbuilding?

2. What is the number of one-dollar-a-year men in the service of the corporation?

3. What is the number of salaried persons in the service of the corporation?

4. What is the total amount of monthly payments by the corporation for salaries, labour and other services?

5. What is the total amount invested or to be paid by the Government for shipbuilding plants (1) privately owned, and (2) owned by the Government for the country?

Hon. Mr. KING: The answer to the inquiry of the honourable gentleman, who is not present, is as follows:

1. At June 13, 1942, there were 181 in Wartime Merchant Shipping Limited.

2. There are eight who do not receive any salary from the corporation.

3. At June 13, 1942, it was 173.

4. It was $38,135.30 for April, 1942.

5. (1) Nil; (2) $6,514,570.

CANADIAN NATIONAL RAILWAYS ACCOUNTS

DISCUSSION

Hon. W. E. FOSTER rose in accordance with the following notice:

That he will call the attention of the Senate to some features of the report of the auditors of the accounts of the Canadian National Railway System to Parliament, together with the report of the directors for the year 1941.

He said: Honourable members of the Senate, pursuant to the notice which appears on the Order Paper, I wish to direct the attention of the Senate to certain features of the report of the auditors of the accounts of the Canadian National Railway System. I realize the difficulty of interesting members of the House in any topic other than that which is uppermost in the minds of us all at this time; nevertheless, I shall endeavour as far as possible to fulfil my duty and to evoke some interest in this report, which in reality is a very interesting one and concerns the people of Canada generally.

I have the report in question under my hand. While it contains a great many figures and much detail, all of which is set forth very clearly, I think we must bear in mind that the transactions of this great undertaking are very large and very numerous, and that in addition to the report of the auditors, as tabled in the House, there is an internal audit conducted by a department of the railway system itself.

One can approach the report which has been presented to Parliament with the idea that it is a very satisfactory one as compared with some of those presented in previous years. Certainly it brings some degree of cheer to the taxpayers who own this great undertaking. The predictions of those who were of the opinion that financial difficulty faced the country by reason of accumulating deficits still echo from the walls of this Chamber, but I think I am safe in saying that if this property never earned another surplus dollar it has justified its existence, because without it Canada could not have effectively performed her part in the great conflict in which we are now engaged.

In looking over these reports, which are very extensive and contain a great mass of figures, one naturally finds some striking features. I find, for instance, that tied in with this system there are some ninety-six subsidiary companies, and that the revenues of sixty-six of them are embodied in the accounts of the Canadian National Railways. One cannot but be impressed with the magnitude of this, the people's property, and the responsibility of those charged with the administration of its affairs.

Before dealing with the figures in the report itself, I should like to review very briefly something of the history of this great undertaking. Honourable members of the Senate will remember very well that some few years ago, because of the decrease in traffic, deficits on the Canadian National Railways were becoming alarming. This situation was due in part to the establishment of other means of transportation, such as the air lines and the motor transport system over an almost perfect network of highways provided by the various provinces. Revenues were dropping rapidly. As a result of this situation some of the members of this House conceived the idea of investigating in order to see if in some way it were not possible to reduce operating expenditures and thereby lessen deficits. A committee of the Senate was appointed, and made a very extensive and exhaustive inquiry into all the ramifications of the Canadian National and the Canadian Pacific railways, and there emanated from that committee a report which was the basis of certain legislation known as the Canadian National-Canadian Pacific Bill. The main features of that Bill were, first, the provision made for greater co-operation between the managements of our two great railway systems in order to bring about a reduction in operating expenses, and second, the elimination of certain duplicating lines which might be abandoned without affecting the efficiency of either road. It was thought that some economies could be effected by the elimination of these lines; that traffic should move over the shortest route, irrespective of whether it originated on one road or on the other.

So little heed was paid to the directions issued to the railways after this extensive investigation, that I always thought the heads of the two roads should be brought before the House to explain why greater efforts had not been made to carry out the provisions embodied in the legislation; but perhaps, in view of the changed conditions brought about by the war, it was just as well that the eliminations provided for in the legislation were not effected.

During the course of the investigation the railway men themselves advanced certain suggestions. To one of them I am going to refer, because it concerns the province from which I come. One man, who was supposed to be an expert in railway matters, suggested at that time that the part of the Transcontinental Railway which extends from Diamond Junction, in the province of Quebec, to the city of Moncton, in the province of New Brunswick, should be abandoned, and that the Canadian National railway via Campbellton and the Canadian Pacific line across Maine could look after the traffic so far as the Maritime Provinces were concerned. As to the line from Diamond Junction to Moncton, which was criticized so severely in this House, I may say that if it never earns another dollar it has justified its existence during the war period, because the increased volume of traffic originating in war industries in Upper Canada could not have been moved over the other two roads to the eastern ports.

It is my intention, honourable senators, not to discuss the question of the national importance of our railways, but rather to point out in my own way some features of the auditors' and directors' reports as contained in the two documents laid on the Table of this House. These reports, meagre as they are in many respects, form the basis of my statement. With little effort one can bring out information of a pleasing character. On the other hand, one might find some fault in connection with certain matters. It is not my intention to throw bricks at anybody; neither do I wish to lavish undue praise. My purpose is to point out what I find, and to present a little information which I have gleaned from the mass of figures contained in the report presented this year.

The first item that strikes one on reading the report is the statement of liabilities and assets. One finds that the liabilities of the Canadian National Railways at this time reach the tidy sum of approximately $1,500,000,000. This is a substantial figure, though it does not bulk large when compared with the items we read about in these stirring times. These liabilities are made up as follows: there is a long-term debt outstanding which amounts to $1,134,000,000, there are loans from the Government of Canada amounting to $195,343,000, and there is a sum of about $17,000,000 apparently loaned by the Government to the Canadian National Railways for working capital. In addition there are certain current liabilities amounting to $43,000,000—a sum which does not seem very great in view of the large financial transactions of the railway —and there are deferred liabilities of about $8,000,000, and items of unadjusted balances due to other railways amounting to about $45,000,000. These sums bring the gross liability of the Canadian National Railways to $1,500,000,000 in round figures. In passing I may say that last year the liability was increased only to a very slight degree, this fact being due, of course, to the revenue derived from the transportation of war materials during the year 1941.

Having dealt with the liability of $1,500,000,000, we naturally turn to the asset side of the account. Here we find that the assets of the Canadian National Railways amount to approximately $2,100,000,000, the difference between the two accounts being about $660,000,000, known as the proprietor's equity. The total of the assets is made up mainly from the valuation placed on the railway system's properties. We all know that in financial transactions one can always ascertain what is owing by any company with which one may be connected, but that it is not easy to ascertain the value of the assets. However, as I say, the assets are put down here at $2,112,000,000, and are made up principally of properties which are valued at $1,944,000,000. There are other assets, of course. For instance, there is a sinking fund of $711,000, which is not a very large sum of money when we consider the liabilities and the securities that are issued against the property. How the value of the assets is arrived at, the report does not disclose, but I presume it is on a cost basis, with certain depreciation.

That completes the matter of assets and liabilities.

Hon. Mr. BALLANTYNE: Would the honourable senator—

Hon. Mr. FOSTER: This question will be open for discussion later, and I should like my honourable friend to wait until I am through. I should prefer to continue without interruption, so as not to break the continuity of my remarks.

The next matter of interest in a statement of this kind, after you have dealt with the assets and liabilities, is the matter of income and outgo. When we look at this report we find it enumerates the various sources from which income was received. It shows that operating income for the year 1941 amounted to some $304,000,000. That is an increase of $56,000,000 over the year 1940. The operating expenses increased by $35,000,000. The railway, by reason of its operation, was able to pay all its outstanding fixed charges; that is to say, the interest on the debt held by the public, and interest on Government loans, and all expenses in connection with operation; and after all these were paid there was left over a cash surplus of some $4,000,000, in comparison with a deficit of some $16,000,000

the year before. That is, the showing is better by something more than $20,000,000 than that for the year 1940.

In considering that, I think it is well to bear in mind that this $4,000,000 of surplus might have been largely increased if certain additional write-offs had not been allowed for. I find that, besides making this cash surplus of $4,000,000, the company paid in the year 1941 wage increases amounting to $6,000,000, brought about by the war-time cost-of-living bonus which the law made applicable to railways. In addition there was an increase of wages on the United States line by reason of legislation passed at Washington for increasing wages of United States railway employees. This amounted to $800,000.

Then, perhaps because during the lean years sufficient money had not been spent on maintenance, there was an additional expenditure of $6,000,000 on the trackage of some 23,000 miles, or an average of about $250 per mile over the whole system. This was made necessary not only for the reason I have stated, but also, no doubt, because of the heavier equipment now used on the lines and the heavier trains being hauled over them.

The report also shows that last year an additional amount of $2,000,000 was provided for depreciation of equipment. I think this was a very good provision to make, considering the railway's earnings at the time.

The next item to which I should like to refer briefly is the amount expended by the railway last year on capital account. That is a very important matter. Critics of the road say sometimes that too much is being charged to capital account. The capital expenditures for last year were only $13,700,000, and of this amount $6,700,000 was for the purchase of equipment. Honourable members will no doubt have read in the Press lately that our railway shops are turning out locomotives of the 6200 class, which are the heaviest locomotives used on the American continent. They will haul about 100 loaded cars over existing grades without much reduction in speed, thanks to the ingenuity of man in being able to transmit additional power to the driving wheels. I think it is a matter for pride that in this country we are able to manufacture and place on the rails of the Canadian National Railways the most powerful type of locomotive in use on this continent.

In addition, locomotive shops were built at Moncton, costing $540,000, and yard extensions at Moncton cost $313,000. I mention these items particularly for the benefit of my honourable friend opposite who comes from the city of Moncton (Hon. Mr. Léger), who no doubt has from time to time heard criticism that the Government does not spend much money down there.

Then there was an expenditure of $1,381,000 on what the report refers to as centralized traffic control. Honourable members will recall that at the last session the honourable gentleman from Westmorland (Hon. Mr. Black) discussed the proposed installation of this centralized control. I do not say that he did this in a critical manner at all. He had been informed, I suppose, that the installation would cost more than a million dollars and that a great deal of the equipment would have to be imported from the United States. A system of centralized control was installed on the Atlantic division of the Canadian National Railways, between Moncton and Halifax. I may say that there has been some criticism of this, but it must be realized that at the junction where that electrical control operates three railway lines converge —the line from Saint John to Moncton, the Transcontinental railway line from Diamond Junction to Moncton, the Intercolonial railway from Montreal via Campbellton; and in addition there is the traffic to and from Prince Edward Island.

The traffic over the line from Moncton to Halifax is very heavy. On making inquiry I was informed that if this electric control had not been installed it would have been necessary to double-track the whole line from Moncton to Halifax in order to carry the traffic that is passing over the single tracks at the present time. So far as I know, this is the only centralized traffic control of its kind in use in Canada, and I think it is safe to say that the expenditure on it is justified by the existing situation there. I am told by railway men that the control is working very well under normal conditions, although in the winter there is a little bit of bother from ice; but, all in all, it is felt that the installation was justified. In my opinion the railway management deserves a great deal of credit for installing such up-to-date apparatus for the movement of trains. Just here I might refer to a little personal experience I had two years ago when travelling from Moncton to Halifax with a member of my family. I was going on what was to me a very important mission. Three trains tried to pass on the same track, with the result that the train I was on tried to pass the others via the ditch. I will say nothing more than that I am thankful to be here to tell the tale.

One other item in these capital expenditures, to which I should like to refer—it is one that has been a matter of considerable criticism

in the country—is the Montreal Terminals development. I see that some $3,000,000 was spent on this in 1941. I am informed that $1,900,000 will be spent this year to complete that project. The total expenditure to the end of 1941 was approximately $25,000,000, and I do not think this can be regarded as unjustified when one considers the conditions existing at Bonaventure station. Those of us who travel by that road know the facilities there are very much out of date and something had to be done. I am not an expert and do not know whether a joint terminal would have been better, but I do know that the terminals when completed will be a credit to the railway and to the country, and that they will provide very much better accommodation for all the people who travel in and out of Montreal via the Canadian National. After all, with the cost of money what it is to-day, the annual interest on the capital investment for providing these facilities is a matter of only $750,000.

Last year the increased freight and passenger traffic necessitated the employment of 6,700 more men, but notwithstanding the additional expenditure in wages the increase in net earnings was very satisfactory.

The annual report informs us that in 1941 the management applied to the Board of Transport Commissioners for the abandonment of certain branch lines. Of these applications the Board approved three and rejected eight. In my humble judgment, honourable members, under present conditions it is not good policy to abandon branch lines, whether owned and operated by the National System or by the Canadian Pacific. In this connection I wish to deal particularly with a short branch line referred to in my inquiry, which was answered earlier this evening. This line runs through two counties—the county in which I had a considerable interest in my active political days, and where I was born, and the county represented by my son in the Legislature of New Brunswick before he left Canada, which constituency I have to look after while he is away. I find two applications were made for abandonment of this road. The first was refused because of the strong protest raised by some of us. Later a second application was made, but apparently those affected were somewhat tired of protesting and offered no opposition. Thereupon an order was issued for the abandonment of the road. Workmen appeared on the scene, tore up the rails and took away everything loose. They left only the old ties along the right of way, and these are an eyesore to the local people and a remembrance of better transportation days. Now, with the war-time scarcity of rubber and gasoline, the people are hamstrung in regard to transportation. It is all very well for those who draw monthly salaries to be disinterested in this matter, but the people in the country formerly served by the abandoned railway depended on that transportation for the weekly sale of their pulpwood and farm products, and now they are very seriously inconvenienced. I repeat, I do not think that under existing conditions there should be any further abandonment of railway lines.

I desire now to refer to some of the auxiliary services. Last year the Canadian National Railway System derived from its express service a revenue of $11,400,000, against an expenditure of $5,800,000, leaving a profit of $5,600,000. Its commercial telegraphs produced a revenue of $5,150,000, as against an expenditure of $4,000,000, or a profit of $1,150,000. The dining-car service, on the contrary, was operated at a loss of $350,000, the receipts being $2,150,000 as against expenses of $2,500,000. I had expected that the deficit would be considerably larger. The hotels were operated at a profit of $600,000, which is about 90,000 odd dollars more than the profit for the preceding year. I do not suppose that interest on capital investment is taken into account; nevertheless I think the result is satisfactory, and I believe the investment in these hotels is well justified both from the national and the railway point of view. Those of us who have the privilege of staying at the Chateau Laurier appreciate its home-like atmosphere and courteous service. True, the Canadian Pacific Railway was the pioneer in this auxiliary service, and its hotels enjoy an enviable reputation for efficient management and friendly service. It is greatly to the credit of the Canadian National System that the very high standard set by those in charge of the hotel system has won for its hotels an excellent reputation for efficient management and courteous service.

The report states that Mr. Hungerford has resigned his position as president, but will continue as chairman of the board of directors. I think the National Railways are fortunate in being able to retain his services in this capacity. I know Mr. Hungerford personally, and I am sure that other members who have had occasion to visit him on business will agree with me that he has a charming personality and was always very courteous in his contacts with us. His gentlemanly, unassuming attitude inspired confidence in those who had the pleasure of meeting him, and I repeat, the Canadian National Railway System is fortunate in being able to retain him as chairman. He was president during the period of falling revenues, when he had to meet a very

difficult situation, but he handled it successfully and administered the system carefully and thoroughly. Mr. R. C. Vaughan has succeeded him as president. I understand that Mr. Vaughan has had considerable experience in railroading, but I think it would be better not to judge him by this very admirable report; rather we should wait until the return of more or less normal conditions. For undoubtedly war conditions have greatly stimulated both freight and passenger traffic, and this stimulus is what I may term artificial. There is, however, nothing artificial about the very satisfactory performance of the system during the past year. The Canadian National Railway System has stood the test of war. Will it stand the test of peace? I do not think anyone would venture to forecast the operating results of the system after war activities cease. But one thing is certain: the people of Canada will be in no mood to provide for large deficits in the complacent and willing way in which they treated demands for assistance in the past. They will want more detailed information of the financial operations of this great company. The people will demand, if I know their temper, greater efforts at co-operation between both transportation systems, more particularly in the elimination of long hauls on a fair and reciprocal basis.

In closing, honourable members, I have three suggestions to make. Members of a committee of this House which a few years ago investigated the operation of this great property are familiar with its ramifications. I do not know whether my suggestion is practical, but I would urge that the committee which in another place examines each year the accounts and activities of the Canadian National Railway System might very well be enlarged to include members of the Senate; in other words, that it be made a joint committee of the two Houses.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FOSTER: One hates to mention local conditions, but since the outbreak of the war there have been established in the city from which I come two fleets of pick-up motor trucks, one by the Canadian National Railways, the other by the Canadian Pacific. Although we have been cut down to a two-gallon gasoline unit, and as a consequence those of us who live out in the country have to join with our friends to economize in gas by using one another's cars in alternate weeks to get to our duties in the city, we find these great pick-up trucks chasing one another around the streets of Saint John in their efforts to pick up freight. Now, my second suggestion is that the Oil Controller might well look into the question of greater co-operation between the two railways in this respect, so as to conserve consumption of gas and wear and tear of tires. And it is probable that action of this kind might very well be taken at other points in Canada where similar conditions exist.

My third suggestion is that there should be no further abandonment of railway lines during the continuance of the war, unless it can be shown that very special conditions indicate that such abandonment is advisable.

To sum up, the report is, I think, a very satisfactory one, and such as to bring some degree of cheer to the taxpayers. They are the owners of this great system, which comprises 23,560 miles of track, employs approximately 100,000 persons in its operation, and pays $237,000,000 per annum for wages and supplies. To employees who have retired on pension it pays the goodly sum of $4,700,000 per annum, and this year it will pay into the Unemployment Insurance Fund $1,000,000. Surely the Canadian National Railways, which are the Canadian people's greatest business enterprise, have at this particular time fully justified their existence.

Hon. Mr. BALLANTYNE: Would the honourable senator be good enough to explain the change made in the balance sheet some years ago when $900,000,000 were written off?

Hon. Mr. FOSTER: As I understand the honourable gentleman, I presume he refers to the debt due to the Government. I have not that information. I have not gone outside the report, and in it there is no reference to a write-off in years gone by.

Hon. CREELMAN MacARTHUR: Honourable senators, I am sure we were all very much impressed by the constructive and informative address of the honourable senator from Saint John (Hon. Mr. Foster) and by the criticism he made. I should have thought, however, that as a member from the Maritimes he would give special consideration to New Brunswick, Nova Scotia and Prince Edward Island. He took in too much territory: he covered all the ramifications of the railway situation.

In the Maritimes we have a serious problem, of which he is cognizant, and though he knows how important it is, especially to Prince Edward Island, he has not referred to it. Prince Edward Island must be treated as a member of the Confederation or must go out. I think the honourable member from Saint John should have dealt with our transportation conditions and made some observations on what we can do to improve them. We do

not know whether the necessary steps are being taken. Prince Edward Island is getting no consideration whatever in this respect.

Something must be done about transportation to Prince Edward Island. It has been suggested in another place that the solution is a tunnel which would cost $130,000,000 or $140,000,000. A causeway would cost less than half that amount, and would be more practicable. In these days $50,000,000 or $60,000,000 is a very small amount of money, and if expended on a causeway it would give us perfect transportation, and it would be only ten or twelve minutes from one province to another.

I intend writing to Captain Maguire, of the car ferry, to get the details of what happened recently in the St. Lawrence. According to the statement of Mr. Roy, the member for Gaspé in the House of Commons, three of the vessels in a convoy were lost. As the matter has been mentioned in the House of Commons and in the Press, I can refer to it now. Berlin claimed that all but one of the vessels in the convoy were sunk. People who are afraid to cross to Prince Edward Island by boat are taking the plane. We want to find out whether submarines can operate there or not. We cannot get any information.

As I have said, the honourable member from Saint John goes over all the ramifications of the railway business throughout Canada, and in doing so takes in too much territory. What he says is very instructive and very informative, but I should have liked him to pay more attention to the Maritimes.

Hon. Mr. McRAE: Honourable senators, I rise to a point of order.

Hon. Mr. MacARTHUR: I would ask the honourable gentleman to refer to the Maritimes.

Hon. Mr. McRAE: I think the honourable gentleman is out of order.

Hon. LOUIS COTE: Honourable senators, I am sure that we all feel grateful to the honourable senator from Saint John (Hon. Mr. Foster) for having raised this question to-night, and for having discussed it so ably and given the House the constructive information which he has placed before us. Speaking personally, when the honourable member graced the Speaker's Chair, and by his very functions was condemned to silence, I always felt that if it were given to him to sit among us he would add to our deliberations a constructive knowledge which would be well worth while. To-night my surmise has been proved correct. We have at this time in our history to address ourselves to one task above all others, the task of winning the war, but in doing this we should not overlook other problems, problems of vast magnitude, such as that of our national railway system. Personally I am very glad that the honourable member has at this time made the comments to which we have listened on the statement of the auditors of the Canadian National Railways as presented to this House.

The picture which the honourable senator paints of the progress made during the year is a rosy one, and no doubt we have reason to be pleased and gratified at the results. We have lived through many years of tragic deficits, deficits which accumulated year after year and were becoming a burden which the country was almost unable to bear. Although the improvement in the position of our national railways is due to the tragedy of the war, it is gratifying to hear that they are now carrying themselves, at least so far as operating is concerned. But, as was hinted by the honourable leader on this side in the question which he asked a few moments ago, we must not forget that some years ago, by the elimination from the balance sheet of the railway's $800,000,000 or $900,000,000 of liabilities, we made possible the presentation of such heartening statements as the one to which we have listened to-night.

I was particularly pleased with the remarks of the honourable member from Saint John in which he pointed out that at the end of the war, when the present colossal demand on the transportation facilities of this country, now lessening the necessity of co-operation between the railways, will have ceased, the people of this country will not look upon deficits with a kindly eye, but will scrutinize the accounts and will want to know the reason for them. It is my hope that the railways will not allow their enthusiasm to run away with them, and will not take these few years of artificial prosperity as a guide for the future, but will refrain from entering into some vast scheme of capital expenditure, the carrying charges on which would add to future deficits.

Hon. A. D. McRAE: Honourable senators, I should like to congratulate the honourable senator from Saint John (Hon. Mr. Foster) upon his very able analysis of last year's balance sheet of our publicly-owned railway. Canadians have every reason to be proud of this statement, the improvement in which is largely attributable to the country's war effort.

The honourable senator's remarks recalled to my mind the efforts we made in this House and in committee, for at least two or three years, to deal with the railway problem, to

bring about some co-operation between the two large companies, and to minimize unnecessary competition. I agree that most of those efforts were futile—that very little was accomplished. I cannot prognosticate as to what may happen in these respects. Nor am I much interested in the eight or nine hundred million dollars written off. That is all water over the dam. Still we may feel in these days of tremendous war expenditure that we got consideration for it. But what I am interested in is what we are going to do with our railways in the post-war period. I think we all realize that they have been the victims, so far as local traffic is concerned, of motor transport, the truck and the lorry. These captured pretty nearly all the local business, which formerly had been very profitable to the railways. In the future there will be further competition from another type of carrier, which is developing rapidly these days—the airplane.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. McRAE: Many of the main-line planes, those that had been used as sleepers—main liners, as they are called in the United States—are now hauling freight from India to China, carrying as much as is practicable of the traffic that formerly had gone over the Burma road. This venture is only in its initial stage as yet, but planes are being built to carry almost as much as a box-car load. It does not require much stretching of the imagination to see that if this development proves successful, it will not be long after the war until a good deal of the lighter kinds of freight now hauled by the railways is carried by air. Plane engines are now being built of monel metal, and it is altogether likely that in peace time freight-carrying planes will have Diesel engines instead of gasoline engines. That change will result in very cheap transportation. When this war is over our railways will be faced with renewed competition from trucks and lorries, and planes may handle not only the lighter freight, but all the express business, or most of it, a business which, according to the statement referred to by the honourable senator from Saint John (Hon. Mr. Foster), brought the Canadian National a profit of something like $6,000,000 last year.

I do not want any honourable senators to conclude from this that we shall not continue to need our railways. They will be required for the movement of heavy freight. Railways will be a necessary means of transportation, which I should expect will have to be supplied by the Government, not only in this country, but also in the United States. I cannot see it otherwise. After peace is restored, one opportunity for employment will be the need for revamping our railways, bringing them up to date, putting into effect the necessary economies, and so on, and there will never be a time when that kind of work will be more necessary than in the post-war period, or could be done better.

This is not a pleasant outlook for the future of our railways. In these remarks I am expressing only my own opinion. In my view, the responsibility for heavy transportation will never again be a remunerative one for shareholders. It will be a responsibility of the Government, just as our Post Office Department is. Having said this, I do not want anyone to feel in any way discouraged or worried about the situation. On the contrary, we all should be prepared to meet it as it develops in the post-war period.

I thank the honourable gentleman from Saint John (Hon. Mr. Foster) for bringing up this question.

Hon. J. A. CALDER: Honourable senators, it is in some respects a rather dry task to study and analyse a financial report, and I am sure we all are indebted to the honourable senator from Saint John (Hon. Mr. Foster) for having taken the time and trouble to present to us the statement that he has made to-night. I venture the opinion that not many members of this House have read the report as he has read it. He has given us a picture of the railway situation existing to-day, in so far as the Canadian National is concerned. As the honourable gentleman to my left (Hon. Mr. Coté) has said, it is a very rosy picture, and we all know the reason for it.

I rise at this time merely to express my agreement with all that has been said by the honourable gentleman behind me (Hon. Mr. McRae). Some three years ago, when we were dealing with the railway question and discussing the effect of motor-truck competition on railway traffic, I said we must not overlook the airplane. As this war develops it becomes more and more apparent that the airplane is going to play a very large part in transportation all over the world. Before we are through with this war there will be literally thousands upon thousands of airplanes in existence, and hundreds of thousands of trucks. What is going to become of them? A very large proportion of them—make no mistake about it—will be used. If we try to visualize the future of our transportation system in Canada, comprising both the Canadian National and the Canadian Pacific, I think we can look forward to the time when a very much larger tonnage of what may

be called light freight will be carried by both the truck and the airplane. That will have a very material effect upon the earnings of our railways.

I do not wish to raise any contentious question, but it seems to me, in looking to the future, that we shall have to do what is now being contemplated in Great Britain. They will have to centralize their whole transportation system over there, under the control of the State, in some way or other. They are aiming at that in Great Britain at the present time. It was clearly demonstrated before our committees that there is a great deal of duplication in our railway services and that vast sums of money could be saved if by some means the two systems could be brought together. I am not saying the Government should buy out the Canadian Pacific, and I am not in favour of any particular scheme as to how the problem could be worked out. But it seems to me the time is bound to come when, if our railways are to exist at all, some means must be found whereby waste will be eliminated, particularly in view of the fact that there will be a greater and greater cut in railway traffic in the years that are to come.

That is the picture as I see it. I can see no other. Our railways will exist to haul heavy traffic, such as wheat, coal, iron, and lumber; but all the lighter freight that passes now between our communities over distances of two, three or four hundred miles, will be carried by the airplane or by the truck, and railway traffic will be reduced accordingly. This, however, is not a question for to-day. It is a question for to-morrow. I have no doubt that when the problem does arise means will be found whereby it can be worked out. At least, I hope so.

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

THE SENATE

Wednesday, July 15, 1942.

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

Prayers and routine proceedings.

PRIVATE BILLS

FIRST READINGS

Bill A4, an Act to incorporate the Canadian Alliance Insurance Company.—Hon. Mr. Coté.

Bill B4, an Act to incorporate the Felician Sisters of Winnipeg.—Hon. Mr. Haig.

SECOND READING

Hon. Mr. HAIG: With leave of the Senate, I move that Bill B4 be read the second time now. I can assure honourable members that the Bill is in the ordinary form. Its object is to incorporate an order of sisterhood to operate a small hospital at the village of Grand View, Manitoba.

Hon. Mr. KING: In view of the fact that we are now approaching the time when Parliament will adjourn for some months, I have no objection to the motion.

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

SUSPENSION OF RULE

Hon. Mr. HAIG: Honourable senators, I move that Rule 119 be suspended in so far as it relates to Bill B4. The reason for this motion is that suspension of the rule would make it possible to send the Bill to the committee for its next sitting, whereas if the rule were not suspended the Bill could not be committed for seven days.

The motion was agreed to.

REFERRED TO COMMITTEE

On motion of Hon. Mr. Haig, Bill B4 was referred to the Standing Committee on Miscellaneous Private Bills.

MILITARY TRAINING—ALLEGED FRAUDULENT EXEMPTIONS

INQUIRY FOR RETURN

On the Orders of the Day:

Hon. Mr. SAUVE: On the 28th of May I moved the following motion:

That an order do issue for a copy of all correspondence exchanged between the Government and all competent authorities, Royal Canadian Mounted Police, etc., concerning the supposed extortions exacted by Paul Hamelin, 4903 St. James St. West, Lachine, P.Q., or Montreal, charged with having received certain sums from young recruits by promising them to postpone their compulsory military training or even to exempt them from this training; and also concerning treatments handed down by military authorities to young men whom recently Justice Gustave Marin, of Montreal, called "victims".

I should like to know what were the responsibilities and activities of the Montreal Divisional Registrar's Office, with a view to judging whether or not complaints against it are well founded. I wish to be fair to the Registrar's Office and also to the people of Montreal.

Hon. Mr. KING: My honourable friend is asking for information with regard to an order for a return that was passed by this House?

Hon. Mr. SAUVE: On my motion of the 28th of May. I have not received any answer.

Hon. Mr. KING: I shall make inquiries.

Hon. Mr. SAUVE: Thank you.

REINSTATEMENT IN CIVIL EMPLOYMENT BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 5, an Act to provide for the reinstatement in civil employment of discharged members of His Majesty's Forces or other designated classes of persons.

He said: Honourable senators, this Bill speaks for itself. It is intended that men and women who have served in the armed forces, the merchant marine, or the fire fighting forces, shall be included in the Bill. I may say that an Order in Council was passed which pretty well covers the same subject-matter. After an inquiry made by the leader of the Opposition last year, an undertaking was given to supplement the Order in Council by legislation, and this Bill is the result. It is similar to legislation now in effect in Great Britain, the United States, Australia and New Zealand. It was submitted to and considered favourably by the major labour organizations in Canada, an employers' association and the Canadian Legion, and was also given careful study by a special committee of the other House.

I do not think it is necessary for me to make any further remarks. I had it in mind that the Bill should go to Committee of the Whole; but as a question has been raised by the Law Clerk in regard to the last section, which sets no limitation to the penalties that the Governor in Council may impose for violations of orders and regulations, I should like to have the privilege of consulting the Minister. Therefore, if the House agrees, I would move that the Bill be now given second reading, after which I shall move that it be referred to the Standing Committee on Banking and Commerce, in order that any desirable amendments may be made expeditiously.

Hon. C. C. BALLANTYNE: I should like to direct the attention of the leader of the Government to clause (b) of the Bill, which reads:

> "employer" in relation to any person accepted for service in His Majesty's forces, means a person carrying on any undertaking or service in which the person accepted for service had been employed for at least three months immediately prior to the date on which he was accepted for service.

I have in mind the many thousands of employees who have been taken on by munitions plants, and who will not be retained in that employment after the war is over. According to this Bill a man who has been employed for three months in a munitions plant, and who then joins the service, has the right to go back to his employer and ask to be reinstated in his former position at the salary he was earning when he enlisted. We all know that after the war is over these munitions plants will be discharging thousands of employees, and I should like to inquire how this clause can operate.

Hon. Mr. KING: I think section 4 of the Bill covers that situation, in part at least.

Hon. Mr. BALLANTYNE: Section 4 provides that it shall be a defence for the employer to prove:

> (a) that the person formerly employed by him did not, within three months after discharge in Canada from the service or from hospital treatment following discharge in Canada, or within four months after discharge overseas or from hospital treatment following discharge overseas, apply to the employer for reinstatement—

Hon. Mr. MURDOCK: Look at paragraph (c) of section 4. I think that covers the point raised.

Hon. Mr. BALLANTYNE: Paragraphs (c) and (d) say it shall be a defence for the employer to prove:

> (c) that, by reason of a change of circumstances, other than the engagement of some other person to replace him, it was not reasonably practicable to reinstate him or that his reinstatement in an occupation and under conditions not less favourable to him than those which would have been applicable to him had he not been accepted for service with the armed forces was impracticable, and that the employer has offered to reinstate him in the most favourable occupation and under the most favourable conditions reasonably practicable; or
>
> (d) that he was physically or mentally incapable of performing work available in the employer's service.

It is a different matter if the employee is not physically or mentally fit. In such circumstances he could not ask for employment. I cannot see that that changes my argument.

Hon. Mr. MURDOCK: Section 9 provides for a showdown where necessary to determine whether the employer or employee is right.

Hon. Mr. BALLANTYNE: In that showdown the man who is seeking to be reinstated will incur no expense. All the onus and all the expense are on the employer of labour.

Hon. Mr. MURDOCK: That is right.

Hon. Mr. BALLANTYNE: And the decision might be against the employer, requiring him to reinstate a man when he is laying off employees by the hundred.

Hon. Mr. COPP: If an employer has gone out of business he cannot reinstate his former employees.

Hon. Mr. COTE: I have not read this Bill, but after listening to the honourable leader's

explanation I am in doubt as to whether the intention is that the Bill should continue in force after the declaration of peace, at the end of the war. If that is the intention, how can this Parliament legislate to govern the relation of employer and employee, which is purely a matter of contract, and, it strikes me, a matter wholly within the jurisdiction of the provinces?

Hon. Mr. KING: I should think it is intended to apply after the war.

Hon. Mr. BALLANTYNE: Surely.

Hon. Mr. KING: As men return from service, now or after the war is over, and seek employment with their former employers, it will be obligatory on those employers to find positions for them, unless there is some good reason why this cannot be done. And the employer in each such case will have to show good reason.

Hon. Mr. COTE: If that is so, will the honourable leader bring my remarks to the attention of our Law Clerk, in order that when the Bill comes before the Banking and Commerce Committee he may enlighten us on this point of law, which to my mind is rather important?

Hon. Mr. KING: It would be well to have the Bill sent to the committee.

Hon. C. P. BEAUBIEN: Honourable senators, it seems to me that in a great many cases this Bill would be absolutely impractical. I know of companies that had four thousand employees before the war and have more than twenty-five thousand now. What can you expect these employers to do? It seems to me quite evident that if you place on them the obligation imposed by this Bill they will be absolutely incapable of meeting it. The employees in such cases are really the charges, not of the employers, but of the Government. If this Bill goes to committee we should perhaps have the Minister or someone else present to answer this question. It is a very disturbing one for employers who are operating without any profit. Do not forget that in a great many cases employers are carrying on for the purpose of helping their country and are making virtually no profit at all.

Hon. Mr. MURDOCK: I am not on the Banking and Commerce Committee. I agree largely with what has been said by the honourable senator from Montarville (Hon. Mr. Beaubien), and I think the question he has raised makes it necessary that the Banking and Commerce Committee should consider paragraph (b) of section 2 and define the term "employer" more clearly and definitely. Many employers who at present have large staffs were not in business before the war, and will not have any business after peace is declared.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. LEGER: Honourable senators, what bothers me at the present time is the question whether Parliament has jurisdiction to pass such legislation. It is certainly a matter of civil rights, and that is within the jurisdiction of the provinces.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. King, the Bill was referred to the Committee on Banking and Commerce.

WAR RISK INSURANCE BILL

MOTION FOR SECOND READING

Hon. J. H. KING moved the second reading of Bill 56, an Act to make provision with respect to insurance of property against war risks and the payment of compensation for war damage.

Hon. Mr. McRAE: Honourable senators, I would ask the honourable leader whether it is his intention to move that this Bill be referred to the Banking and Commerce Committee.

Hon. Mr. KING: Yes. I will make only a brief explanation of this Bill. I found it very intricate and difficult to understand, although I gave it careful study and also read the debate in another place. I may say it was only after December 7, 1941, after Pearl Harbour, that it seemed necessary to the Minister to have legislation of this character in Canada. At that time he made a public announcement that a bill would be introduced to provide for war risk insurance and the payment of compensation to persons whose property suffered war damages. Since then careful study has been made of conditions in Canada. A prominent and capable man, I understand, visited the Atlantic and Pacific coasts and examined into the situation there; and the situation in the interior was also fully considered.

The Minister has utilized information in the possession of the insurance companies, and through departmental committees he has endeavoured to determine what form of insurance would best cover war risks. He has familiarized himself with the British scheme of insurance as applied in the last war and in this war, as well as with the scheme that

has been set up in the United States. It was not until the whole subject had been thoroughly studied by the Minister and a number of experts that this Bill was introduced in another place, where certain amendments were made before it was sent over to us.

It will be noted that the Bill provides for two things: first, compensation payable for damages incurred before the Bill comes into force, and, secondly, war risk insurance. It is the purpose of the Minister to spread the cost of this insurance over the whole of Canada, so that it will be equally borne. That is, places more vulnerable than others to damage or risk will not be penalized on account of their location.

Some confusion has arisen regarding insurance for the smaller fishing craft that operate off the Atlantic and the Pacific coasts. These boats, though not of great money value to the owners or their associates, are essential to them as a means of earning their livelihood. In ordinary times such boats are usually not insurable. In any event, it is commonly the case that the fishermen do not earn enough to enable them to pay for adequate insurance. The Government is taking care of that class of boat, not in this Bill, but by Order in Council. I am stating this now in order that we may be clear on the point. It was thought better to provide separately for insurance on such small craft, and the intention is that the minimum risk acceptable shall be $300 and the maximum $2,000. Similar protection will be available for the nets, the minimum being $25 and the maximum $300.

Our Law Clerk has suggested several amendments. I am informed from the Minister's office that an official will attend before our committee to-morrow in order that we may get a clear perspective of this Bill.

Hon. A. D. McRAE: Honourable senators, it is not clear to me whether the provision with respect to fishing vessels would apply to our seiners or the more valuable craft. The limitation is in fact of little importance to the fishing interests of the Pacific coast, where our boats run into values ranging from $40,000 to $50,000. Other major issues affect us on the Pacific coast, and they can be discussed in committee. I would suggest to the honourable leader of the House that the expert on whom the Government has been depending for the preparation of this Bill should attend our committee to-morrow, in addition to our Superintendent of Insurance and any other departmental officials who have any information to offer on the subject. I think it important that we should have a pretty thorough discussion of this Bill, because I have found in my recent trip west that many people are somewhat in the dark as to what is intended to be done by this proposed legislation.

Hon. WILLIAM DUFF: Honourable senators, I am sure we all appreciate the honourable leader's explanation of this Bill. Last night I presumed that the proper time to explain a bill was on its first reading, and I have to apologize for my lack of knowledge of the procedure of this Chamber.

As honourable members are aware, on a motion for second reading of a bill we discuss its principle; that is, what it means and what will happen upon its enactment. As I remarked yesterday, after arriving in the city I endeavoured to give a little thought to this Bill. To that end I read it over at least three times, but, as I said then, I was still at sea regarding the purpose of the measure. Although the prospect is a little less cloudy to-day, I am still in a dense fog and, as you will notice, my siren is still blowing.

It seems to me that legislation of this kind is dangerous. The Bill is entitled "The War Risk Insurance Act." We have been told by the honourable leader of the Government that one of the reasons for its introduction was that insurance could not be had with the regular line fire or marine insurance companies, and that some boats are of such low value that it would be impossible to insure them in the ordinary way. I regret to say that I cannot agree with this contention. In my experience, which I admit is not very extensive, I have found no difficulty in getting war risk insurance covered by marine underwriters. Just this morning I put $24,000 war risk insurance on goods aboard a fishing vessel now on the Grand Banks, and returning to the port of Lunenburg within the next fortnight. I think that business men in Halifax and other Canadian ports have no trouble in covering their marine risks. I am thinking particularly of my honourable friend in this Chamber who knows a great deal more about marine matters than I do (Hon. Mr. Paterson). I am pretty sure he will agree with me, though sometimes he may object to the rates which the insurance companies charge, that he does not have much difficulty in securing coverage for his ships. I do not like this idea of the Government going into the insurance business. In the last few years we have been getting away from what the Fathers of Confederation meant when they took action which was crystallized in the British North

America Act. I do not think it is the function of any Government to enter into business. Government has certain functions with regard to regulating those who do business. In my opinion that is what should be done in this case, instead of setting up a bureaucracy. I doubt very much that the proposed legislation will be found workable, but if it should be, I am certain we shall have a central office here in Ottawa with anywhere from 500 to 1,000 employees, at great expense to the taxpayers. Further, in order to make the operation of the Act effective in regard to the risks it deals with, you will need agents of the central office in every little village and hamlet throughout Canada. This will cost the taxpayers millions and millions of dollars at a time when in my opinion there is no necessity for such expenditure. I am in hearty agreement with the idea that the Government should come to the assistance of our people, especially those on our two coasts, where there is greater likelihood of war damages to homes or fishing boats or chattels than anywhere else.

My honourable friend the leader of the Government has said that insurance of the class of boats which he mentioned would be worked out by Order in Council. This being so, why is it necessary to have a Bill of this kind? Why not effect its purpose by Order in Council? Or, if it is considered necessary to pass such legislation as this to provide for compensation for war damage to houses and chattels, why was no provision made with regard to damage to fishing boats which might be sunk or lost by enemy action?

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DUFF: Either one method or the other is wrong. I contend that what should be done is what was done during the last war, as my honourable friend the leader on the other side (Hon. Mr. Ballantyne) and another gentleman opposite will remember. In 1917 we had a very serious explosion in the city of Halifax. Two or three thousand persons were killed and ten thousand injured, and millions of dollars' worth of property was destroyed. The Government of that day appointed a committee to investigate the damage and report how in some slight degree those people should be compensated for their great loss and suffering. I submit that a similar course might well be followed to-day. There is no necessity for this Bill.

But my strongest objection is that by this proposed legislation the Government will enter into competition with our regular marine and fire insurance companies, which companies are quite capable of looking after war risks. Therefore I am opposed to the principle of the Bill. If I read correctly the statement of the Minister in the House of Commons who sponsored this Bill, I infer that he was sorry he had ever introduced it. I hope that is not stating the case too strongly, for I do not want to put words into the Minister's mouth. I say again, there is no need for this type of legislation. If, for instance, a German or Italian warship comes around the point in Lunenburg and, seeing the Union Jack floating on the flagstaff near my home, takes a pot shot, I think the Government should say: "You are a loyal fellow; you believe in keeping the British flag flying; and we are going to recommend that you be paid for the damage you have suffered."

To my mind this Bill is something like a cross-word puzzle; it is not at all clear. One clause provides that the maximum compensation shall be $3,000. But the honourable leader of the Government has said that compensation to a boat-owner would be limited to $2,000. The honourable senator from Vancouver (Hon. Mr. McRae) said that not only on the British Columbia coast, but also on the Great Lakes, there are ships which cost as much as $50,000, and on the Atlantic coast we have fishing and other vessels valued anywhere from $15,000 to $250,000. Under this legislation, if I understood the leader of the Government aright, all the owner of a boat would get for a total loss would be $2,000.

Hon. Mr. KING: My honourable friend has misunderstood me. The $2,000 compensation is to take care of certain types of craft which are not dealt with in this Bill, but will be dealt with by Order in Council. I thought I had better clarify that so there would not be any misunderstanding here such as that which occurred in the House of Commons when the Bill was under discussion. The compensation feature in the Bill provides, as my honourable friend says, $3,000; but that is irrespective of the $2,000 which will be applicable under Order in Council.

Hon. Mr. DUFF: Thanks very much for the explanation. I think we understand one another very well. What I am asking is why any larger amount should be paid to a householder, for instance—of course no one can live without a dwelling—than should be paid to the owner of a fishing boat or a freighter which is destroyed.

I agree with the leader of the Government that there is a sort of mix-up here, because I find that clause 6 provides:

> If any person, during the period between the twenty-fourth day of December, one thousand nine hundred and forty-one, and the thirtieth

day after the commencement of this Act, both inclusive, has sustained or sustains loss from war damage, and if he makes application to the Minister on or before such thirtieth day aforesaid, to enter into a contract of insurance in respect of such property, the Minister may enter into a contract of insurance in respect of such property effective from the beginning of the twenty-fourth day of December, one thousand nine hundred and forty-one, but the amount of the indemnity payable under any such contract in respect of war damage to such property during such period shall not exceed fifty thousand dollars.

First of all we have this $3,000 indemnity. Then it is provided that the owner of a property which has been destroyed between the 24th of December, 1941, and the thirtieth day after this Act is passed by this Parliament and receives the Royal Assent, can get $50,000. In other words, if I insure my house two months after it burns down, I can get an insurance policy to compensate me for my loss. Surely there has been no damage in Canada so far as enemy action is concerned. Why is that clause in the Bill at all? It is senseless. Such indemnity should become effective only after the Act has been passed and ratified by the Governor General. I want to know to what class of people the $50,000 indemnity is to be paid.

But the worst clause is the one with regard to the payment of premiums, and I am opposed to the Bill because it means that the Government of Canada is interfering with private business and private rights, for it is going to issue policies, perhaps at a lower rate than that at which the old line companies can afford to issue them. Of course it is possible they may be higher. In any event, under this Bill the Minister may decide the rate or rates of the premium, and the amount or amounts of the indemnity payable under the contract. As my honourable friend has said, the maximum amount as far as fishing boats are concerned is $2,000; but the Bill provides that the Minister may decide the amount that is to be paid, and he may decide that it shall be $5,000 or $10,000, or less than the $2,000.

I do not think the Government has any right to interfere in any way with, or to go into, the business of insurance. I can understand that the Government has a right to regulate; and if the insurance companies were to come to it and say, "There is likely to be a great deal of damage from the bombing of towns and cities, and we cannot afford to carry these risks, but will agree to insure them if you will stand behind us and make up the difference should the rates charged not cover the loss," it would have a right to act. That would be the sensible thing to do.

Just a few weeks ago the Government decided, and quite properly, to ration sugar. It was realized that with the sinking of ships in the Caribbean and on the Atlantic coast tonnage had been greatly reduced, and that we could not hope to get our usual quota of sugar from Cuba, Jamaica, Trinidad or Demarara. Unless something was done there was going to be a shortage of sugar. First of all, the Government appealed to the good, loyal citizens of the country to curtail their consumption of sugar, and I am delighted to know that throughout the country the people entered into the spirit of the suggestion, and thousands of them voluntarily reduced their consumption of sugar. Since then the Government has decided that sugar should be rationed, and sugar ration cards have been issued. But the Government did not go into the business of buying sugar and of opening stores to sell half a pound to each of the citizens of this country. If the Government is going into the insurance business, why should it not have gone into the sugar business also? Why should not the Minister of Agriculture, instead of controlling butter, open stores and sell it?

This legislation is unnecessary because the insurance companies are in a position to look after our insurance requirements and to take care of every loss that may occur in Canada or on the Atlantic or Pacific ocean, or on our inland waters. Therefore I say this legislation should not pass. The Government could, if necessary, enter into a contract with the insurance companies and stand behind them. That would be a much better proposition than for the Government to open up a whole suite of offices, or to take over a building in this city, and hire stenographers, buy typewriters and furniture and all the other things necessary for a big organization, and employ a representative in every village or hamlet throughout the country to act as agent and accept applications from people who want to insure. I say, therefore, with all deference, that in my opinion the Government would be better advised to do whatever is necessary by Order in Council, with regard not only to the shipping situation, but the situation as a whole, and to declare, "We will stand behind the insurance companies and see that the people are protected."

Hon. C. C. BALLANTYNE: Honourable senators, I must say that I have been very much impressed by the remarks of the honourable senator from Lunenburg. They have been practical and to the point.

I have been unable to read this Bill in anything but a cursory manner, but, like the honourable gentleman from Lunenburg, I do

not fancy the idea of the Government going into the insurance business. According to this Bill the Government, at the discretion of the Minister, may employ as many people as they wish, including:

Such other officers, clerks and employees as are necessary for the proper administration of this Act.

Also, they may fix the remuneration. The whole matter is in the hands of the Minister. Then when it comes to the question of valuation there would be a governmental appraisal by civil servants—something which to me appears unsound and dangerous. As a matter of fact, I do not like this Bill at all.

I think my honourable friend is quite right in saying that if any damage occurs the Government should make an assessment as in the case of the city of Halifax, but that this insurance business should not be placed entirely in the hands of the Minister, who can advance moneys as he deems fit. My honourable friend (Hon. Mr. Duff) says that a very large staff would be set up here in Ottawa. I am inclined to agree with him, because we know that once an Act is passed creating a new department, and is placed on the Statute Book, that department will grow amazingly.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BALLANTYNE: So far as I am concerned, despite the fact that I have not a complete knowledge of what the Bill contains, I am bound to say that I do not like this measure at all. I hope that after it is referred to the committee the judgment of the House will be such that we shall refuse to pass it.

Hon. CREELMAN MacARTHUR: Honourable senators, I agree with the honourable member from Lunenburg (Hon. Mr. Duff) and the honourable leader on the other side (Hon. Mr. Ballantyne). I do not like the Bill. In any case it seems to me that while we may have some bombings and the destruction of a few homes or other buildings by bombs or resultant fires, the chances are 80 to 20 against the Bill ever being of much use. One or two questions give me some concern. Will the insurance companies assume the obligation of paying compensation for damage caused, not directly by bombs, but by resultant fires? Or will such damage be placed in a different category from damage caused directly by bombs?

Perhaps there are some insurance men here who can enlighten me on this next point. I believe, though I am not sure, that in the last war enlisted men who had insurance policies were not required to pay extra premiums. I do not know what practice is being followed in this war. Among our Canadian men there will be thousands of casualties, whose widows and families will suffer if the insurance companies make payments under the policies on a reduced scale, or charge against the policies higher premium rates. I think that if I were an insurance man I should feel the companies were entitled to an extra premium for the additional risk assumed, but whether they themselves feel the same way I do not know, nor have I been able to find out by inquiring from a number of persons.

Hon. Mr. DUFF: Of course they charge higher premiums when the risks are greater.

Hon. Mr. MacARTHUR: Did they do that in the last war?

Hon. Mr. DUFF: Yes. I may say to my honourable friend that the rate of premium is based on the risk which the insurance company takes. For instance, I know a Nova Scotia business man—I will not mention his name; he is not a thousands miles away—who sent some fish by rail to Pensacola, Florida, from where it was shipped by steamer to Porto Rico. The rate of premium on the war risk from Pensacola to Porto Rico was 4 per cent. About the same time he shipped fish from New York to Porto Rico, and on this consignment the rate of insurance was 10 per cent. The rate on shipments from Halifax to the West Indies to-day is 10 per cent. Insurance companies decide what the risk is and base their rate on that. They did the same in the last war.

Hon. Mr. MacARTHUR: This Bill, I think, is really unnecessary. There is a possibility that it will be of some service, though the probability is that its provisions will not have to be widely applied, for there will not be much damage caused in Canada by shelling or bombing from the air. However, many thousands of enlisted men who took out insurance policies in normal times agreed to pay premiums at fixed rates, and no conditions were mentioned under which higher premiums would be charged. Now that they have volunteered to fight for their country and have gone into active service, they should not be penalized by having to pay extra premiums, and where death occurs the widow and family should not be penalized through payment of a reduced amount under the claim.

Hon. L. COTE: Honourable senators, I have been a member of this House a few years now and I do not recall any other Bill having been so thoroughly destroyed by a short speech as this one was by the remarks of the honourable senator from

Lunenburg (Hon. Mr. Duff). I was more than impressed by what he said, and I have become convinced I should say at this stage that my vote in favour of second reading will be given to facilitate reference to a committee and should not be interpreted as indicating my support of the Bill. I think that from the discussions will emerge this thought, that any damage caused to the property of citizens f this country by enemy action, on the coast or inland, or any damage attributable directly to the war, such as from explosions of dangerous materials in the course of transit or while in warehouse awaiting export, should be taken care of by this country to the limit of its capacity.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. COTE: Surely the principle of indemnity which was applied in the case of the Halifax catastrophe is a good precedent. The indemnity receivable by each victim of war damage should not depend upon whether or not he has contributed personally to any insurance fund or purchased a policy. He is part of a national risk, and if a bomber goes over his house it is not through his neglect or on his invitation. It is an act of war. If ever the principle of solidarity among the citizens of this country should be recognized, it is when one suffers from enemy action through the choice of the enemy and not of himself. We all should come to the rescue in such cases. The cost of compensation should be paid by us all collectively. In other words, the premium should be collected, not from the individual sufferer, but at large, through the process of taxation, over the whole country.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. COTE: It seems to me that is the sound principle. I should prefer a scheme of war indemnity to come out of public funds; not to indemnify completely the sufferers from war damage—for we could never hope to do that if the damage were at all substantial—but to indemnify them in some reasonable measure. It may be that in the elaboration of such a scheme exceptions should be made as against those risks which the individual, on account of some special feature of his business, would cover by his own insurance. For instance, if a man desires to engage in an occupation to which extra risk is attached, such as shipping goods by sea, and if he hopes to make a profit thereby, he possibly should be asked to pay his own premium for protection through an insurance company. But if an ordinary citizen suffers damage by enemy action simply on account of the fact that he happens to be residing in Canada, then I say the country should extend to him a helping hand, and his eligibility to receive help should not depend upon whether or not he had the means to subscribe to an insurance fund or purchase an individual policy.

Hon. Mr. MacARTHUR: May I ask the honourable senator what he thinks about increased premiums on soldiers' policies?

Hon. Mr. COTE: I should not like to express an opinion on that feature just now, because I do not think it has anything to do with this Bill, which deals with insurance against damage on material property.

Hon. Mr. MacARTHUR: It all has to do with the war effort.

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

VOCATIONAL TRAINING CO-ORDINATION BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 64, an Act respecting the carrying on and co-ordination of vocational training.

He said: Honourable senators, the object of this Bill is the continuation or re-establishment of the work that was carried on under the Youth Training Act, which was passed in 1939, when the late Hon. Norman Rogers was Minister of Labour. While that Act was in operation the provinces and municipalities throughout the country co-operated with the Dominion Government by making their technical schools and other facilities available, and some 300,000 young persons were given valuable training. The Act expired last March. It is proposed to bring the usefulness of that Act within the scope of this Bill, and to include other activities that are carried on by the Air Force in training men; also some of the work that is being carried on by the Army. Those activities, combined in this Bill, will be placed under the Minister of Labour.

This is an important measure and I think it will receive the endorsement of the Senate. It is proposed to continue co-operation with the various provincial governments, so that men returning from overseas may enjoy an

opportunity for vocational training. After the last war a department set up for that purpose did some very effective work. This Bill provides for vocational training not only for young men and women and older men who want to go into industry, but also for men returning from overseas.

I move second reading of the Bill.

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

REFERRED TO COMMITTEE

Hon. Mr. KING: Though there are not many amendments to the Act, I think it would be well to send the Bill to the Standing Committee on Banking and Commerce. Therefore I move that it be referred to that committee.

The motion was agreed to.

BANKING AND COMMERCE COMMITTEE

Hon. Mr. BLACK: Honourable senators, may I, with the approval of the leader of the House, state that the Banking and Commerce Committee will sit to-morrow morning at 10.30 a.m.

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

THE SENATE

Thursday, July 16, 1942.

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

Prayers and routine proceedings.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the Senate adjourns to-day it do stand adjourned until 3 o'clock on Tuesday afternoon.

The motion was agreed to.

BANKING AND COMMERCE COMMITTEE

Hon. Mr. BLACK: Honourable senators, the Committee on Banking and Commerce, which now has two bills under consideration, and may have to deal with another bill, intends to sit on Tuesday, July 21, at 10.45 in the morning.

PAN-AMERICAN RELATIONS

MOTION DROPPED

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

That the Standing Committee on External Relations be directed to conduct an inquiry into the best means of promoting co-operation, in the spheres of economic, legal, social and cultural relations, between the Dominion of Canada and the other nations of the American continents, and to report the result of such inquiry to the Senate, and that the said Committee have power to call for persons, papers and records.

Hon. L. M. GOUIN: Honourable senators, some time ago I gave notice of my intention to present this motion for the purpose of promoting Canada's co-operation with the other nations of the American continents. I realize that the present session is too far advanced for the matter to be referred to our Committee on External Relations. I believe, however, that this very important question should receive the careful consideration of the Senate as soon as possible next session, for our country has a glorious part to play in fostering inter-American fraternity and solidarity. I am convinced the time has come for Canada to co-operate more fully with the other twenty-one American nations, which have always regretted our absence from their councils. We all have the same vital interest in matters of defence. Moreover, with the loss of our markets in continental Europe, through the war, it is essential for us to study the possibility of expanding our foreign trade southwards. The Government is therefore to be congratulated on the interest it has shown in the development of commercial and diplomatic relations with South America, and in particular with those great and very friendly nations Argentina, Brazil, Chile and Ecuador.

Recently the Press has mentioned the fact that negotiations were being carried on between Mexico and Canada with a view to the establishment of a legation by each country at the other's capital. I am convinced the Canadian people in general will welcome any steps to secure closer economic and cultural relations with Mexico, our ally in the present war. Senor Calderon, the Consul General for Mexico, a few months ago took the initiative with his colleagues of the other Central and South American countries to organize the Inter-American Canadian Association. Our Minister of Trade and Commerce, Hon. Mr. MacKinnon, was the guest of honour at the dinner which marked the inauguration of the newly-formed organization, to which I have

the honour to belong. Such praiseworthy initiative really deserves our heartiest encouragement.

By way of conclusion, let me remark that one-third of the population of Canada has the same cultural source as the Spanish and Portuguese countries of South America, namely, Mediterranean civilization. The unfortunate land of our origin, France, has been the intellectual mother of South Americans in general ever since the birth of freedom among them. Canadians of French origin are eager to contribute their utmost to the preservation of this spiritual legacy, not only in Canada, but in the entire western hemisphere. Our Latin affinities are for us indeed a source of pride and moral comfort.

An excellent book has just been published by my good friend and confrere Professor John Humphrey, of McGill University. In his remarkable study, "The Inter-American System," the author very ably refers to the future of our intellectual intercourse with Latin America, which he calls the home of a rich new-world culture based on the cultures of France, Spain and Portugal. I wish to thank Professor Humphrey very particularly for having so admirably explained the part which French-speaking Canadians should play in Latin America as the representatives of the classic culture that we inherited from France in the seventeenth century.

In this field of our cultural relations a conference entitled "Journées Pan-latines" took place last winter at the University of Montreal. The consuls representing Latin America met our distinguished rector, Monseigneur Maurault, and had most friendly contacts with our professors and students. A spirit of real intellectual brotherhood marked all these gatherings. A permanent organization has been created under the name of "Union Culturelle des Latins d'Amerique." The association thus formed by the intelligentsia of our younger generation has continued to grow, and I am convinced that it will develop into a most fruitful exchange of professors and pupils between the universities of Canada and those of Latin America.

I have this subject very much at heart, and I regret that it will be necessary to wait until next session before we can proceed with the study of this most interesting question. I beg leave to ask that, for the time being, this motion be dropped.

The motion was dropped.

Hon. Mr. GOUIN.

WAR RISK INSURANCE BILL

SECOND READING

The Senate resumed from yesterday the adjourned debate on the motion of Hon. Mr. King for the second reading of Bill 56, an Act to make provision with respect to insurance of property against war risks and the payment of compensation for war damage.

Hon. J. W. deB. FARRIS: Honourable senators, we had yesterday a very interesting discussion on this Bill, particularly by the honourable senator from Lunenburg (Hon. Mr. Duff). He was cautious enough to state in opening that he did not understand the Bill and was labouring in the fog in which he found himself. Notwithstanding that, my honourable friend made a very strong impression, I think, especially on some honourable members opposite. And that impression appears to have extended abroad, since I notice it has been featured in this morning's Montreal Gazette and other papers. In ordinary circumstances some of the difficulties might be cleared up in committee, when the Bill reaches that stage, but in view of the publicity that has been given the subject I think it well that we should briefly review the Bill now in this House. I feel that some of the criticism made yesterday by my honourable friend from Lunenburg would not have been made if he had waited until the fog had cleared up. In saying that, I take it I am paying him a high compliment, because it was only on account of his strong personality and persuasive words that in the circumstances he was able to make the very deep impression he did.

I gathered the impression from him that this Bill had been prepared in a rather haphazard way and had not been carefully thought through, but if honourable members will check up they will find this was not the case. The Bill was introduced in another place last March, at which time the Minister explained its principle. It was then left over until after the Easter vacation, and since the sittings of the other House were resumed it has been under discussion and consideration, either in Committee of the Whole or at other stages in the House itself or in its Banking and Commerce Committee, until only a few days ago. Besides, before the Bill was introduced, one of the most capable and distinguished counsel who could be secured for the work was engaged to go all over the country, from Halifax to Victoria, and also to Washington, to make a special study of this question. I refer to Mr. D'Arcy Leonard, who, as honourable members who are lawyers know, has specialized in this branch of the law. He

made a full and exhaustive report to the Minister. In addition a competent inter-departmental committee was appointed and worked with Mr. Leonard. The services of our well-known and efficient Superintendent of Insurance were secured, and repeated conferences were had with high officials of insurance companies and others competent to pass judgment on the question. All this indicates the thorough care given to the preparation of the measure.

I ask honourable senators to consider with me what the Bill really does, because a knowledge of that will answer some of the criticisms made here yesterday. This Bill deals distinctly with three matters. First, it provides for insurance by the Government against war damage to property on land, the governing section being No. 3. May I read the first paragraph?

> The Minister may, on behalf of His Majesty, enter into a contract of insurance with any person to insure against the risk of war damage, any property in which such person has an insurable interest.

In the interpretation clause we are reminded what is included and what is not included in the term "property."

It will be observed that in this section there is no limit to the amount of the insurance. We heard reference yesterday to coverage of $50,000, $3,000, $2,000. In the working out of the Act the usual principles governing insurable interest will be applicable. For instance, in the payment for loss the well-known insurance principle will apply that you will be paid only for the loss sustained. But I would impress on honourable members that, except for such qualifications, there is no limit to the amount of insurance that may be effected in the contract made with the Minister.

The scheme of this Bill is for insurance of property in Canada. It is not a marine insurance bill. And "property" here has certain exclusives; that is, it does not include land on which there are no structures; nor growing crops nor trees; nor ships after they are launched and equipped for sailing; nor freight on the seas. It does include freight on our inland waters, which in general terms means wheat in transit across the Great Lakes and on to the ocean. Such is the primary purpose of this Bill. The Bill does not provide for hazards on the sea—marine insurance.

There was a good deal of discussion yesterday about the insurable value of ships and the opportunity to place marine insurance. My honourable friend from Lunenburg (Hon. Mr. Duff) said that you could place marine insurance, for he had had that experience, having arranged for $24,000 insurance on a vessel out of Lunenburg now on the Grand Banks. That simply confirms and does not attack the policy underlying this Bill.

In support of my statement that the Bill provides for land insurance, since the insurance companies are not handling that business, and does not touch marine insurance at all, I read this paragraph from the speech which the Minister made in the other House when the Bill was under consideration there:

> I have the most deep-seated objection to mixing a marine insurance scheme with a land insurance scheme. They do not do it anywhere, so far as I know—neither in Great Britain nor the United States nor anywhere else. The two kinds of business are different. Everything about a marine insurance scheme is different from a land insurance scheme, and I must stand firm on that—that we shall not run these marine risks in with land risks. What is proper for a certain rate on land is different from a rate on water. The risk is different, the nature of the business is different, the adjustment is different, the rules are different. For one thing, losses on land are adjusted on the basis of actual loss. It is like fire insurance: if I take out $10,000 insurance on my house, and it burns down, and the house turns out to be worth only $6,000, then I get only $6,000. The reverse, I am told, is true of marine insurance; the value is determined in advance and adhered to regardless of what the actual loss may be. That is a vital distinction. I cannot mix up these two plans.
>
> We have no Canadian Government plan of marine insurance, but commercial insurance is available.

As I have already stated, my honourable friend from Lunenburg has confirmed the fact that commercial insurance is available, for he said he had placed insurance on a vessel sailing out of Lunenburg.

Hon. Mr. DUFF: Will my honourable friend pardon me? I said war risk insurance. That is what this Bill covers; not marine insurance.

Hon. Mr. FARRIS: This Bill does not cover war risk insurance on ships sailing on the sea. That is the point I make. The Minister has said in the paragraph I have just quoted from his speech that according to the policy of the Government war risk marine insurance is still to be handled by the commercial insurance companies, just as my honourable friend said it should be handled. That fact should be kept in mind.

Hon. Mr. BALLANTYNE: But I think that in fairness to the honourable senator from Lunenburg it should be pointed out that he was referring only to the $2,000 insurance on small ships.

Hon. Mr. FARRIS: This Bill has nothing to do with that at all. I shall come to that point later. I am not criticizing my honourable friend from Lunenburg; I am simply stating what are the principles of this Bill. I say its primary purpose is to provide for insurance of property on land in Canada, and the only exception—

Hon. Mr. COTE: Or on water in Canada.

Hon. Mr. FARRIS: The only exception to the land phase is freight on the inland lakes and waters of Canada. The Minister in the other House intimated that the time might come when it would be necessary to introduce a bill dealing with marine insurance—or, as my honourable friend from Lunenburg prefers to put it, dealing with war risks in regard to ships sailing on the sea. We are not here to discuss whether that time has arrived or not. I am only indicating the scope of the present measure. In his report, which I have before me, Mr. Leonard points out that in the United States and in Great Britain there is a scheme by which war risks on the sea are at least in part covered, and he intimates that the time might come when we should seek co-operation with Great Britain and the United States to get the advantage of their provisions in this respect. The Minister said that so far no request had been made of the Government to take such action.

From my study and analysis of the Bill I think this explanation disposes of what is its basic principle, what it contains, and what, for the purposes of our discussion, is of equal importance, what it does not contain.

Honourable members will recall that what we have been discussing under section 3 is more or less a business relationship between the Government and the person seeking insurance. I doubt that you can say it is entirely a business relationship, because, if it were, the matter might have been left to the insurance companies. But it is of necessity a business relationship in which the Government undertakes for a premium to carry insurance on property on land.

In contrast to this I desire to direct the attention of honourable members to another feature of this Bill—one contained in section 7. This provides that if the dwelling-house in which a person ordinarily resides and of which he is the owner is destroyed by one of the hazards of war, he may receive compensation, without his having effected any insurance, to a maximum of $3,000. Section 8 provides that in the event of damage to chattels in the house the householder may be compensated, on a sliding scale, up to $800, which may be increased by $400 if he is married, and by an additional $100 for each child. That is not insurance at all; that is straight compensation after the event. It is in a sense the very principle that my honourable friend from Lunenburg was advocating yesterday. These sections do not attempt, of course, to cover fully every devastation that may happen in Canada by compensation after the event; but they do undertake in advance, should a householder lose his home by a bomb or other explosion, to compensate him up to $3,000 on that account, and also to compensate him for damage to his chattels.

I come now to the retroactive feature of the Bill in section 6, where the maximum figure of $50,000 appears. I agree with my honourable friend from Lunenburg that the section is peculiarly worded. I think if I had had the responsibility of drafting it I would have adopted a less ingenious method of expression; but that is neither here nor there. However, the purpose of the section is clear. All it means, in short, is this. Canada has for some months been threatened with danger of war damage, and presumably the Government thought that during the delay between the preparation of this Bill and its enactment everybody ought to have some provision for security in the event of damage happening before there was an opportunity to place insurance. For that purpose this Bill provides that if a man's property is damaged by a war hazard before this Bill is operative, he may seek compensation therefor just as if he had been insured; but with this $50,000 limitation. Suppose he has a property worth $500,000. When this measure is enacted he might insure for that amount, and if the property were destroyed he would be paid his full insurance. But under this retroactive provision, it was recognized, the Government could not possibly pay that, and so it set a maximum of $50,000. That figure is simply a maximum in regard to retrospective damages in cases of the kind for which insurance may be effected after the Bill comes into force. So there should be no attempt to draw a comparison with the $50,000, the $3,000, and the $2,000. They relate to different things and different purposes, and are based on entirely different principles.

Yesterday some honourable senators discussed a feature that is not in this Bill at all. I refer to the compensation of $2,000 to fishermen. That is provided for by an Order in Council dated July 3 of this year. It will be found in the Votes and Proceedings of the House of Commons for July 6. That Order in Council was passed under the War Measures

Act and places the administration of this particular provision in the Department of Fisheries. The measure now before the House is under the Department of Finance. The Order in Council defines a fishing boat and fishing gear, and provides that if a fisherman has his boat destroyed or damaged by a war hazard, the Minister of Fisheries may pay to him on that account a sum not exceeding $2,000, and for his nets a sum not exceeding $400, provided he has not been indemnified by insurance.

Hon. Mr. MacLENNAN: Also that insurance is free.

Hon. Mr. FARRIS: It is not insurance at all; there is no premium or anything else paid for it.

Now, honourable members should not, because of that, say that the present Bill is open to criticism; neither, I think, should they even say that the Order in Council is open to criticism. It was not intended to make provision for ships worth $250,000, such as my honourable friend mentioned. It was not intended to make provision for ships worth $50,000. I have read to you the Minister's policy in regard to marine insurance for war risk. It is that until some new necessity arises, until some demand comes from the owners of ships, it will be left to the owners to take out war risk insurance with companies that write that kind of insurance. But complaint was made that there are small fishermen on the Atlantic coast and on the Pacific coast who are unable to get marine insurance, and others who, even if they are able to get it, sometimes neglect to do so. In the result the country cannot afford to have these men taking the hazards and losing their means of livelihood without compensation. So, purely on the basis of that idea, and under the administration of another department altogether, this provision of $2,000 was put in. To repeat: this has nothing to do with the question of insurance for large ships, and it has nothing to do with the Bill now under consideration.

That, honourable gentlemen, covers the scope of the Bill we are now considering, except for its details, which we shall have to discuss in committee. There are, however, certain other criticisms which were very forcibly made against the Bill yesterday. The honourable senator from Lunenburg said that the Government should not go into the insurance business. Why not, I ask. I gathered that one of the reasons for his statement was that to do so would be to enter into unfair competition with the insurance companies. I submit, honourable members, that there is nothing unfair about it. The insurance companies are not willing to write this kind of insurance. I am talking, not about marine insurance, but the brand of insurance covered by this Bill. We know this to be so from Mr. Leonard's report; and it was ascertained also by the members of the other House in their long discussions. Insurance is effected in consideration of premiums which are fixed on the basis of the hazards involved, and in the light of past experience in regard to such risks. But when we come to the situation now facing this country, and the possibility of some munitions plant exploding, the repetition of what happened in Halifax, or the effect of the dropping of bombs, no mechanics of figuring by the insurance companies can give us the information required. As a matter of fact, the insurance companies do not want this type of insurance, and for this reason my honourable friend is not speaking on their behalf or with their sanction. Therefore, if the business is not wanted by the insurance companies, if they are refusing to handle it, and our people are confronted with the peril which makes this kind of insurance necessary, who except the Government can meet the necessity of the occasion?

This project may be undertaken in one of two ways. It may be undertaken in the way which is proposed in this Bill, or by the Government saying to the insurance companies, "You do the business and we will guarantee you against loss," or, as someone has expressed it, though I am not quite sure that it is correct in the circumstances, "We will underwrite the insurance."

My honourable friend from Lunenburg said yesterday, and it was repeated by others, that the great objection to the method adopted by the Government is that it would require a vast organization with from 500 to 1,000 officers or employees; that there would be a large central office in Ottawa, and agents scattered all over the Dominion of Canada. Now, I have here Mr. D'Arcy Leonard's report, and I think it is important that honourable members should understand that his report, made after thorough investigation, is the basis of this Bill. What does he say?

> This insurance would be made available through the insurance companies, who have offered their services to the Government on a non-profit basis, as have also the Association of Agents.

That means that the insurance companies of this country, and the agents, as a contribution to the war effort—a contribution such as everybody is making in some form or another

—have offered their services and facilities at cost. These will be very valuable. There will be some abuses, of course, as there always are abuses by someone; but on the whole the offer will be fairly and honourably carried out. Mr. Leonard says:

In contemplating the administrative set-up for such a scheme, it appears to me to require the minimum of machinery of any plan that might be adopted.

I might point out to honourable members that I had the pleasure this morning of conversing with Mr. Matson, who is to be the new controller. He is the head of an insurance organization in Montreal to-day. No doubt many honourable senators know him and are aware of his excellent record in business. From him I gathered that apart from the central office there will be no organization set up by the Government, and the central office will be required chiefly to receive and keep account of the returns sent in by insurance agents throughout Canada. That, it would seem to me, largely removes any apprehension on the score of expense. Furthermore, let me point out that it is Mr. Leonard's studied opinion that that is the cheapest way in which that work can be done.

But there are other factors. My honourable friend from Lunenburg said that we should not have this insurance at all; that we should do as was done in the case of the Halifax calamity—wait for the event and then come in and compensate everybody. I say that to a limited extent, in regard to householders, that is provided for in the Bill. But surely in this great industrial country no form of business enterprise should be allowed to go without insurance, and left so that after the event we should pay the whole cost. How impractical that would be! Take the grain business, for instance. I am told by grain men that banking is closely associated with the grain business, and that financing is essential to the trade. I am told that inability on the part of those engaged in that trade to show the banks that they have insurance has a direct effect on their financing. Will it be sufficient to give an indefinite statement that something like what happened after the Halifax disaster is going to happen again? Business cannot be carried on by such methods. The practical thing to do is to enable these men to place insurance on their property, so that when a loss occurs the matter may be dealt with in a business-like manner.

Then when it comes to the question of cost, let us compare the cost of this method with that of reinsuring. If this matter were left entirely in the hands of the insurance companies they would be entitled to a profit, and they would not be prepared to give their services at cost. Under the present scheme the Government assumes no more liability than it would under the other, and the whole operation is carried out without profit in any quarter.

It has been suggested that to be effective this insurance should be compulsory, as it is in England. But the need is urgent, and if this legislation is to be of any use we should have it this year. Therefore we must have a scheme which will be put into operation as quickly as possible. If we make the scheme compulsory we shall run into complicated questions in regard to valuations. If it is voluntary we need not worry about over-valuation, because the values will be appraised when the loss is adjusted. If we have compulsory insurance we shall encounter the problem of people under-insuring in order to escape the payment of premiums. Every municipality has its own basis of valuation, and it would be necessary to set up new machinery throughout the country—local machinery—to adjust these differences.

If the present system shows the necessity of compulsory insurance at a later date, such a system can then be put into effect.

Now, that covers about all I have to say in explanation of this Bill and in reply to the criticisms which have been made. My honourable friend from Saint John (Hon. Mr. Foster) was good enough to give me last night a copy of the rules and regulations of the War Damage Corporation of the United States. These became effective on July 1. That organization is a subsidiary of the great Reconstruction Finance Corporation of the United States, and makes provision for the insurance of war risks in that country. As we were told yesterday, the British Government also has made provisions of this nature. These systems were studied by officials before this Bill was prepared. There is one thing I want to point out in connection with the United States regulations which came into effect only this month. In the American scheme there is provision for the coverage of standing timber. There is no such provision in our Bill, the reason being, I understand, that it was said it would not be practical. On the Pacific coast, in British Columbia, we have great timber areas, and adjoining them are the great timber areas of Washington, Oregon and California. If under the American policy coverage can be provided for war damage to those areas in the United States, I feel that the Government of this country should make it possible to have our standing timber also covered. With that exception it seems to me we are following very closely in the steps of countries which have experimented with war risk insurance. I

am not one who thinks we should adopt a policy simply because it has been adopted elsewhere, but I firmly believe that every progressive nation should be ready at all times to study what is going on in others and to profit by their experience.

For these reasons I support this Bill.

Hon. C. C. BALLANTYNE: Honourable senators, the honourable gentleman from Vancouver South (Hon. Mr. Farris), with his clear mind and great ability, has very lucidly explained the details of this Bill. But the details were not under discussion yesterday; it was the principle of the Bill we were dealing with. My honourable friend has missed the trend of the argument by the honourable senator from Lunenburg (Hon. Mr. Duff), who feels, as do some of us on this side, that the Government should not enter into this war risk insurance at all. I am not prepared to say there will never be any war damage in Canada. My honourable friend opposite (Hon. Mr. Farris) seems to assume there will be some, though he does not say so. What I feel is that the Government ought to leave land insurance alone. Does the honourable senator think the time has arrived for the Government to undertake land insurance and war risk as outlined by this Bill? It is just possible that we may not suffer any war damage on land at all. Let us hope that we never do. Would it not be as well to wait, and, if damages occur, have them adjusted equitably at the time? The Halifax disaster is not a fair analogy at all, because that was caused by a great explosion and the damage was on a very heavy scale.

If we are ever shelled by the enemy on either coast, there will be some damage here and there, but surely my honourable friend does not expect that in this country enemy action will have the same devastating effects it has had in some of the large cities of England, such as Coventry, London and Liverpool. Great Britain was perfectly justified in providing war risk insurance, but can we not let things simply go on just as they are? I know that to do so would be to assume a certain amount of risk; but what is the matter with that, and why should the Government not adjust any war damages as they occur, and reimburse the actual sufferers on a fair and honest scale? My honourable friend does not touch on that at all, and I should like to know his opinion about it.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. King, the Bill was referred to the Committee on Banking and Commerce.

PRIVATE BILL

SECOND READING

On the Order:

Second reading of Bill A4, an Act to incorporate Canadian Alliance Insurance Company.—Hon. Mr. Moraud.

Hon. L. COTE: Honourable senators, at the request and in the absence of the honourable gentleman from LaSalle (Hon. Mr. Moraud), in whose name this order stands, I move the second reading of Bill A4, the purpose of which is to incorporate the applicants—one of whom I know, who is a very prominent insurance broker in the city of Quebec—under the name Canadian Alliance Insurance Company. The Bill contains the usual provisions for the incorporation of such a company, and the terms of the Canadian and British Insurance Companies Act, 1932, are made applicable. The incorporated company would be authorized to acquire a Quebec provincial company of the same name, and it is stipulated that the agreement for taking over the assets of the provincial company shall not become effective until approved by the Treasury Board of Canada. It is also provided that the Act shall come into force on a date to be specified by the Superintendent of Insurance in a notice in the Canada Gazette, and that such notice shall not be given until certain formalities have been complied with.

I intend, if the motion for second reading carries, to move that the Bill be referred to the Committee on Banking and Commerce.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. Coté, the Bill was referred to the Standing Committee on Banking and Commerce.

SUSPENSION OF RULE

Hon. Mr. COTE: Honourable senators, I move that Rule 119 be suspended in so far as it relates to Bill A4, an Act to incorporate Canadian Alliance Insurance Company. The purpose of this motion is to dispense with the requirement of seven days' posting of notice before the Bill can be considered by a committee. I understand the Committee on Banking and Commerce is to meet again next Tuesday; so I urge that this motion for suspension of the rule be adopted.

The motion was agreed to.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. ASELTINE presented the following Bills, which were severally read the first time:

Bill C4, an Act for the relief of Bessie McKenzie Balfour Whiteley Willard.

Bill D4, an Act for the relief of Ada Lahn Corber.

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

THE SENATE

Tuesday, July 21, 1942.

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

Prayers and routine proceedings.

VETERANS' LAND BILL

FIRST READING

A message was received from the House of Commons with Bill 65, an Act to assist war veterans to settle upon the land.

The Bill was read the first time.

REINSTATEMENT IN CIVIL EMPLOYMENT 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 5, an Act to provide for the reinstatement in civil employment of discharged members of His Majesty's Forces or other designated classes of persons.

He said: Honourable senators, the committee has made certain slight amendments in this Bill, which do not in any instance affect its meaning or purport.

The motion was agreed to.

THIRD READING

Hon. J. H. KING moved the third reading of the Bill.

Hon. L. COTE: Honourable senators, this Bill was fully considered in the Banking and Commerce Committee, where I was present, and I will not deal with the measure at any length now. From the explanations given in committee it appears that the purpose of the Bill is to place on employers of labour the statutory duty of reinstating in their employment persons who have been discharged from the armed services of this country and who at the time of enlistment had been employed by such employers for at least three months. This duty becomes operative whenever the former employee ceases to be a member of the armed forces and seeks re-employment, whether during the war or after the cessation of hostilities. That such an obligation should be imposed upon employers of labour no one will dispute. Indeed, it is the kind of patriotic obligation that every employer should himself be ever ready and willing to assume, without the need of any law making failure to assume it an offence punishable by way of prosecution and summary conviction. The obligation to treat ex-servicemen in a fair way—I will not say in a generous way, because it is only a question of fair dealing—should really flow from the employer's own conscience, but, as I said in committee, I am not opposed to making the obligation more than a moral one, and I favour the purpose of this Bill, to make the obligation legal.

During consideration of the Bill in committee the point arose and became abundantly clear, and the evidence there given supported it, that, whatever might be our hopes regarding the operation and effect of this measure, unfortunately only a small portion of ex-service men could be reinstated under this proposed law. The reason is quite obvious. We know now that, as a result of abnormal conditions brought about by the necessity of manufacturing great quantities of munitions and war supplies, an employer of labour whose normal working force is 50 men may have had to increase it to 1,000, and that the turnover due to enlistments may be another 1,000. We know full well that when the war comes to an end that employer of labour will not be able to re-engage his returned men. His manufacturing activities will return to normal and he will only be able to take on his pay-roll 50 men all told.

In committee I expressed the hope that this Bill will not be offered as an inducement to our young men to enlist, and with that reservation I shall vote for the measure. I do not think that it would be either fair or honourable for the Parliament of Canada to make an express promise to our young men by statute and induce them to enlist by saying to them: "Go and serve your country. We have passed legislation so that upon your return the job you left will be still available to you."

Suppose this Bill, when enacted, is used for such a purpose. It gives me the shivers to

think what will happen when, after the war, these young men who enlisted upon the strength of such a representation come back to Canada battle-weary and battle-scarred, eager to get married and establish a home, and hungry for, and entitled to, a job through which these legitimate desires of theirs can be carried into effect, and we say to them: "We are very sorry, but you cannot have that job." They will retort: "It was promised to us by Parliament." And suppose, repeating that we are very sorry, we add: "But we passed that legislation to induce you to enlist. It was necessary to do so, because we did not want to have any other system of enlistment for overseas service." Well, should we have to make that reply, I could not possibly tell you what the answer of those men would be, for certainly it would not be couched in any language that could be uttered in Parliament.

This brings me to another point. The other day when the Bill was read a second time I asked the leader of the Government: "Is this law intended to be enforced after the ceasing of hostilities?" He promptly answered "Yes." The answer is according to the terms of the law. Then I asked: "What about the question of legality? Can this Parliament now enact a statute dealing purely with a matter of civil rights, that is, a contract of employment, that statute to have effect after the emergency is over?" That point was discussed in committee. The Law Clerk of this House gave it as his opinion that it was at least doubtful whether, after the cessation of hostilities, this law could be sustained; but he indicated a circumstance which, to my mind, would weigh in favour of its being sustained even after the war comes to an end: that circumstance is the necessity of passing this law to induce men to join the armed forces.

Hon. Mr. COPP: Do I understand the honourable gentleman to say that someone suggested that the Bill was for this purpose?

Hon. Mr. COTE: No. He suggested that that would be a ground upon which it could be supported after the war. In other words, we could pass this statute now to help Canada in its war effort by offering this as an inducement for men to enlist, and no court could say that such a motive was not connected with the emergency, or that such use of legislation was improper. If we can pass the measure now to help in the war effort, we can defend it in court after the war and say that the re-employment feature is a part of the same transaction. The first part of the transaction is the passing of the statute as an inducement to bring men into the army. The second part, the reinstatement—that is, the delivery of the consideration —would become effective after the war. If the measure could be defended on that ground, my fears as to the constitutionality of the law after the war would, I think, be dispelled. But unfortunately I am still left with the great fear that in our attempt to embody in the law the principle of compulsory re-employment we are doing something which I will not qualify as dishonourable, but which may not be quite fair to the men who are going to act upon it.

Hon. J. A. CALDER: May I ask the honourable gentleman a question? I understand that he has some doubt as to the constitutionality of the law in so far as its operation after the war is concerned. I can understand the passing of such legislation under the War Measures Act, which gives the Government power to do almost anything it pleases in connection with the war. But Parliament is separately passing this particular law. Has the honourable gentleman any doubt in his mind as to the constitutionality of Parliament passing this law at this time?

Hon. Mr. COTE: That is exactly the point I raise. There lies my doubt. If the Government had acted by way of Order in Council under the War Measures Act, then, according to the very terms of that Act, if my recollection is correct, the effect of the Order in Council would terminate with hostilities.

Hon. Mr. CALDER: Yes.

Hon. Mr. COTE: But this Bill is not so framed. Its operation will continue after the end of hostilities. In fact, if it did not, the Bill would not mean very much, because it would be of advantage only to those men who come back during the war. It would not mean anything to those who come back after the war is over, and they will easily be the greater number. For that reason, instead of proceeding by Order in Council, the Government has introduced this Bill. It is only by means of a Bill passed by Parliament that the Government can attempt to project into the future the operation of what is by its very character a war measure. By war legislation, of course, we can trench directly upon civil rights and the powers which belong exclusively to the provinces. As war legislation for the duration of the war this Bill is good, beyond any doubt. But will it continue to be good when the war comes to an end?

Hon. J. A. CALDER: Honourable members, I did not have an opportunity to attend the meeting of the committee when it was dealing with this Bill, but it appears to me that the honourable gentleman who has just

spoken has raised a question of the very first importance. We know what the Bill purports to do. If it becomes law, it may not be sound law. In a word, we are telling all the enlisted men, "Here is the law which we are passing, but according to the statement we have just heard, this law, not only after the war, but at the present time may be unconstitutional." It seems to me that before the Bill is read the third time we should have a clear statement from the Department of Justice to the effect that it believes this law to be constitutional. I doubt very much that without such a statement we should place our stamp of approval on the Bill.

I am not opposed to the principle of the Bill, but it is my opinion that if the law, with all its promises, should turn out to be unsound and ineffective, there would be a terrible row in this country. If a statement from the Department of Justice such as I have referred to has not already been made, I would ask that it be given to us before the Bill is read the third time.

Hon. JAMES MURDOCK: Surely, honourable senators, it is consistent to go as far as we possibly can to guarantee to those who go and fight for Canada that when they return from the war they will be reinstated in their former jobs.

Hon. Mr. CALDER: But you have not the power to do it.

Hon. Mr. MURDOCK: We all know that when the war is over tens of thousands of the jobs that men are going from to-day will no longer exist, because those jobs have been created to meet the artificial demand of war industries during the past two years. But what has that to do with a reasonable application of the policy that where the jobs are in existence men returning from the war should be reinstated? Undoubtedly thousands of young fellows will be disappointed on their return because, by reason of the war being over, the jobs they left will no longer exist. It seems to me, however, that what we are trying to do in this Bill is to provide, as far as possible, that they may go back to their former employment.

Hon. C. P. BEAUBIEN: Honourable senators, one point, I think, has been missed. It is said that certain powers which now reside in the Federal Government will cease with the war, and that if they do, any undertakings which we project now, and which we have a right to project, will be of no effect after the war. Personally I cannot bring myself to any such conclusion. Either we now have a right to make contracts, whatever they may be, or we have not. If we have that right we are bound by the contracts we make, and after the war is over we shall still be bound by them, because we made them at a time when we had full power to do so.

Just think of the consequences of any different interpretation. Thousands of contracts, I think I could perhaps say hundreds of thousands, have been made under the War Measures Act. Are they to be of no avail after the war? Very few of them, I think, will be cut short by the declaration of peace. As we all know, a great many contractors have made special arrangements with the Government to carry out their contracts. If peace should come all of a sudden, are these contracts to be invalid? If such a conclusion is correct, then the legislation we are passing is not only absurd, but impossible. In a word, it is a swindle.

One of the essentials of validity in a contract is that both parties when they enter into it—not later on—shall have the power to make the contract. I cannot imagine that the Government believes otherwise. That must be the Government's interpretation; it cannot be anything else. Again, this contract is an undertaking which, like thousands of others, will have its application; and to conclude that it has no application would to my mind result in a situation which would be incredible. I cannot bring myself to such a conclusion at all.

Hon. A. C. HARDY: Honourable senators, I want to express in a very few words my full concurrence in what has been said by the honourable senators from Ottawa East (Hon. Mr. Coté) and Saltcoats (Hon. Mr. Calder), both as to their agreement with the principle of the Bill and as to their ideas on its constitutionality and the almost complete impossibility of working it out. There is no question that once peace has been declared this matter will become one of civil rights and will be within provincial jurisdiction.

The reason I intend to support the Bill is that I regard it as only a temporary measure. For the next year or two years we shall have men coming back in comparatively small numbers, and it is possible, even probable, that this measure may be invoked in order to assist these relatively few men. As has been pointed out, when men begin to come back in great masses, after the cessation of hostilities, it will be quite another thing. In my opinion the Bill will last for the duration of the war only. As one honourable gentleman has pointed out, the measure may lead to confusion worse confounded when we have tens of thousands of men coming back. But we are in a confused state now—I do not know that there could

be a very much more confused state than we have at present—and I believe we shall just have to meet conditions when they come. If anyone could produce a better bill than this, every member of the Senate would be glad to support it, but I doubt whether at this date in the session the measure could be amended so as to get rid of the objections that have been pointed out. I cannot see a chance of our getting anything better, and for that reason I shall support the Bill, though with no little reluctance.

Hon. Mr. KING: Honourable senators, I do not intend to discuss the constitutionality of the Bill, except to say that the question was raised in committee of the other House, and it was there stated that the Department of Justice considered this to be good legislation, within the power of Parliament to pass.

Hon. Mr. CALDER: May I ask the honourable leader a question? Who gave that evidence before the committee?

Hon. Mr. KING: I understand it came from the Department of Justice.

Hon. Mr. CALDER: Such a statement should come officially before this Chamber.

Hon. Mr. KING: I can get it, if that is desired.

Hon. Mr. CALDER: We should have that officially, before this Bill gets its third reading. The Government must take the responsibility.

Hon. Mr. KING: I think the Government has taken the responsibility, on the advice of the Department of Justice.

Hon. Mr. CALDER: The Government must take the responsibility of stating that in the opinion of the Department of Justice this measure is constitutional.

Hon. Mr. KING: I think the Government has already taken that responsibility.

Hon. Mr. BALLANTYNE: Did the Department of Justice say this legislation would be valid after the war?

Hon. Mr. KING: I believe the statement was that this legislation is within the power of Parliament to pass and is good legislation.

Hon. Mr. BALLANTYNE: Now. But what about after the war?

Hon. Mr. KING: I will deal with that later. I wish to reply to my honourable friend from Ottawa East (Hon. Mr. Coté). I think he over-extended his argument when he indicated that the Bill was being used as a bribe to get men to enlist. I do not believe that that has been in the mind of the Government at all.

Hon. Mr. COTE: I said an inducement.

Hon. Mr. KING: Or an inducement. We know it has not been used as an inducement up to date, and I think the inference is quite unfair. My honourable friend knows that similar legislation has been passed in Great Britain, New Zealand and Australia, for the same reason that we are seeking to have this Bill passed here, in order to impose a legal obligation upon employers to reinstate former employees at the end of their period of service in the armed forces. That is the only desire of the Government, and the Bill has not been used to induce men to enlist.

On the question whether the legislation would be enforceable after the war, I am informed that the Department of Justice advised the Government that it would be. If my honourable friend would like further assurance on that point I shall try to get it for him.

Hon. Mr. BALLANTYNE: There is a question that bothers me, as a layman. The honourable senator from Ottawa East (Hon. Mr. Coté) made it very clear that the Government could have put through this legislation under the War Measures Act and it would have been quite constitutional, but that this measure, if passed by Parliament, would not be constitutional even during the war.

Hon. Mr. COPP: My honourable friend's colleague did not say that.

Hon. Mr. COTE: Oh, it is good during the war.

Hon. Mr. BALLANTYNE: I understood my honourable friend to say that inasmuch as this had not been passed under the War Measures Act, it was unconstitutional now.

Hon. Mr. FARRIS: He will not say that.

Hon. Mr. COTE: I must have expressed myself badly.

Hon. Mr. BALLANTYNE: I understood him to doubt that the legislation would be constitutional after being passed by Parliament.

Hon. Mr. MURDOCK: What, in principle, is the difference between this Bill and the Soldier Settlement Bills that were passed previously and recently?

Hon. Mr. COTE: May I say just a word in rectification of the meaning the honourable leader on this side (Hon. Mr. Ballantyne)

drew from my remarks? I was endeavouring to make it quite clear that so far as the period of the war is concerned, whether the provision is passed by Order in Council, under the War Measures Act, or by statute, there is no doubt about its validity. I did say that if it had been passed under the War Measures Act the operation of the Order in Council would undoubtedly terminate at the end of the war; and with regard to the Bill before us I expressed some doubt as to whether its operation could be projected into the peace period.

Hon. Mr. CALDER: Honourable senators, I withdraw any objection I raised to the Bill. I understood, as did the honourable leader on this side (Hon. Mr. Ballantyne), that there was a doubt whether this measure would be constitutional even at the present time. The honourable senator from Ottawa East (Hon. Mr. Coté) now says that is not so. Therefore, and in the light of the assurance given by the honourable leader of the House (Hon. Mr. King), I withdraw any objection I had to the Bill.

Hon. JOHN T. HAIG: Honourable senators, I like the principle of the Bill, but I am afraid I cannot agree with the honourable member from Saltcoats (Hon. Mr. Calder). The honourable senator from Ottawa East (Hon. Mr. Coté) stated we had the constitutional right to pass the legislation now, but he was concerned over another point, and that is the one that worries me. When the war is over will the Act be any good, or will some enterprising solicitor succeed in contending that it no longer is constitutional? What I should like to have an opinion on from the Department of Justice is whether the legislation will be constitutional when peace is restored. As was said by my honourable friend from Leeds (Hon. Mr. Hardy), some few men will be reinstated while the war is on. But the real problem will come after peace has been declared. I raise the objection if my honourable friend from Ottawa East (Hon. Mr. Coté) did not raise it—I thought he did—that this legislation will then be unconstitutional. Can we obtain the opinion of the Department of Justice on that point? That is objection number one.

My second objection is this. The principle of the Bill is that every person who goes to the war is entitled to reinstatement in his former position, provided he had occupied it for at least three months prior to enlistment. True, there are certain exceptions in favour of the employer. But let me give you some figures, which to my mind are very interesting and raise a problem that the Bill does not solve. One of our financial institutions has had 927 employees enlist, of whom 700 were in the institution's employ prior to the war, the other 227 having obtained their positions since the war and served in them for more than three months each. These are all men, and to take their places the institution has employed 1,556 women. It takes five women to do the work of three men.

Hon. A. L. BEAUBIEN: That does not necessarily follow.

Hon. Mr. HAIG: It is a large financial institution, which is not in business for philanthropic purposes. It would not take on fifteen hundred employees unless it needed them.

Hon. Mr. HARMER: There must have been an increase in business.

Hon. Mr. HAIG: Oh, no, none at all. In fact, they tell me the profits are down.

Hon. Mr. HARMER: That does not make any difference.

Hon. Mr. HAIG: I can quite understand why we should have a Bill to guarantee re-employment to the 700 men who were employed with the institution before war broke out. What about the 227 other men? And what about the 1,556 women?

Hon. Mr. COPP: They may be married by the time the war is over.

Hon. Mr. HAIG: That was not the experience with women employees in the last war.

Hon. Mr. LEGER: The honourable gentleman's point is covered by section 3 of the Bill.

Hon. Mr. HAIG: I know what the Bill provides; I read it several times and was at every meeting of the committee. I am unable to justify this Bill, because it is a false representation to these 227 men and others like them. And we know that. I contend the Bill is unfair to the returned soldier, and I make the prediction, on my responsibility as a senator from Manitoba, that it will not help one per cent of our armed forces when the war is over. If you doubt what I say, read the exceptions in the Bill. I should like to be acting for the employer rather than for the employee in any action under this law. I think that after the exceptions were pointed out to the judge or magistrate a former employee would have a hard time getting his old job back. That is why I do not like the Bill. I am in favour of the principle that a man who volunteers for war service should be reinstated in his former position when his military service is ended, but I think we should limit the Bill to what we know is possible, namely, the reinstatement only of persons who occupied their positions before the war.

Then, what right have we to ask women to go into such an institution as I have mentioned, or any other place of employment, and work for one, two or three years or longer and then be forcibly replaced? The Department of Defence suggests the war may last four or five years yet. I submit we should protect these women, if we intend to force them out of their jobs when the war is over. We have not faced that issue. A proportionately small number of the women will marry; that was the history in the last war. The Bill does not deal with this situation at all. Therefore I think it is unsatisfactory, and I urge that before next session it should be reconstructed so as to cover the whole problem. It is a desperate problem, one that will become worse before the war is over, and bills of this kind tend to make it worse still, because they deal only with the fringe of the question in failing to make any provision for the people who will be thrown out of work when peace is restored.

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

VOCATIONAL TRAINING CO-ORDINATION BILL

REPORT OF COMMITTEE

Hon. Mr. BLACK presented, and moved concurrence in, the report of the Standing Committee on Banking and Commerce on Bill 64, an Act respecting the carrying on and co-ordination of vocational training.

He said: Honourable senators, this Bill has been considered and passed by the committee, subject to certain minor amendments. The Bill has been before our committee on two occasions and has been most thoroughly discussed. However, for the benefit of honourable senators who have not attended the committee's meetings, I may say that, generally speaking, the Bill provides for aid by the Federal Government, in co-operation with the universities, for vocational training in relation to the war, particularly with respect to doctors, dentists, chemical scientists, and engineers.

After the Assistant Clerk has read the amendments I shall be glad to deal with any questions which may arise on them.

The motion was agreed to.

THIRD READING

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

Hon. C. C. BALLANTYNE: Honourable senators, as a number of members of this Chamber are not members of our Standing Committee on Banking and Commerce, I intend to refer to certain observations that I made this morning when the Bill was before the committee. I shall do it as briefly as I can. In principle I favour this measure. I question only the university project. If I am inaccurate in any of the statements I am about to make, I shall be very glad to have the leader of the Government set me right.

As I understood the arguments placed before the committee this morning, there exists overseas and in Canada a great shortage of medical men. I agree that this is so. It was also stated that both in Canada and overseas there was a shortage of engineers, chemists and men of science. I understand that if this Bill passes in its present form a student who has attended any of our universities for one year will be allowed to complete his course, though it may take three or four years more. I was under the impression that it would be well not to insist on that point with regard to engineers, chemists, scientists, and so on. I asked: "How many students would enroll in the various universities?" I was told that the Government could not give me an answer. I think it is fair to assume there would be several thousands.

As every honourable member so well knows, the war is now at a very critical stage. I may be permitted to quote the words spoken by Oliver Lyttleton when he was addressing the British House of Commons a day or two ago. He said that the war was at its most crucial stage since the Battle of Britain in 1940, and that the next eighty days would certainly be a testing time. I think military experts are all agreed that when this war is ultimately won it will be won by our armies—a view that does not imply any lack of appreciation of the magnificent achievements of the Allied naval and air forces and the splendid services rendered by the merchant marine. I do not think anyone will seek to contradict such a sane statement.

That brings me to the crucial situation in relation to our man-power. Possibly I did not understand correctly the information which the honourable leader of the Government furnished the committee, and I should like him to inform the House very clearly whether these students will, after they have attended university for one year, be exempt from military duty for the defence of Canada. I asked him, "If the Government imposed compulsory service for overseas would these students come under such a call?" I think I am correct in saying I was told no. If the Government ever does introduce compulsory

service, it will no doubt be selective, and I should like to get a very clear and definite statement from the leader of the Government as to whether in such event these thousands of young students, most of them of military age and medically fit, will be exempt or not. Fathers whose sons are not attending university will resent very much the calling of their sons for military service while young men of similar age and medically fit are exempt just because they are attending university and their services may be required in four or five years from now. In England the authorities have been much more careful about registration of man-power than we have been in this country. There they are careful on registration to ask a man what vocation he follows, and if they are satisfied with what he is doing they order him to continue at his work, or may move him to some position where he can make a more effective war effort. In the case of university students who show great promise and who require only one or two more years to complete their course, the British authorities say, "Continue and finish your university training." As I understand this Bill, such is not to be the system here. After young men have attended university for one year their military service, either in Canada or overseas, will be deferred until they have completed their course.

As I said at the beginning of my remarks, if I have misinterpreted what was discussed this morning before the committee, or if I have made any inaccurate statement, I should be very glad to have the leader of the Government set me right. I think it is due Parliament and the people of Canada that the Government should give a clear-cut statement as to whether these students, after one year, are to be allowed to continue their university courses until such time as they are graduated.

Hon. Mr. KING: Honourable senators, I think we had sufficient evidence before our committee to establish the fact that the Department of National Defence has found it necessary to enter into an arrangement with the various universities in order that there shall be a continuous supply of trained medical men, dentists, engineers and scientists to perform certain duties which the department considers more essential than their enlistment at this time. It was pointed out that enlisted men are being called back now in order that they may qualify as practitioners in medicine and dentistry. Similar action is being taken in regard to engineers and scientists, who are being given suitable opportunities to acquire practical training during their vocational period. I do not think there is any doubt that that phase of the Bill is the result of a recommendation from the Department of National Defence, and upon its enactment the Minister will enter into an arrangement with the universities to carry on the courses described. The provincial governments and the Dominion Government are financing the students. Ordinarily these young men would go to work during the summer to earn their tuition fees. It was pointed out before the committee that after they are qualified they will repay to the universities certain sums of money so advanced, and these funds will, in turn, be paid back to the Government.

I do not think it is fair to suggest that these men are being given an opportunity to continue their university courses simply in order to evade military service. That was not the evidence from the department which has to do with drafting these men. The Minister supported the principle of the Bill and said it was absolutely essential we should have more doctors, not only in Canada but overseas as well; and he spoke to the same effect in regard to scientists and engineers. I think we may take it for granted from the evidence adduced this morning that the Department of National Defence and the Department of National War Services consider this a very practical measure.

Hon. Mr. BALLANTYNE: But my honourable friend has not given an answer to the most important question. I have asked whether, if the Government did enforce compulsory service for overseas, these young men who are now in the university would be subject to call.

Hon. Mr. KING: Yes, they certainly would. They are being drafted in just the same way as others, but those who draft them may be advised by the Department of National Defence, "Don't take that man out of school; leave him there." In that event he will be left there. But these boys are subject to draft and exemption in just the same way as any others.

Hon. Mr. BALLANTYNE: That is not what I understood.

Hon. JOHN T. HAIG: Honourable members, I opposed this Bill in committee this morning very strenuously, and I do not think I need to repeat my reasons for doing so. I am not in favour of legislation which says that certain people may go on with their education and not have to answer the call to go to war.

Hon. Mr. KING: There is no such provision in the Bill.

Hon. Mr. HAIG: Yes. That is the underlying principle of this Bill.

Hon. Mr. KING: Oh, no.

Hon. Mr. HAIG: Yes, it is. The basis of the Bill is the need for medical officers. Some of these young men who have only two years to go to complete their courses might be useful; but there are others who will take five years to complete their studies before they are ready to leave our shores. You will remember that Major-General LaFlèche said, "We want these men fully trained." It takes four years at the university, plus a year as an interne, to complete a medical course. The dental course is slightly shorter, and so are those in engineering, chemistry and science.

I appreciate the work that these men can do, but in my own part of the country young men, engineers, who volunteered for the fighting services, were accepted. Why did the Government not prevent them from enlisting? I can give the name of one young man, thirty years of age, a qualified engineer, who enlisted.

Hon. A. L. BEAUBIEN: That would not prevent him from going to war.

Hon. Mr. HAIG: No. But why did the Government take that man in? When he applied for enlistment he told the authorities what he was doing.

We have allowed farmers to volunteer for service in the army, and in my part of the country the farming community is depleted. Raising food may not be an essential industry, but I should think it is, even though the army authorities apparently do not think so.

As the honourable leader on this side of the House has said, we are going to win this war in only one way, and that is with the man behind the gun.

Hon. A. L. BEAUBIEN: He does not know how to shoot.

Hon. Mr. HAIG: He is going to be trained to shoot.

What I object to fundamentally is the method that is being followed. Let these men volunteer and join the army, and then, if they are not needed, let the Government take them out of the army and tell them what to do. Why should a son of mine who is in his second year in medicine at the university, and who has three or four years to go, be exempted from service, while my neighbour's son who is in an Arts course is not exempted?

To-day you are accepting one class of men and exempting another class. When it comes to the people who cannot afford to send their sons to the university the distinction is even greater. As my honourable friend says, the Government is advancing money to keep men at the university. The men have to be in the university for a year before they are eligible for the advance; and some people have not enough money to start their boys at the university. I object to special privileges being given to anybody. It is all right to say that we need doctors or engineers or scientists, but I question whether we should pass legislation allowing a man to remain in the university for five years before he can be called on to go to the front. Why, then, should the boy on the street, who has not had an opportunity of going to the university, have to go to the front?

I raised this question in the committee and was voted down, and I shall be voted down in this House if I raise it again. But I warn the Government that if the day ever comes when it tries to put conscription into effect, one of the strongest arguments to be used against it will be this very legislation. We shall hear of it up and down the country from those who have not yet volunteered. So far as voluntary service is concerned, we are getting pretty near to the bottom of the well. This may be a harsh thing to say, but if we in this House do not say it, I do not know who will.

Some one has said the universities need the money. Maybe they do. But we need to win this war, and the need to win the war is far greater than the need of the universities for money. Furthermore, we need to play fair as between young man and young man, and we should be extremely careful about setting aside any group in the community of whom it can be said that they are not doing their fair share. If conscription is not put into effect, I have not a word to say, but if it is, I may tell you that this Bill is diametrically opposed to what is fair. I think conscription must come—I may be wrong, but it looks that way to me; and it looks to me as if the Bill would reach us within six days.

Hon. A. L. BEAUBIEN: Suppose we did have conscription, what then? We had it in 1917, and there was provision in the Act for the exemption of men in certain key positions.

Hon. Mr. HAIG: What were they?

Hon. A. L. BEAUBIEN: Look at the exemptions that were granted in 1917.

Hon. Mr. HAIG: I was a practising lawyer then, and I probably secured as many exemptions as any other man in Manitoba. The sons of farmers were about the only ones who were exempted, and they had to show that they were essential on the farm and that their fathers could not get along without them. If

there were two or three boys on a farm, only one was exempted. I know the situation that existed. It was only the man needed on the farm who got exemption.

I did not intend, honourable senators, to say as much as I have said. I am opposed to the Bill. I know the House will pass it if the Government needs it, but I wonder whether the Government realizes how much trouble it is laying up for itself. This legislation will be bitterly resented the very day the Government declares for conscription, and it will cause so much trouble that honourable members will wonder why they ever passed it.

If I may refer to a former debate—perhaps it is out of order to do so—I would remind the Senate that we on this side of the House warned the Government that it should not do certain things, and we stated what would happen if it did. But the Government went ahead, and what we had prophesied came true and the warning was justified. The subject-matter of this Bill will come up again and again, and the bitter cry will be raised that we as a Parliament deliberately granted exemption to young men of education and training—training at our expense—and that they did not have to go to war.

Hon. J. A. CALDER: Honourable members, the honourable senator from Winnipeg South-Centre has, I think, put his finger on the difficulty that we as a legislative body meet in connection with all such measures as this. If Canada were in the same position as Great Britain at the present time, we should have none of these difficulties. The law of Great Britain provides that all men and women, and in some cases children, are liable to be called for whatever service the Government may require of them. Here in Canada we are a long way from any such condition. We have a sort of modified or contracted form of conscription, but we have no conscription of all our people. We shall always have difficulties with this kind of legislation until we have the condition that exists in the Old Country.

I am not going to debate the merits or demerits of this Bill at the present time, because in my opinion it is based on a wrong foundation. Here we are at the very climax of the greatest war in history. Every word we get over the radio is to the effect that right at this minute we are in extreme danger—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: —and yet we hear people saying there is no need for Canada to get into this war up to the hilt. I agree with the honourable senator from Winnipeg South-Centre that the time is coming, and coming very quickly, when we must do everything possible for our self-preservation. Already we are late. To say there is as yet no need of an all-out effort is absurd. Will there ever be a time when the necessity is greater than now?

I am getting away from the Bill itself,—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: —but I was simply pointing out that until we reach the stage when we have conscription, if you like—I do not like the term—or the selective draft of men and women for war services, so that we may put them where they will be most useful, we shall have difficulty with legislation of this character.

The honourable senator from Winnipeg South-Centre has spoken of men being exempted because they happen to be attending the university. Think of it! Because they happen to be attending the university men are put into a certain class and cannot be touched.

Hon. Mr. KING: They are subject to call.

Hon. Mr. CALDER: I am accepting the honourable gentleman's statement that they cannot be called.

Hon. FELIX QUINN: Honourable senators, I do not agree with the last two speakers. I was at the meeting of the committee and heard the argument pro and con regarding this Bill. Although I was not a member of the committee, I offered an explanation with regard to these students who are under discussion. I told the committee, and Major-General LaFlèche concurred, that every one of these young men to whom I referred, students of engineering and science, must—must, mind you—join the Canadian Officers' Training Corps when they begin their courses. I know that to be a fact. Upon entering the Canadian Officers' Training Corps they become part of the Canadian Army, and as such they are liable to call at any time. So when my honourable friends say these students are exempted I cannot follow their argument.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BLACK: They are liable for service anywhere.

Hon. Mr. QUINN: Why persist in such an argument? I resent it, because it hits me personally. I have a son who is finishing his second year in engineering. He is no slacker. He has offered to join the Army already, before he finishes his course, but, as I told the committee, the President of the Nova Scotia Technical College told the boys he wanted them to finish their courses. He said

to them: "I am advised by the authorities at Ottawa that you can perform a greater service to your country by finishing your courses than by joining the Army or any of the other services at the present time. But if an emergency arises at any time, you can be called in immediately." In such an event they can be taken right into the services—conscripted, if you like—and placed wherever the Army, Navy or Air Force needs them. That should be made clear and understood by every honourable member, and it should not have to be explained again.

Hon. SALTER A. HAYDEN: Honourable senators, I agree entirely with what has just been said by the honourable senator from Bedford-Halifax (Hon. Mr. Quinn). May I point out that the discussion so far has been concerned principally with the agreements made between the Government and the universities. What we have before us is the Bill empowering the Government to make these agreements, and the general provision governing this reads as follows:

> The Minister may undertake projects to provide vocational training
>
> (a) to fit persons for employment for any purpose contributing to the efficient prosecution of the war whether in industry or in the armed forces.

Under that provision the authorities responsible for our armed forces—the Army, the Navy and the Air Force—may decide that it is in the best interests of Canada that the young men who are taking engineering, medical and dental courses at the various universities should be kept at their studies. And if they consider that to be so, I am not prepared to express a contrary opinion. If they think the national interest demands that we assure ourselves of a continuity of supply of engineers and other trained men, I submit that, in war-time, we have to bow to their judgment. Apparently that was the notion which prevailed even in 1917, for I find by a hasty perusal of the then Military Service Act that application for a certificate of exemption could be made on any of the various grounds, including this one:

> That it is expedient in the national interest that, instead of being employed in military service, he—

that is, the applicant for exemption—

> should continue to be educated or trained for any work for which he is then being educated or trained.

The language used in this Bill is not the same as that, but I think the meaning in both cases is the same.

These young men who are continuing their special training at our universities are, if they come within the categories that have been called up for service, members of the Army, and in the event of conscription for overseas service being put into effect they can be sent overseas at any time, on the order of the authorities at Ottawa charged with administration of the military services.

Hon. Mr. QUINN: Certainly.

Hon. Mr. HAYDEN: Some persons have to exercise judgment, discretion and power in this matter, and those charged with that duty at Ottawa say that for the present the medical, dental and engineering students at our universities are performing a service in the national interest by continuing their education. If the question is approached from that point of view it will be seen, I think, that postponement of military service for these students means, not that they are being granted a special privilege, but simply that they are required to continue their training and education so as to be better fitted to render service as and when their country needs them.

Hon. Mr. COTE: Honourable senators, this morning I expressed in committee my approval of this Bill in so far as it relates to the vocational training of persons in order to enable them to serve better in the prosecution of the war, and to the training of ex-service men. I have not changed my mind. From the explanations given us in committee by a very able official of the Crown, Major-General LaFlèche, I think the situation we are trying to rectify, in part, has resulted from the method adopted by this country in the recruiting of men for military service overseas. We have relied on the voluntary system. The choice as between the Army and other occupations has been left to the individual. It has been left to the judgment and conscience of every man of military age to decide whether he should enlist for service abroad or continue in his present position. In scores of thousands of cases the patriotic fervour of young men has moved them to join the Active Forces. Incidentally, as Major-General LaFlèche told our committee, this enlistment has depleted the universities of their students in medicine, engineering, science and chemistry. It has even depleted the professions. When we consider the demands of Canada for scientifically trained men, we can readily accept the evidence given this morning that we have now reached a point where we are exceedingly short of doctors, dentists, engineers and chemists, and that something must be done to rectify, to some extent, what is a result of the voluntary enlistment of men in these classes.

I think that anyone who has scrutinized this Bill and has heard the explanations given by officials of the Crown this morning cannot resist the conclusion that the Bill is a bona fide, honest and well-considered effort to rectify and equalize the existing situation. For that reason I do not agree with the criticism that has been made of the Bill. To my mind it is a useful and necessary measure. After all, it is easy to argue that if we had had compulsory selective service from the beginning of the war we should not be faced with the situation that faces us to-day. But this is not the time to discuss whether or not we should have had a different system. I have my own views, but for the purpose of this Bill I must take the situation as it is. It is a situation of shortage in all those professions—medical, dental, engineering and chemical—for which young men are being encouraged and assisted to continue their training and become qualified as early as possible. Some will finish their studies next year, but others will require two or three years longer. I for one should not like them to feel that compliance with the request and policy of the State will place them under a cloud and cause them to suffer criticism or bear opprobrium. The students who continue at school or college under the schemes resulting from this legislation will be doing their bit, because they will be preparing themselves to perform their duty fully and effectively. I intend to support the Bill.

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

PRIVATE BILLS

REPORT OF COMMITTEE

Hon. Mr. BLACK presented, and moved concurrence in, the report of the Standing Committee on Banking and Commerce on Bill A4, an Act to incorporate Canadian Alliance Insurance Company.

He said: I may state for the information of those senators who were not at the committee meeting to-day that the Bill is approved by the Superintendent of Insurance and also by the Law Clerk of the Senate. The only amendments I need bring to the attention of honourable members relate to section 7. Subsection 1 requires that a certain amount of capital stock be paid up before the company commences business. The amendment of this subsection increases the amount from $100,000 to $250,000. Subsection 2 has been redrafted to provide that the capital shall be further increased by various amounts before the company assumes any of the additional insurance obligations therein specified.

The motion was agreed to.

THIRD READING

Hon. Mr. MORAUD moved the third reading of Bill A4, as amended.

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

REPORT OF COMMITTEE

Hon. Mr. HAYDEN presented, and moved concurrence in, the report of the Standing Committee on Miscellaneous Private Bills on Bill B4, an Act to incorporate the Felician Sisters of Winnipeg.

He said: This Bill has been amended to restrict somewhat the right of this order to engage in industry in aid or execution of its charitable and religious objects.

Hon. Mr. COTÉ: Was the amendment accepted by the promoters?

Hon. Mr. HAYDEN: Yes.

The motion was agreed to.

THIRD READING

Hon. Mr. HAIG moved the third reading of Bill B4, as amended.

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

FEDERAL PUBLIC WORKS IN OTTAWA

RETURN

On the inquiry by Hon. Mr. Tanner:

1. Is there existing obligation on the Government under the agreement of 1920 with the City of Ottawa that the Government will renew, maintain and repair (1) the Laurier avenue bridge over Rideau canal, (2) the bridges over Chaudiere slides, (3) the sidewalks east side of Elgin street and south side of Laurier avenue at Cartier Square, (4) the sidewalks at north side of Wellington street from Connaught Place to the Perley Home and the sidewalks at south side of Wellington street opposite Government property, the roadway of Wellington street between Connaught Place and Bank street, and the asphalt pavement of Wellington street between Bank street and the Perley Home?

2. Is it a fact that the Government through the Ottawa Improvement Commission and the Federal District Commission constructed Clemow avenue in the city of Ottawa at Government cost, and is under agreement to maintain, repair and renew such avenue for all time?

3. Was it a part of the undertakings or agreements between the Government and the City of Ottawa in respect to Confederation Park that the City would remove from the intended park grounds the fire engine and police buildings situated at the east of Elgin street?

Hon. Mr. KING: I would ask that this inquiry be treated as an order for a return. I table the return forthwith.

DIVORCE BILLS

SECOND AND THIRD READINGS

On motion of Hon. Mr. Aseltine, Acting Chairman of the Committee on Divorce, the following Bills were severally read the second and third times, and passed on division:

Bill C4, an Act for the relief of Bessie McKenzie Balfour Whiteley Willard.

Bill D4, an Act for the relief of Ada Lahn Corber.

BANKING AND COMMERCE COMMITTEE

Hon. Mr. BLACK: Honourable senators, I desire to state that the Standing Committee on Banking and Commerce intends to meet as soon as the Senate adjourns this afternoon, for consideration of the Bill which has been referred to it.

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

THE SENATE

Wednesday, July 22, 1942.

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

Prayers and routine proceedings.

TAFFERT AND ZWINGEL DIVORCE CASES

REPORTS OF COMMITTEE

Hon. W. M. ASELTINE presented the eightieth and eighty-first reports of the Standing Committee on Divorce, with respect to the petitions of William Taffert and Vincent Zwingel, respectively.

He said: Honourable senators, with respect to the committee's report on the petition of William Taffert, I wish to state that this case was very carefully considered by the committee, and after the evidence was transcribed it was read by every member. A final decision was given yesterday, this being unanimous, except that one member dissented.

The eighty-first report deals with the petition of Vincent Zwingel. The committee recommends that this petition be refused.

Hon. JAMES MURDOCK: Honourable senators, I should like to get a little information. The Acting Chairman of the Divorce Committee stated a few minutes ago that the report of the committee on the Taffert case was unanimous, with one exception. As a matter of fact, the voting was three to one. I am the one dissenting. My judgment is that an absolute crime is being committed against a virtuous and honest woman and her sixteen-year-old daughter. I notice the rule provides that a minority may bring in a report stating the grounds upon which they dissent from the report. I have never heard of a minority report having been submitted, and I am not clear as to when it should be brought in, and how. I want to comply with the rules. I want to oppose in any way I can this crucifixion of a virtuous woman by a man who on his own sworn testimony is admittedly a rotter. I am seeking advice as to just how I am to proceed. When shall I bring in my minority report?

An Hon. SENATOR: Never.

An Hon. SENATOR: Now.

Hon. A. B. COPP: I think that my honourable friend, before submitting his minority report, should withdraw the statement that the other members of the committee have committed a "crime."

Hon. Mr. MURDOCK: I should have said, and I now say, that I think a crime would be committed against a virtuous and honest woman if this divorce were granted on the ground of her immorality, which I do not believe exists.

Hon. Mr. COPP: In so far as the committee is concerned, the recommendation for granting a divorce has been made, and the use of the word "crime" implies that we other members of the committee committed a crime in bringing in our report. I think the term should be withdrawn.

Hon. Mr. MURDOCK: Well, we will do whatever the gentleman with his touchy conscience thinks we should do. I will withdraw that—

Hon. Mr. COPP: Thank you.

Hon. Mr. MURDOCK: —and say, I think it would be unfortunate, unfair and almost criminal.

Hon. Mr. ASELTINE: I think the honourable gentleman should also withdraw the words "touchy conscience."

Some Hon. SENATORS: Carried on division!

Hon. Mr. MURDOCK: Well, if that is "touchy," I withdraw it.

Hon. Mr. ASELTINE: That is not a withdrawal.

Hon. Mr. COPP: I would also say to my honourable friend that he is entirely out of order, the motion for concurrence in the report not having yet been put.

Hon. Mr. MURDOCK: But I am asking for advice, for the rules of the Senate say the minority may bring in a report stating the grounds upon which they dissent from the report of the committee. My honourable friend the Acting Chairman of the committee said the vote was unanimous except for one member. The fact is that the vote was three to one. I think that if the Chairman of the committee had been here—I may be mistaken—he would have been with me. The case was heard on the 17th of March, and it was decided yesterday, on the 21st of July. All I want to know is what to do and when to do it.

The Hon. the SPEAKER: The question is whether this report shall be accepted.

Hon. Mr. COPP: Honourable members, the honourable gentleman who has just sat down (Hon. Mr. Murdock) says that he is going to bring in a minority report, and he is asking the Senate, or some member of the Senate, I assume, how it is to be done. I do not think he is entitled to ask the Senate to give that information. He is entitled to bring in a minority report if he so desires.

Hon. Mr. MURDOCK: When?

Hon. Mr. COPP: Whenever the honourable gentleman chooses.

Hon. Mr. ASELTINE: On the first or second reading. In view of the fact that the committee has disbanded for the session, I do not think we have any right to go into this matter.

Hon. Mr. MURDOCK: Aha! I thought that was what was going to be pulled when the case was kept pending from the 17th of March to the 21st of July. I thought that would be the argument. But a minority report will be made just the same.

Hon Mr. KING: I am not an authority on the rules of the House, but it seems to me that if the honourable gentleman is really serious, and asks for delay on this question, he should be given time to prepare his report.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: I would suggest that the honourable member consult the Clerk of the Senate and the Law Clerk as to the proper procedure to enable him to get his report before the House.

Hon. Mr. MURDOCK: I have never heard of a similar case before.

Hon. Mr. COPP: I have.

Hon. Mr MURDOCK: Have you? Good!

Hon Mr. ASELTINE: I would move that consideration of the eightieth report be deferred until the next sitting of the House, and that the eighty-first report be adopted.

The motion was agreed to.

PRIVATE BILL

REFUND OF FEES

Hon. Mr. HAIG moved that the parliamentary fees paid upon Bill B4, an Act to incorporate the Felician Sisters of Winnipeg, be refunded to Messrs. Morkin & Monk, Winnipeg, Manitoba, solicitors for the petitioners, less printing and translation costs.

He said: Honourable senators will recall that the object of this Bill, which was read the third time yesterday, is to incorporate a charitable organization.

Hon. Mr. HARDY: Will the honourable senator explain the reason for his motion?

Hon. Mr. HAIG: The incorporation is for charitable purposes only. It is a hospital at Grandview, Manitoba, organized and being run by the Felician Sisters of Winnipeg.

Hon. Mr. HARDY: Is that the general practice, to refund the fees in such cases?

Hon. Mr. HAIG: Yes, always.

Hon. Mr. KING: I think it is the custom to refund the parliamentary fees in these cases.

The motion was agreed to.

ARTICLE IN "TIME" MAGAZINE

QUESTION OF PRIVILEGE

On the Orders of the Day:

Hon. J. W. deB. FARRIS: Honourable senators, before the Orders of the Day are called I rise to direct your attention to an article in a magazine called "Time," which comes out of Chicago and circulates freely in

this country. Just why it should have circulation here I do not know. No doubt it is because it comes from a country long our friend and now our ally in the war. In the issue of July 20 this magazine purports to give a review of news from Canada, and with the aid of amateurish doggerel alleged to be a paraphrase of the Twenty-Third Psalm it debases its page with an attack on the Prime Minister of Canada. I call attention to this article to record publicly a protest. I do so for several reasons.

First: It is an abuse of neighbourly tolerance for a publication in the United States to circulate a scandalous diatribe against the head of the Government of its most friendly neighbour.

Second: The assertion in the magazine that this rubbish is going the rounds in Canada—for that is what the article says—is a false reflection on our discrimination and sense of the fitness of things. This so-called paraphrase may be good enough for the columns of "Time," but any rounds it makes in Canada must be in disreputable quarters where its anonymous author fraternizes with the anonymous "Time" reporter. Perhaps they are one, or perhaps they "did time" together.

Third: To call such trash a paraphrase of the Twenty-Third Psalm is absurd. Coming from any intelligent quarter, it is sacrilegious. No doubt the uninformed editor of "Time" did not know the difference in meaning between a paraphrase and a parody. In any event, honourable senators, this doggerel in itself is cheap. It is in poor taste, and it is an insult to intelligent readers wherever the magazine circulates.

Fourth: Limited to the objections mentioned, one might ignore the incident as trivial, making allowances for the smart Aleck kind of writing this paper affects. It is,—

Hon. Mr. COTE: Pardon me. Will the honourable gentleman read the article?

Hon. Mr. FARRIS: No, I will not do that, sir. If anybody wishes to read it, I will not be a party to putting it on the pages of the proceedings of this House.

Hon. Mr. HARDY: Hear, hear.

Hon. Mr. COTE: But what is the honourable member speaking to? A matter of privilege, is it?

Hon. Mr. FARRIS: I am speaking to a matter of privilege of this House.

Hon. Mr. COTE: It is with regard to an article that we have not seen.

Hon. Mr. FARRIS: I say there is, however, a more serious complaint, with regard to the reference in the article to the conscription debate in the House of Commons. This part I intend to read.

Hon. Mr. CALDER: Honourable senators, it seems to me that the honourable gentleman from Vancouver South (Hon. Mr. Farris) must be out of order. What is he speaking to? Has any honourable member of this House the right to rise at any time and ask about a matter of this kind or any other kind that he chooses to select? He will not even read the article to us. Is he asking us to form a judgment?

Hon. Mr. FARRIS: I have given the reference to the article in this magazine, and I may say to my honourable friend—

Hon. Mr. CALDER: Pardon me. I am rising to a point of order, which I want to make quite clear. I want to know what right an honourable gentleman has to refer to a document that he will not quote. He will not read it. He will not furnish us with the means of forming our judgment as to whether there is any justification for the statements he is making. It seems to me he should not proceed along this line.

Hon. Mr. FARRIS: Mr. Speaker, I may say that when I decided to make this complaint in the Senate I consulted the honourable leader of the Government (Hon. Mr. King) and the honourable leader opposite (Hon. Mr. Ballantyne), and had assurance from them both that this was a matter about which a protest should be made. My objection to reading the article is only this: I do not think honourable members of this House—

Hon. Mr. BALLANTYNE: Pardon me a moment. When the honourable senator spoke to me about his proposed protest, I said I did not have any objection. But I thought he would read the article before he criticized it.

Hon. Mr. FARRIS: I do not think honourable senators would wish to have a scurrilous article of this kind, described as a paraphrase of that great Psalm, the Twenty-Third Psalm, placed on Hansard.

Hon. Mr. CALDER: The honourable gentleman has criticized a paper in very strong language, which will go out all over Canada, but the people will not know what was written in the article complained of. Not everybody reads "Time." Is it fair, is it reasonable, that he should make a statement of this kind without laying the basis for it? I say not. I would ask for a ruling of the Chair on that point.

Hon. Mr. FARRIS: May I say this, Mr. Speaker? I have the article here. I will hand it to my honourable friend, and if after I have concluded—

Hon. Mr. CALDER: I am not the people of Canada.

Hon. Mr. FARRIS: Neither am I.

Hon. Mr. CALDER: But you are talking to the people of Canada.

Hon. Mr. FARRIS: We are representatives of the people of Canada, and as one of the representatives of the people I am stating in this House that there is circulating throughout the country an article which I think is not fit and proper literature to be so circulated. I will hand my honourable friend a copy. If after reading it he thinks it proper, and if he feels that, in refutation of what I am saying, it should be recorded on the pages of Hansard, there will be plenty of opportunity to have this done. But personally I prefer that it should not be done.

Hon. Mr. CALDER: I doubt if that practice would be advisable in this House.

Hon. Mr. LAMBERT: Honourable senators, if my honourable friend from Vancouver South (Hon. Mr. Farris) will excuse me for a moment, I should like, just in the interest of consistency, to remind my honourable friend from Saltcoats (Hon. Mr. Calder), and any other honourable member who is objecting, of the exception that was taken by the right honourable the former leader of the other side of the House (Right Hon. Mr. Meighen) to what many regarded as a very harmless story in the Saturday Evening Post.

Hon. Mr. CALDER: He quoted from it.

Hon. Mr. LAMBERT: He did not read the whole story, nor did he attempt to. He castigated the Saturday Evening Post, the author and the title of the story, so much so that his statement prompted a most fitting reply from my colleague the honourable senator from Inkerman (Hon. Mr. Hugessen). I would suggest that some measure of consistency be adopted.

Hon. Mr. CALDER: I am speaking on my point of order. I well remember the criticism that the former leader on this side of the House made of the Saturday Evening Post article. I was sitting right here next to him. He criticized the magazine, not on one occasion only, but on several occasions. But he quoted what was said in the magazine.

Some Hon. SENATORS: No, no.

Hon. Mr. CALDER: I beg your pardon.

Hon. Mr. LAMBERT: My recollection is that the right honourable gentleman's statement was a general characterization of the article.

Hon. Mr. CALDER: But in addition to making that general characterization of the article itself, he quoted certain statements contained in the article.

Hon. Mr. HUGESSEN: He did not do that until after I had criticized him for his general attack on the article.

Hon. Mr. CALDER: He did it at one stage.

Hon. Mr. HUGESSEN: Not until he had been forced to.

Hon. Mr. FARRIS: I was about to quote a portion of this article when my honourable friend from Saltcoats (Hon. Mr. Calder) interrupted me. I say, so far as the alleged paraphrase of the Twenty-Third Psalm is concerned, I decline to quote that, but I had just reached the point in my statement where I was about to quote from other parts of the article when my honourable friend took objection.

Hon. Mr. CALDER: Oh, well, go on.

Hon. Mr. HAIG: Honourable senators, according to the rule, the honourable gentleman cannot proceed with his criticism of any article unless he reads that article.

Some Hon. SENATORS: No, no.

Hon. Mr. HAIG: That is the rule. True, as the honourable senator from Inkerman (Hon. Mr. Hugessen) has said, when the former leader on this side dealt with the Saturday Evening Post article he did not read from it until he was challenged. He then read certain portions of it, but he could have been compelled to read the whole article.

Some Hon. SENATORS: No.

Hon. Mr. HAIG: So long as no one objected to the way he was proceeding, no. I might be proceeding contrary to rule on a certain occasion, let us say. If no one objected, I should continue as I was going, but the moment anyone raised an objection I should have to comply with the rules.

Hon. Mr. MURDOCK: What is the number of the rule referred to by the honourable gentleman? I have the book here.

Hon. Mr. HAIG: You will find the rule in the book.

I do not blame the honourable senator from Vancouver South (Hon. Mr. Farris) for not reading the article. I would not read it either.

To be quite candid, I did not like the article at all. I am not sure, however, that bringing it up here is doing any good. On the contrary, I am afraid this will advertise the article very widely.

On the point of order, Mr. Speaker, I submit this. If honourable members on this side insist that the article should be read—I feel we ought not to do so—if honourable members do insist, I think they are within their rights. It is no answer for the honourable senator from Ottawa (Hon. Mr. Lambert) to say that someone once got away with criticizing an article that he did not read. We may break the rules as often as we like, provided no one objects; but the minute anyone objects, we must comply with the rules. I submit to you, Sir, that the rule requires the reading of any article criticized in this House.

Some Hon. SENATORS: No.

Hon. Mr. MURDOCK: Let me read the rule.

Hon. Mr. HAIG: The honourable senator can have his say afterwards. He is likely to have it, anyway.

According to the rule, the part of any article that is objected to must be read. But I would ask honourable members on both sides of the House not to insist that the rule be adhered to in this case. I think we should allow the honourable senator from Vancouver South (Hon. Mr. Farris) to proceed with his statement without being required to read the article he is criticizing.

Hon. Mr. MURDOCK: Rule 42 reads:

> Any senator complaining to the Senate of a statement in a newspaper as a breach of privilege, shall produce a copy of the paper containing the statement in question.

"Produce a copy of the paper containing the statement in question."

Some Hon. SENATORS: Produce.

Hon. Mr. COPP: Lay it on the Table if you want to.

Hon. Mr. FARRIS: Honourable senators, the paper in question is "Time," the date July 20, the page 30, the title "Canada."

I gather it is the wish of the House that I proceed.

Honourable senators will recall that at the point of interruption I was stating the reasons for my protest. To preserve the context I will repeat the fourth reason.

Fourth: Limited to the objections mentioned, one might ignore the incident as trivial, making allowances for the smart Aleck kind of writing this paper affects. There is, however, a more serious complaint. The article, referring to the conscription debate in the House of Commons, says:

> In the 126 conscription speeches in Parliament since June 10 not one M.P. mentioned that 500 Quebec municipalities were reported to have signed a pledge never to accept overseas conscription under any circumstances.

So far as that purports to give news from Canada, I think the statement may be properly described as a lie shamelessly fabricated. Circulated in Canada, it may do some harm, but not much. Circulated in the United States, the whole article is obviously intended to intensify the belief, already fostered in that country by fifth-column propaganda, that there is something wrong with Canada's war effort. Many Canadians are critical of their Government. Many Canadians feel that our war effort should be even greater than it is. But we are all a unit in our pride in what we have done and we know that, measured by any test, it will compare favourably with the effort of our neighbours. We are a unit in resenting propaganda circulated to belittle our effort and intended to cause friction. The vicious-minded individual who sends such stuff from Canada should be ferreted out by the authorities. He will bear watching. As to the magazine, any editor with a sense of responsibility should know that stories like this about a neighbouring country and its Government are mischievous and ought not to be permitted.

Fifth: This is not an isolated offence. For a considerable period items in "Time" covering Canadian news have been unfair, inaccurate and entirely out of perspective. My complaint is directed in particular to recent months since the United States has been a belligerent and our associate in fighting a common enemy. The items of Canadian news, so called, appearing in this magazine have not truly reflected Canadian affairs or Canada's effort in the war. On the contrary, trifling events have been magnified out of their setting and reports have been designed to give a false and misleading impression calculated to belittle Canada's war activities and to bring discredit on her Government. The article I have brought to your attention to-day is only too characteristic of a consistent policy prompted by a malice I cannot understand.

The friendly relation between this country and the United States to-day is one of the brightest spots in this saddened world. We are more than allies; we are friends and good neighbours. Anything which tends to disturb this relation is a crime, and anyone a party thereto is a major offender.

Some Hon. SENATORS: Hear, hear.

Hon. A. D. McRAE: Honourable senators, the point of order has received a great deal of discussion. I know I am out of order—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. McRAE: —in getting up to make some observations on the incident which the honourable senator (Hon. Mr. Farris) has just called to our attention. But, with your permission, honourable senators, I wish to occupy a few minutes of your time in order to comment on this situation. As I hear no objections, I take it that you grant me this privilege. I thank you.

I am sure we all share the honourable senator's regret that incidents of this kind have occurred. Those of us who have the opportunity know that our standing for what we have so far done in the war is being gradually lowered with the American people, and of course articles like that to which the honourable gentleman has referred only hasten the downward trend.

The honourable gentleman mentioned "Time," which is published in New York. I have been an occasional reader of the magazine, and I think those of you who have read it from time to time will agree with me that since the beginning of the war it has been a staunch supporter of Great Britain.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. McRAE: True, there have occurred from time to time incidents that were not so favourable. If my information is correct, this paper maintains a staff of representatives in various capitals throughout the world—fewer, however, in Europe to-day, and since Germany has overrun so many countries there. The management has maintained a staff to gather news, and I think that, by and large, the news dispatches and comments of "Time" on Britain, Germany and the other countries engaged in the war have been very fair. I do not necessarily agree always with "Time," and that is one's attitude towards most publications; but, speaking generally, "Time" has been a consistent supporter of Great Britain and her Allies, and in many cases has been very friendly to Canada.

I should not like the pretty severe statement of the honourable senator to pass without some reference to the good work which "Time" has done for the Allied cause. We should not expect every article to be entirely pleasing to us, nor should we seriously criticize its literary style. "Time" is written in a way which is undoubtedly popular with the rank and file, judging by its large circulation and its influence, which makes it all the more unfortunate that this incident should have occurred.

But, after all, honourable members, are we not just camouflaging a situation that we know only too well? Dissatisfaction is rife throughout every province of this Dominion to-day. You have not to visit them all to know it. I am speaking of what I have found in journeying from Vancouver to Toronto and to and from Montreal. Honourable members from the Eastern Provinces know their own situation. The reason for that feeling you are all as familiar with as I am. Anybody who comes into Canada will hear much worse things said about our Prime Minister than those quoted from "Time." Is it not obvious that any journal's representative coming to Canada will notice that atmosphere?

Hon. Mr. KING: I think my honourable friend is entirely out of order. His remarks are likely to lead to a political discussion on a matter that is not before the Senate.

Hon. Mr. McRAE: I know I am out of order.

Hon. Mr. KING: I think you should desist.

Hon. Mr. McRAE: I am pretty nearly through with my remarks.

Hon. Mr. KING: I think you should desist. There is a time for what the honourable gentleman desires to say, but this is not the time.

Hon. Mr. McRAE: This is pertinent to the discussion. I only ask that we be fair to ourselves and not be too critical of a publication that has been helpful to our cause. Let us not be too critical of a magazine for publishing what, to say the least, is occasioned by local conditions.

Hon. Mr. COTE: Honourable members—

Hon. Mr. HARDY: Mr. Speaker, I rise to a point of order. The question of privilege raised by the honourable senator from Vancouver South (Hon. Mr. Farris) is not debatable.

Hon. Mr. COTE: I do not wish to debate the question.

Hon. Mr. HARDY: I think the discussion is entirely out of order.

Hon. Mr. COTE: I wish to give a word of explanation.

Hon. Mr. MURDOCK: Mr. Speaker, I rise to a point of order.

Hon. Mr. COTE: I was the first member who objected—

Some Hon. SENATORS: Order! Order!

The Hon. the SPEAKER: It seems to me the point of order is well taken. Consequently the discussion should not go any further.

VETERANS' LAND BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 65, an Act to assist war veterans to settle upon the land.

He said: Honourable senators, I think those of us who, some years ago, had—

Hon. Mr. BALLANTYNE: Pardon me. I understand that the honourable member from Winnipeg South-Centre (Hon. Mr. Haig), who intended to speak on this Bill, is not ready to proceed.

Hon. Mr. HAIG: No.

Hon. Mr. KING: I am not in a hurry. I was rather hoping we might get this Bill before the Banking and Commerce Committee either this afternoon or to-morrow morning. I had expected that to-morrow afternoon we might adjourn until next week. However, if the honourable senator is not ready to proceed now, it will suit my purpose to take second reading to-morrow.

Hon. Mr. HAIG: The honourable leader of the Government has always been so kind to me in connection with adjournments that I do not like to refuse him now. I am not ready to speak to-day, but if it is the wish of the House to proceed now, I shall not ask for a delay. I can be ready to speak to-morrow on the motion for third reading.

Hon. Mr. BALLANTYNE: We can take the second reading now and my honourable friend can make his speech on the motion for third reading.

Hon. Mr. KING: I desire to speak now on the motion for second reading. If my honourable friend so desires, he can move the adjournment of the debate.

Hon. Mr. CALDER: No.

Hon. Mr. KING: We had better go on for the time being.

As one who was a member of the Provincial Government of British Columbia when we undertook to do certain work in connection with the settlement of soldiers on the land after the last war, I may say that those who had some responsibility at that time, in either provincial or Dominion Government affairs, do not look back with much satisfaction or comfort upon the results of their efforts. From our experience of those days, in both the Dominion and provincial fields, much has been learned, and for the past year or more the Dominion Government has had interdepartmental committees conferring together and with outside advisers upon the problem of reinstating our fighting men when they return from service in this war. It has been decided by the Government that a new measure should be adopted for the purpose of settling upon the land men who indicate a desire to go upon the land and who show an adaptability for farming and seem likely to make a success of it. If honourable members read the Bill before them and compare it with the Soldier Settlement Act, they will find that it contains certain characteristics which were absent from that Act—characteristics which will remove any doubts they may have as to the success of the administration of the measure now before us.

Only yesterday we passed two bills designed to assist in re-establishing men after their return from the war. One of these was the bill providing for reinstatement in civil employment; the other was the Vocational Training Bill, which affords an opportunity of taking vocational training and of later being placed in industry. Since July, 1941, we have had the Industrial Insurance Act, under which a fund has been set up to assist men from the time of their return from overseas until they can re-establish themselves in civil life. Other measures with similar purposes have been considered and passed by this Parliament.

Last year a survey was made in regard to the matter of land settlement, and of some 200,000 answers received from men who had joined the forces, about 33,000 indicated that the men desired upon their return to Canada to establish themselves upon the land. That is about 16·6 per cent. The survey also indicated that many of the men who expressed a desire to settle on the land were the sons of farmers, or were men who had come from rural districts.

Only men who enlisted from Canada or were resident in Canada before the war, and who have had at least one year of service in the armed forces, will be entitled to come under the provisions of the Bill. Under the soldier settlement policy following the last war, not only Canadian soldiers, but also soldiers of the Allies were permitted to take advantage of the opportunities offered. As a result, many men from overseas came to this country with their families. Many of them, unfortunately, did not know conditions in Canada and were unsuccessful. I could give a history of the failure under that Act, but as the subject is not a very pleasant one, I shall refrain from doing so. As I have said, of the 33,000 men who indicated their desire to settle upon the land the majority were farmers' sons or came from rural districts. That is a very good basis upon which to

work. These men are under no illusions at all. They have been brought up in farming communities and would like to return to the occupation in which they were engaged before they joined the forces.

After the last war we advanced money for home building. In British Columbia, with which I am familiar, the Provincial Government undertook the administration and the collection of revenues. I am informed that the experiment was very successful. Many men who entered into the arrangement secured homes, which they paid for, and in which they are living to-day. It will be observed that under this enactment provision is made whereby a man may secure a plot of land adjacent to a community where industrial employment is available. In other words, he may establish a home in a place where he will not be entirely dependent upon his earnings from farming operations, but can augment his income by working in some industry.

Another provision in this Bill has to do with fishermen. It has been ascertained that many young men serving in the Navy come from points on the Atlantic or the Pacific sea coast, or along the St. Lawrence, and that prior to entering the service they were engaged in the occupation of fishing. Under this enactment those young men can secure homes in localities where they will be able to carry on their previous occupation, and they will be assisted in securing the necessary equipment, such as tackle, boats, and so on.

Those are the main features of the Bill. I shall just briefly indicate what is contained in other sections of the Bill as it will come before us in committee. The measure will be administered by a Director, who will be responsible to the Minister of Mines and Resources. It will be remembered that the Soldier Settlement Act was administered by a board of directors. Experience proved that that was not the best form of administration, and later the administration was placed in the hands of a Director.

I have spoken of the eligibility of men to secure assistance under this measure. An amendment was made whereby the term "veteran" shall include a British subject who was ordinarily domiciled or resident in Canada at the beginning of the war, and who is in receipt of a pension in respect of a disability incurred while serving upon a ship during the said war. Under this plan sailors along the sea coast will have an opportunity to re-establish themselves.

On turning now to sections 3, 4, 5, 7 and 8, it will be observed that there are general conditions relating to the Director and the employees, and to the corporate powers of the Director. The Director will have authority to buy or acquire land or other farm property. This property will be vested in him as a corporation sole, and shall be subject to taxation in the ordinary way by any duly constituted taxing authority. I think honourable members will agree that this is a proper provision. They will remember that there was much confusion and grief under the Soldier Settlement Act because of the uncertainty as to whether soldier settlement lands were taxable or not. Under this measure the issue is squarely met at the outset, and the Director, as a corporation sole, is liable for taxation on the lands held by him.

Hon. Mr. HAIG: If the taxes are not paid, will the municipalities have a right to get title by means of the usual proceedings?

Hon. Mr. KING: No. The Director must protect the property. That will appear as you read the measure.

It is provided that the Director may purchase suitable land, and that the ceiling or the maximum cost he may incur for any individual property shall be $4,800, which is made up of $3,600 for the land, buildings and improvements, and $1,200 for equipment and stock. If the cost of the land, etc., is the maximum, $3,600, the returned soldier settler must pay down ten per cent of the $3,600 when he enters into the contract, and must agree to pay, over a period of twenty-five years, the sum of $2,400, which is two-thirds of the sale price of the land.

Hon. Mr. BALLANTYNE: I understand that the ceiling is $4,800.

Hon. Mr. KING: Yes. Three thousand six hundred dollars will be expended for land and buildings only.

In section 9 you will find the conditions of the sale to the settler. The sale price to him of the complete enterprise, including live stock and farm equipment, shall be two-thirds of the cost, to the Director, of the land, improvements and building materials.

The interest rate payable by a veteran shall be three and one-half per cent.

Payments are to be completed within a term of twenty-five years, and the interest is to be calculated on an amortization plan. The Director, however, may exercise his discretion to permit for the first five years the payment of interest only; but the total repayment period is not to exceed twenty-five years.

Conveyance or transfer of the property shall not be made to the veteran within the first ten years, and it may be made afterwards only if the veteran has complied with the terms of his agreement.

While it is provided that the Director shall not incur costs in excess of $4,800 upon any

single property, there is nothing to debar a veteran from undertaking a larger venture if out of his own resources he is able to put up the additional amount of money required. It is understood that the veteran shall not encumber the land with mortgages or other charges. He will be under the control of the Director and will not be permitted to embarrass himself by incurring other debts.

The title to live stock will remain within the Director's control, but opportunity will be provided for the veteran to dispose of his herd and to reap any profit obtainable from this source. The original stock must not be depreciated, however.

Should occasion arise when the veteran needs a loan in order to extend his property, he will not be permitted to borrow until he has proved to the Director that he is financially capable of taking care of the loan.

The veteran must insure his property. He must pay all taxes and assessments, and should he be unable to do this the Director is required to protect the claims. In another place an amendment was moved limiting the Director's control in the selection of advisers in the matter of disputes or liquidation. As I understand it, the Director will make his recommendation to the Minister, upon whom will rest the responsibility of the decision.

Provision is made for disposition of the property in the event that through illness or unforeseen circumstances the veteran is unable to continue on the land. Any surplus after the sale will be paid to the soldier; and under certain conditions the down-payment may be refunded to him. If after he has been on the land four or five years a veteran finds he cannot succeed, because of unadaptability to farming, he will be allowed to get out and his property will be taken over by the Director. It is probable that under the scheme adopted after the last war much hardship occurred because men were induced, by the granting from time to time of governmental concessions in the way of reduction of interest and of capital charge, to remain on farms under impossible conditions. In such cases it would have been better if they had been permitted to leave the land as soon as it was reasonably clear that they could not make a success of farming, and before they had become too old to find suitable employment elsewhere. It is hoped that unfortunate mistakes in this connection will be generally avoided under the present plan.

Section 35 provides that the Minister may enter into agreements with the provinces for the settlement of veterans on provincial lands.

Since the last war the agricultural industry has benefited greatly from scientific developments with respect to soil chemistry. To-day the prospective purchaser of a farm may apply to the provincial Department of Agriculture or to the nearest university and obtain a great deal of knowledge that was not available some years ago with regard to the characteristics of the land and the kind of crops it will best produce. It is hoped that in selecting lands under this measure the Director and his associates will avail themselves of these facilities, in order that properties on which veterans settle may be suitable, as regards not only location, but also fertility of soil.

Hon. Mr. BALLANTYNE: What size of farm is obtainable for $3,600?

Hon. Mr. KING: I do not know. That varies. The ceiling for land and buildings is $3,600; and for equipment, implements and stock it is $1,200.

I think, honourable senators, I need not say more at this time. The Bill will be sent to committee. I feel it is reasonable to hope that all who study the Bill, even those who at first blush may feel we have already had enough to do with soldier settlement schemes, will find much merit in this one. Everybody will agree, I think, that the agricultural industry of this country should be able to contribute very materially to the re-establishment of our war veterans. It is to be hoped that a large proportion of the men who take advantage of this scheme will already have had some experience at farming or fishing and will seriously desire to make a success at their occupations after the war. And in that event, the Bill should be of great benefit to a large number of war veterans.

Hon. C. C. BALLANTYNE: Honourable senators, I do not for one moment pose as an authority on farming. I have some knowledge of mixed farming in Eastern Ontario, but of grain growing or Western farming in general I know very little. We all agree that everything possible should be done to assist in the re-establishment of our fighting men when they return to us. The honourable leader (Hon. Mr. King) has mentioned the difficulties encountered by the Union Government through the creation of a land settlement scheme for veterans of the last war. I agree that that Government did meet with a great deal of difficulty.

Hon. Mr. KING: That was true of provincial governments too.

Hon. Mr. BALLANTYNE: And I am afraid considerable grief is ahead for my honourable friend and the present Government in

connection with the scheme now proposed. My honourable friend states that some 33,000 men in the forces have expressed their willingness to go on the land after the war, and that many of them have already worked on farms or lived in rural districts. I take it that for the most part their experience has been in Eastern Canada. Farming in Eastern Canada is totally different from farming on the Prairies. Climatic conditions are not the same. The land is not the same and cannot be worked in the same manner. I do not know whether the intention is that the settlement under this Bill is to be in the three Prairie Provinces exclusively, or in all the provinces.

Hon. Mr. KING: I think the scheme is to apply generally, throughout Canada.

Hon. Mr. BALLANTYNE: May I suggest to the honourable leader that before veterans are settled on land in any of our provinces they ought to be interviewed by a board which has a complete knowledge of farming conditions, not only in the West, but also in the East. I feel satisfied if that were done many applicants who now appear eager enough to go on the land would be rejected.

Hon. Mr. KING: I am sorry I omitted to deal with that point. There is provision along just that line.

Hon. Mr. BALLANTYNE: It is futile to settle on a farm any ex-soldier who has no love of the land and is unfamiliar with farm work and conditions.

The Government would be well advised to make a survey of abandoned farms in Ontario, Quebec and the Maritimes. It will be found that a large number of farms may be purchased for $3,600 each or less, farms with good soil and in all probability good dwellings and suitable outbuildings. A returned soldier would be much happier carrying on mixed farming in Eastern Canada—I say this with all due respect to my Western friends—than settled in a lonely part of the Prairies. After all, these men must have neighbours; they should be near a church and schools. All these things have to be taken into consideration. It is depressing to think of the fine old farms in Ontario that are now vacant. I hope the Government will make it a point to settle as many as possible of the veterans on these Eastern farms. However, any returned men who understand what farming is like on the Prairies and prefer to live there, should be assisted in doing so.

The honourable leader points out that the maximum cost which may be incurred by the Government for any single farm is $3,600 for land and buildings and $1,200 for equipment and stock. A number of honourable senators present know something about farm equipment. I should like them to tell me what could be bought for $1,200 to equip a farm in either Eastern or Western Canada. If a man settles in the West, he will likely want a tractor, and that will take up the whole of his $1,200. If he prefers a pair of horses, he will find that they, too, cost a lot of money. He will also need ploughs, harrows, a roller and other implements. No doubt he would want to keep one or two cows and a few chickens. For goodness' sake, what would he do with only $1,200? Practically nothing. Unless the allowance for equipment and stock is increased, you will run into the same kind of trouble that the Union Government had, because the men will become discouraged right at the drop of the hat. I would therefore suggest to the Government that it would be a wise thing to increase the maximum assistance allowable under this head.

It is not remarkable that so many soldiers have responded favourably to the inquiry as to whether they would like to settle on the land after the war. These young men over in England, eager to fight, and fed up with being kept there so long, get a letter from Canada, asking, "How would you like to go on the land after peace is restored?" They talk it over with their chums, and they agree it is a fine thing; so they write back and say they are in favour of settlement on the land. But I do not think that is enough. As I said at the outset, every applicant should have to go before a board whose business it would be to find out if he has a sufficient liking for and knowledge of farming, as well as the determination and perseverance—for a lot of driving power and staying power is required—to make a success of farming in either Eastern or Western Canada.

Hon. Mr. KING: They will be required to do so.

Hon. Mr. BALLANTYNE: I had been relying on my honourable friend from Winnipeg South-Centre (Hon. Mr. Haig) to discuss this Bill, and I have simply been giving expression to thoughts as they have arisen at the moment. We are, of course, enthusiastically behind anything to re-establish our soldiers in civil life. I prefer the provision for small holdings under which a man can get a house and lot. I am afraid that under this measure the Government will in a year or two have the same grief as we experienced under the Soldier Settlement Act. Farms will be abandoned one after the other unless great care is taken in administering this measure and a much larger allowance is made for farm equipment

Hon. JOHN T. HAIG: Honourable senators, I did not intend to speak to-day on this Bill, as I understood it would not be given second reading until to-morrow.

I believe everybody is desirous of evolving some scheme that will afford our returned men an opportunity to re-establish themselves in civil life. Like the Government after the last war, this Government has decided to settle soldiers on the land. Prior to the Soldier Settlement Act the Government of Manitoba undertook to lend money to farmers actually on the land, but it lost over half the money loaned, in addition to the cost of management. Notwithstanding this unsatisfactory experience, the Provincial Government next again tried to help the farmers by loaning them money to buy chattels. The administration cost runs from $27,000 to $30,000 a year, and at the end of twenty years the provincial treasury will not receive sufficient repayment of loans to balance the cost of management. Farm settlement or farm loan schemes are likely to be even more disastrous as you go farther west, because in Manitoba our land will produce average crops more often than land in the other two Prairie Provinces.

I suggest to the honourable leader of the Government that the soldier settlement scheme under the Act now in force failed for two basic reasons. First, the men themselves were not experienced farmers.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. HAIG: As there are no farmers in this House, I cannot be accused of flattering the farmers when I say there is no business that requires sounder judgment and greater experience and tenacity than does the business of the man on a farm. He has to be there morning, noon and night, and he must love the work for the work's sake, not for any other reason.

I do not think it could be done under this or any other scheme, but it would be well if you could limit the operation of this measure to soldiers who came from the land. At least half the young men who have volunteered came from farm homes where the parents would be glad to get them back to work the farms. In many instances a father would be only too pleased to turn over the farm to his son. This would apply generally throughout Manitoba, Saskatchewan and Alberta. A good proportion of the other half are men who formerly worked on farms. It may be taken for granted that after two, three, four or five years' service in the army, and all the excitements of soldier life, they would find it extremely dull on a farm five miles from town. Such was our experience with our returned men after the last war. At least half the failures under the Soldier Settlement Act were brought about by the soldier settlers not being willing to stay on the land.

Let me give an illustration. In 1914 two young fellows volunteered for ambulance service overseas. Although their duties took them up into the fighting line, they were never hit. During their three years' service they ate and slept together and were devoted to each other: they were pals. After demobilization they landed in Winnipeg. One had been an insurance agent in a small way, the other had been engaged in a printing office. They were vigorous men about twenty-six or twenty-seven years old. Each had saved some money, and one had received a legacy from his father's estate. They bought a half-section of pretty good land east of Winnipeg. Two years later I drew up an agreement for dissolution of their partnership. They were so utterly tired of each other that they were not on speaking terms, and I had to put them into separate rooms in my office to prevent their quarrelling. Something similar happened in hundreds of cases.

This very month the premiers of Manitoba, Saskatchewan and Alberta were down here asking your own Government, Mr. Leader, to introduce legislation for compulsory adjustment of debts. Half the farmers in those three provinces say they cannot make farming pay. With those experienced farmers applying, not by hundreds, but by tens of thousands, for adjustment of their debts, how can we as sensible business men expect this land settlement scheme to succeed? I submit it cannot succeed. I am not a prophet nor the son of a prophet, but I make bold to state that if we get back 50 per cent of all the money we pay out, not only by way of loan, but also for administration expenses, we shall be doing well. But, worse than that, force of circumstances will, in three or four years, drive those men back to our urban centres, discontented, disillusioned and bitter against those whom they will then blame for their misfortunes.

Let me tell you something that I believe will prevent such a disaster. First, let us take the one or two hundred million dollars required to finance this scheme and use it for making loans to farmers to the extent, say, of not more than 60 per cent of the appraised value of their farms. If you get the Soldier Settlement boards to value land under this measure on a basis similar to that which has been taken in the administering of the Farmers' Creditors Arrangement Act, you will never pay more than $4 an acre. Those valuators have acted outrageously in the value they have put on a farmer's land when he has asked for an adjustment under the Act Second, let us expand housing schemes in the

different cities, towns and villages of this country on a proper basis. I would suggest loans up to 60 per cent of the value of the houses. Then those men who secure work will gradually get back into their old occupations.

Then there is reforestation, which was discussed in our committee this morning. Money could be profitably spent on work that men can do under instruction.

I am strongly opposed to trying to put a man on a piece of land, in the hope that he will succeed, when our provincial governments in the Prairie Provinces, and indeed in the other provinces too, tell us that at the present level of prices for farm products farmers cannot pay the debts they now owe on their land. That is what discourages me in considering this proposed legislation. I think this is a follow-up of what was said yesterday in connection with another bill. In effect, you will be saying to the returned soldier: "Go farming; but you cannot make it a success."

In the Western Provinces, the farmers who are successful are, with few exceptions, those handling big farms with mechanized equipment. Because of the scarcity and high cost of labour, mechanized farming has taken a much more forward position on the Prairies than for many years. The honourable member from North Saskatchewan (Hon. Mr. Horner) is a better authority on this point than I am, but I venture to say that a farmer working a quarter-section with horses cannot raise wheat at less than 90 cents a bushel; whereas on a three-section farm with mechanized equipment the cost is only half that figure. That is what the small farmer is up against. We are asked, "What about mixed farming?" Well, you cannot mix-farm very much in Saskatchewan, the nature of the climate and the distance to markets not permitting it. It is possible in Manitoba and in certain parts of Alberta.

The Bennett Government in 1931 passed the farmers' debt adjustment legislation. Later it was repealed as to all provinces but Saskatchewan and Alberta. Now Manitoba is asking to have the Act apply again to its farmers. The premiers of those three provinces want the legislation brought up to date. When our experienced farmers cannot make farming pay, how can we expect inexperienced men to succeed on second-class land with inadequate equipment? For $1,200 will not buy much farm machinery; and you cannot in Manitoba, Saskatchewan or Alberta buy first-class farm land, with buildings, for $3,600.

Hon. Mr. HORNER: Oh, yes.

Hon. Mr. HAIG: Oh, no. You may be able to do so around Blaine Lake, but I am talking about farm land around Indian Head, Regina, Winnipeg, Portage la Prairie, and in the Red River district. I do not know what farms can be bought for in Ontario, but I think similar conditions prevail. Surely a farm in Ontario with ample equipment must represent an investment of much more than $3,600. Maybe you can buy small farms there. But, again, I wonder whether our boys will want to go back on the land under those conditions. Do you think they will be at all eager to do so after being used to the bright lights of our industrial cities and earning as much as $6 to $8 a day? I do not think so. We have to face that situation.

I am opposed to this Bill in every respect, for I believe its underlying principle is fundamentally wrong, and therefore I am convinced it will be a failure.

We have been told there will be no commission paid to anybody on the purchase of land under the Bill. It is common knowledge that if you want a farm you get into touch with a real estate man who lists farm lands. We will call him Mr. Jones. You tell him you want to buy a farm with buildings on it. He informs you he has a list of twenty or thirty properties, and he asks you to look them over. He says, "We want $5,000 for that half-section." You say, "I will think about it," and you get a farmer friend to go with you to look at it. Then you offer $4,500 for it, and the dealer negotiates for you. In that way you can make a better bargain than if you had been dealing with the owner, because you are not tied down to any one farm.

An Hon. SENATOR: They do not go to the lawyers?

Hon. Mr. HAIG: I do not know. Under this Bill you will have camouflage, because you say that there is to be no commission and that if anybody pays or receives a commission he will be punished by six months in jail. There will be evasion of that provision; and unless you allow a commission you are not going to get the best choice of land. In every other walk of life we allow an agent a reasonable commission for his services, and experience has taught us that it is usually earned. If I want to buy a house I do not wander down the street and say to the first man I meet, "Do you want to sell your house?" and continue asking the same question until I meet someone who says, "Yes." I never try to buy a piece of land direct from the owner. Whether I am buying or selling I always work through an agent,

because I find it is the most economical method for both parties concerned. What the Government has in mind, no doubt, is the fact that under the previous legislation frauds were committed on the Government by certain persons who bought tracts of land cheap and sold them at exorbitant prices. So far as this legislation prevents all that sort of thing, it is all to the good; but I still think it would be better to permit the payment of commission, because otherwise you will not get the best service and the widest choice.

The location of the land is important. The Dean of the University of Saskatchewan said about two years ago that the average rainfall in his province was about twenty-four inches a year, and that if rain fell at the right time there was a good crop. That would be very important to me if I were a farmer who had been brought up in the northern parts of Saskatchewan, where dry farming is carried on very successfully. There must be a certain kind of farming to suit particular conditions. That is something which the agent has in mind. In trying to avoid one evil you are creating another that is worse. This, I suggest, is something that the Government should consider.

I think we are going at this thing in the wrong way. It seems that we will not learn. My honourable friend the leader of the Government knows about the loan scheme in British Columbia. It has been a dismal failure. There was a similar scheme in Saskatchewan and in Manitoba. I may tell you, honourable senators, that the rural credit scheme in Manitoba kept me in office for fifteen years, because I talked against it.

The fundamental basis of this is all wrong. Go to the farm loan companies in Toronto or in Montreal and ask them for their experience in regard to farm loans. To hear it would make you sick.

Hon. Mr. BALLANTYNE: It would make the farmers sick too.

Hon. Mr. HAIG: I know of one insurance company in Winnipeg—I shall not name it—that has lost at least $20,000,000 through farm loans. Other companies also have lost huge sums. They are not supposed to lend more than 50 per cent of the value, and they have an energetic force checking up all the time. What can you do when grasshoppers come along and eat the farmer out of house and home, when there is no rain for two or three years, or when there is rust? You cannot get money out of nothing. This is the most dangerous form of loan there is. If it would do the soldier any good, we might let it pass, but it is going to do him harm. Farm loans in Manitoba, Saskatchewan and Alberta, and Dominion Government farm loans in one form or another, have all been, without exception, failures. The only loans with regard to which there was any degree of success were the ones made on buildings in cities. That type of lending was done in Winnipeg, and it was a success because the purchaser had to pay so much a month and returns were not dependent upon one crop a year. Here you are depending on one crop, and on the success of a business that is difficult at any time.

I am persuaded that the only man who can succeed on a farm is one who has been brought up on the farm or who has gone out and learned farming for himself. I think the scheme will be a failure.

Hon. R. B. HORNER: Honourable senators, I did not intend to say anything on this subject, but I object to a lawyer from Manitoba setting himself up as the representative of the greatest agricultural province in the Dominion of Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HORNER: I am somewhat different from my honourable friend from Winnipeg South-Centre (Hon. Mr. Haig) in that I like to buy direct. His agent no doubt turns around and gets him to draw the agreement.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HORNER: I should like to ask the honourable senator from Winnipeg South-Centre how, after the war is over, any Government is going to continue to build houses in Winnipeg or anywhere else. What are the men who live in them going to work at? Are they to go on relief in the city of Winnipeg?

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HORNER: It is not many years since I met in Montreal a gentleman who had lent money on what had been described as "perfectly safe" property in the city of Winnipeg. He said: "What am I going to do? The taxes on my property in Winnipeg are greater than the revenue I get from it, and if I cannot find money to pay those taxes the city is going to take my property." I said, "You would be safer to have your money invested in farm lands."

Speaking of the price of land, I agree with the honourable leader on this side of the House (Hon. Mr. Ballantyne) that the Government will have to reverse its position on the cost of land and the cost of implements. The figure for the land should be $1,200, and for the implements $3,600. You cannot work

land without implements, and they are costly. Returning on the train from the West, I met a man who told me that for $150 he had bought from a railway conductor in the United States a quarter-section of land—160 acres—a quarter of a mile from the town of Elkhorn, Manitoba. The farm was fenced with barbed wire, and there was a large creamery nearby, but all it was worth was $150. He tried to sell it to me. I know of a section of first-class land sixty miles from Regina that can be purchased from the municipality for $1,000, and it is just one day's journey on the train from Winnipeg, and there is a train service to that city twice a day, if anybody wants to go there.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HORNER: To cultivate that land you would need $5,000 worth of equipment. You would have to have an engine, which costs $1.700, and bins and bunkers, and so on, and a threshing machine of some kind, and ploughs and horses. So I say the figures for land and for equipment should be reversed.

It is true that in the province of Saskatchewan we had a period of very great drought, but there never was a time that we did not grow almost twice the quantity of wheat that was produced in the province of Manitoba.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HORNER: In the province of Saskatchewan we have by far the largest agricultural area of any of the provinces; in fact, I believe it is almost equal to the agricultural area of all the other provinces together. That is a fact. I have seen the figures. It is amazing what that province has produced. There has always been one prosperous section of the province.

I remember the soldier settlement scheme, and I know a number of men who made a success under it. I do not agree with the idea that to be a successful farmer and to accomplish great things for the agriculturists one must have been brought up on the farm. I know of many men who have made a success of farming although they had never in their lives been practical farmers until they came to Western Canada. For instance, I could mention Dr. Seager Wheeler, who never had any previous experience. I wish honourable members could visit his farm and see what he has done. His brother, who had never before been on a farm either, has $10,000 with which he could buy victory bonds. I should like to take honourable members up to the Lloydminster country to see what has been accomplished there by men who had never been on a farm prior to coming there. I was born on a farm, but I still believe that any man who has a liking for farming can make a success of it, and should not be debarred.

I am opposed to the centralization of population in this country. There was a time when ox-teams were our mode of transportation, but when this war is over automobiles will be cheaper than they have been, and what were formerly regarded as backwoods sections of the country will be almost on the main line. I know of nothing better that we can do than this business, if it is handled properly. I think the proposed legislation is necessary, but it is my opinion that the Government should reconsider the set-up of valuation which has been placed upon land and upon implements. I think that is very important. By reason of the knocking about of land values as a result of various debt adjustments, there is much cheap land available. This is an opportune time to buy land in Saskatchewan, and I believe the same is true of other provinces.

Reference has been made to the money that was lost by the mortgage companies in Eastern Canada. In this connection we should not forget the years when the farmers of the West were paying eight or ten per cent on loans. It was not a question of the farmers asking for the money; the companies got the best man they could secure to go out and press the farmers to take the money. As much as $4,000 was loaned on a quarter-section—maybe the very quarter-section which has been sold for $150. Some of the mortgage companies told the farmers they were not progressive enough, and forced the money on them, and that is how the losses came about. And all over Saskatchewan to-day there are men, lots of them, making payments on their farms.

In no business or walk of life will everybody succeed. We hardly expect it. So I do not expect that all who participate in this scheme will make a go of it. It ought to be considered satisfactory if fifty per cent of them are successful.

Hon. NORMAN P. LAMBERT: Honourable senators, I had not intended to take part in this discussion at this stage, but the remarks of my honourable friend from Saskatchewan North (Hon. Mr. Horner) have prompted me to rise now and make some observations on a vital phase of the general subject of reconstruction after the war, with respect to which it seems to me the present Bill is of great importance. I think my worthy friend from Winnipeg South-Centre (Hon. Mr. Haig) has viewed this Bill from an altogether too negative point of view—and, if I may say so, from a rather narrow point of view—based upon a wealth of intimate and

practical experience in dealing with farm settlement in Western Canada in the past. I feel we must divorce our minds entirely from the experiences of the last post-war period, if we are to get a proper view of the problems likely to confront this country in the indefinite future.

As we all know, there are with respect to the future two broad points of view, encouraged and stimulated by experience in the war itself. There are those persons who, because of Canada's present performance in all fields of production, believe that the standard of living established in these years will continue and that there should be abundance and a full life for everybody. But in more practical-minded quarters—I was going to say, less idealistic quarters—the view is held that nothing can possibly prevent a very serious decline in the standard of living in this country and throughout the whole world when the time comes for taking stock of the devastation of this war and making the readjustments that will have to be made if we are going to continue any sort of civilized relationships.

Personally I am rather inclined—at this stage, at any rate—to agree with the latter point of view. And if this view should prove to be correct, then I think the attitude towards farm settlement plans, such as those provided for in this Bill, will be very different from that which would be adopted by what we might call economic planners, a group of people who look forward to the maintenance, by some miraculous arrangement of economics, of a standard of living equal to or even better than that which we are now enjoying. It is quite possible that a great many people, including not only some who have taken an active part in the war, but numbers who have worked in factories in this country, will be willing to engage in farming on a subsistence basis. And while it is impossible for any of us to blue-print the conditions that will obtain in this country after the war, I think it is well that the Federal Government should prepare itself to meet problems of a very profound economic and social character by planning for the settlement on land of men who know something about farming and those who are at least desirous of supplying themselves with food and shelter without being a charge on the public treasury.

After all, we know very well that the experiment of maintaining unemployed people had not reached its logical conclusion when it was interfered with by the war. No doubt most of us, in trying to form some kind of picture of post-war conditions, think of the mass unemployment, the idleness and shiftlessness, the dole and all the other demoralizing factors which we saw all about us in the years preceding the outbreak of war; and I believe that everything which can be done now conscientiously to prepare for some protection against that condition should be undertaken.

This Bill, to my mind, has a good many features that will have to be tried out. I think a great improvement over the farm settlement plan of the last post-war period is seen in the provision for inspection and supervision. As my honourable friend from Winnipeg South-Centre (Hon. Mr. Haig) knows very well, the adoption of a similar policy by loan companies in the West has resulted in some outstanding examples of successful farm management. The principle of supervision and intelligent direction is sound and has worked out satisfactorily, not only in fields of private investment, but also in the provinces where agricultural agents have shown what can be done to improve the economic status of farmers.

The degree to which some 35,000 soldiers will be absorbed on the land after the war is over is to my mind an insignificant consideration at this time compared with the thought that the Government of Canada is conscientiously endeavouring to lay the foundation for meeting an unknown problem of reconstruction and rehabilitation in the post-war period. To indicate some of the difficulties and the vagueness and uncertainty connected with that future picture, may I suggest that the whole agricultural economy of Canada has been in process of change within the last three years. Because of the disruption of international lines of trade which have ordinarily taken care of our agricultural surpluses and been the economic mainstay of farming in this country, the prospect for our future agricultural economy is wrapped up in the lap of the gods with the outcome of this war. In this country we have been taught to regard the British market as our chief outlet for farm produce, but after the war we may have to make an entirely new orientation in this respect. So economic factors underlying the farm picture of the future are such that no one can say just what the general foundations for any scheme of land settlement may be, or the economy that may accompany the industry as a whole.

I know that much thought and consideration are being given to these different phases of reconstruction. In many quarters a hesitancy to discuss problems of post-war reconstruction exists on the ground that psychologically it does not help the war effort. In some quarters the suggestion has been made that these problems might better be defined as post-war objectives. Possibly that

is so. At any rate, I know that the committees and subcommittees of earnest-minded people who are already giving attention to these matters have publicly discussed, and expressed sympathy for, such projects as the one covered by this Bill. Last week at a private session in Ottawa representatives of the departments of agriculture and the agricultural colleges from all the provinces of Canada considered these matters in conjunction with the federal subcommittee on Agricultural Reconstruction, a subcommittee of the general committee headed by Principal James. The consensus of opinion of that representative group of agriculturists was to the effect that we all must walk along together, keeping as closely as possible in touch with actual conditions that are developing during the war, in the knowledge that sooner or later we shall have to come to close grips with the most profound and serious question this country has ever had to face. I regard this Bill that is before the Senate to-day as dealing with a small but very important phase of that future problem, and I hope it will be approached and sympathetically supported from that point of view.

Hon. N. M. PATERSON: Honourable senators, may I make just a few comments in regard to farming? Like the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig), I am not a farmer, and also like him, I have seen a good deal of distress among farmers; so I can appreciate his remarks. Still, I think some honourable senators—the honourable gentlemen from Marquette (Hon. Mr. Mullins) and St. Jean Baptiste (Hon. Mr. Beaubien), for instance—have made money out of farming and know others who have made money. However, I want to speak on the situation with regard to wheat.

At the present time we are faced with one of the most serious situations I have ever seen, owing to the fact that we have on hand 404 million bushels of wheat, that there is a virtual embargo against the shipment of grain to the head of the lakes, and that we are on the eve of harvesting a very bountiful crop, grown on 21 million acres as compared with 27 million acres ordinarily, and one which will yield something like 450 million bushels. The storage problem is therefore a very difficult one.

The question of the farmer's future is one that should be handled with patience and courage, and a great deal of public sympathy and assistance. We assume that we shall win the war. We assume that when our young men return they will want something to do, and that living conditions in the city will not be attractive to many of them. Those who go on farms should find the markets of the world open to the grain grower, a condition that does not exist at present. We are now bonusing the non-growing of grain, but when the war is over and conditions assert themselves in normal channels, we should encourage the growing of grain and all kinds of farm products with freer markets all over the world and better transportation to these markets. I think the picture is not as dismal as it appears to some honourable members. Certainly the scheme will require a great deal of patience and courage, not only on the part of those who administer the Act, but also of those who accept farms under it when they come back from the war front. But I would say that the scheme is well worth while even if only one young man makes a success for every five that fail.

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

REFERRED TO COMMITTEE

On motion of Hon. Mr. King, the Bill was referred to the Standing Committee on Banking and Commerce.

BANKING AND COMMERCE COMMITTEE

Hon. Mr. HAIG: When we consider this Bill to-morrow morning would it be possible to have the officials of the Farm Loan Board give the committee particulars in regard to losses?

Hon. Mr. KING: I have arranged for them to be there.

Hon. Mr. BLACK: Honourable members, the Banking and Commerce Committee will meet immediately after we adjourn.

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

THE SENATE

Thursday, July 23, 1942.

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

Prayers and routine proceedings.

BUSINESS OF THE SENATE

Hon. J. H. KING: Honourable senators, I think I should make a statement as to what business we may expect to have before us in the immediate future. It is difficult to anticipate what may happen from day to day,

but in all probability certain bills will reach us this afternoon. As honourable members are aware, it is the intention of Parliament to adjourn within the next few days, and much of our progress will depend entirely on what happens in the Lower Chamber. I intend to move that when the Senate adjourns to-day it stand adjourned until to-morrow afternoon. I am hopeful we shall be able to adjourn to-morrow afternoon until Monday afternoon, but at the moment I cannot speak definitely as to this.

WAR RISK 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 56, an Act to make provision with respect to insurance of property against war risks and the payment of compensation for war damage.

He said: Honourable senators, I may say that this Bill has been considered at some length by the committee, which had before it the representatives of the Insurance Department and the individual who is going to be in charge of this legislation when it goes into effect. I submit the Bill with various amendments.

The motion was agreed to.

THIRD READING

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

Hon. J. H. KING moved the third reading of the Bill.

Hon. Mr. BLACK: I neglected to state that I understand there is another amendment to be moved to the Bill on the third reading.

Hon. N. M. PATERSON: Honourable senators, I should like to move an amendment, that this Bill, as amended, be not now read a third time, but that it be further amended as follows:

Page 12, line 30: For "Fund" substitute "Account."

I was asked by the Law Clerk to move this amendment, which is purely clerical, the object being simply to substitute the word "Account" for the word "Fund." The phrase "Special Account" is used throughout the Bill, except in this one instance.

The amendment was agreed to.

Hon. J. W. deB. FARRIS: Honourable senators, I wish to say a word before the third reading is given. When this Bill was in committee my honourable friend from Vancouver (Hon. Mr. McRae) moved an amendment to strike out the words "and trees" in section 2, the effect of which amendment would have been to include in the Bill the right and possibly the duty of the Minister to make provision for war insurance in regard to standing timber. I stated then that I intended to vote against the proposed amendment, although on the motion for second reading, in this Chamber, I had spoken in support of the principle of the amendment, and although, of course, I was still in favour of that principle. I decided to vote against the amendment because of the statement made in committee by the honourable leader of the Government (Hon. Mr. King), which I said then I thought should be placed on record in this House, to the effect, as I understood, that during the recess the Government would consider the question of making provision for standing timber and growing crops; that it would hear representations, if any should be offered, and would investigate the matter with a view to including standing timber and growing crops in the provisions of the present measure, or in separate provisions, if this is found practicable and justifiable. I also understand that the Government will feel free to deal with these matters by Order in Council if occasion requires.

It was for those reasons that I apparently forsook my honourable colleague from Vancouver (Hon. Mr. McRae) in the vote in committee, and not because I was not heartily in support of the cause he advocated.

Hon. A. D. McRAE: Honourable senators, I think it might be well for me to repeat at this time some of the arguments used in the Banking and Commerce Committee for and against my amendment. I do this, first, to place them on record, and also for the benefit of honourable senators who are not members of the committee.

I think this proposed legislation is very necessary, particularly to those sections of Canada located on either coast. The scheme itself I regard as a mixture of compensation and insurance, for it is obvious from the statement of the expert who investigated this matter for the Government and who, I understand, estimated that the premiums payable under the scheme would total $7,000,000, that these would not provide sufficient coverage to meet damages resulting from a bombardment. Consequently, I think it is only fair to say that in such a case the Government will have to contribute that part of the compensation not covered by insurance. After all, this would be equitable, because the Government as a rule assumes responsibility for payment of part of the compensation for war losses where there is no insurance.

As to the cost of this scheme, I think the committee were pretty well satisfied that it will be kept down to a minimum. But from what I have observed in other quarters I am naturally a little doubtful in this regard. Under similar legislation recently passed in the United States, war risk insurance is conducted through established agencies, as is proposed in this Bill. In that country insurance agents are allowed a commission of 5 per cent and insurance companies are allowed 3½ per cent for the cost of administering the Act, the total being 8½ per cent. Personally, I should like to see that figure inserted in the present Bill as the maximum to be allowed for those services, notwithstanding that we have the assurance of the gentleman who is to administer this measure that he hopes to keep those costs considerably lower. Of course, there will be other expenses, such as those of the administrative staff here in Ottawa, but we were assured they would be kept down to a minimum. There will also be the adjustment fees in case of loss—generally an expensive item; but here again I believe the insurance companies will see to it that such fees are kept down to a war-time level. Generally speaking, it seems to me that 10 per cent might cover the fees if they got enough "cream."

The compassionate feature met with some objection in the committee. It is apparent that insurance will be taken out largely on either coast, and that inland sections of our far-flung Dominion, where the war risk is very slight, will not insure to the same extent. So I am very doubtful about the magnitude of the effort and as to how the estimate of $7,000,000 in premiums is arrived at. However, so far as that goes, the effort can take care of itself, and the compensation feature which might arise is something the Government should assume.

I come now to the question of timber, which my colleague from Vancouver South (Hon. Mr. Farris) has brought up. The Government expert advanced two principal objections to bringing timber within the scope of this Bill. First, he said that timber in peace time is not insurable. I have no doubt that if the owners were prepared to pay a rate sufficiently high, Lloyd's would insure the risk, for they will insure anything. The important point to me is that the timber interests and the owners of growing crops and plants are the only ones denied the benefit of this proposed legislation, which is presumed to be introduced for the benefit of all Canadians. I think in that respect the Bill is unfair. With regard to the other objection, the value to be placed on timber, that, as I stated in the committee, is simply a detail which can be, and has been, worked out. The question of hazard can be taken care of, in part, by rates; but that again would have to be left open for the administrator to decide.

It may interest honourable members to be informed that timber represents one of the very large businesses of our country in peace time, and those engaged in that business are doing a very useful and essential work in war time. Therefore it does seem to me they should at least have an opportunity of coming under this coverage which we are giving to all other Canadians.

The difficulties of providing war risk coverage in respect of timber, which, after all, are matters of detail, were worked out first in the United States and later in Great Britain, and under their war protection legislation timber is insurable in both those countries. Surely, the United States and Great Britain having devised a scheme, we in Canada should be able to work out a similar coverage here.

In view of the attitude of the gentleman who is to administer this proposed legislation, and certainly the attitude of the expert who drafted it, I am not so hopeful that the timber men will get anything like fair treatment, notwithstanding the assurance of the Government that the matter will receive consideration. The expert said he did not regard as adequate a rate of 15 cents a hundred, or $1.50 a thousand, which is the insurance rate on timber in Oregon, Washington and California, and that he thought $5 a hundred would be nearer the mark.

There is another point I might mention. In my view it is not proper for us to pass legislation to-day and expect the Government, a week or two hence, by Order in Council, or even under the War Measures Act, to vary that legislation. That has happened in relation to other measures. It seems to me it would be much better for us to include timber in this Bill and leave it open for the Government, on the advice of its experts, to decide as it might see fit. That was the effect of the motion I made before the committee, and I think it can be supported on the grounds of logic, parliamentary procedure, and sound legislation.

I am not at this time pressing my objection any further, for I know the committee at least is far from being sympathetic towards it. I know also that this Bill is being passed subject to the promise that my objection will be considered. If that means favourably considered, then any further steps necessary can be taken by Order in Council, which may be passed a week, two weeks or a month from now.

Hon. J. H. KING: Honourable senators, in reply to my honourable friend the junior member from Vancouver (Hon. Mr. Farris) I would inform him that the Minister of the department interested has instructed me to say that the insurance of timber as a war risk is now being considered, and that he and possibly other members of the Government will be available to hear representations from persons interested in the matter, at a time reasonably convenient to the Government. I would point out that if it should be decided to insure timber against war risks, it would be a matter of Government policy whether this should be effected under the War Measures Act or by a special enactment like this Bill.

I should like to say to my honourable friend the senior member from Vancouver (Hon. Mr. McRae) that if he and his associates are really serious in the objection which he has so ably presented to us, they should go to the source where timber is now controlled. Our provincial governments control the various timber areas, much of which is in the hands of licensees, the governments collecting fees and royalties. Large blocks of timber, particularly on Vancouver Island, are in the hands of investors. Some of the timber is being taken off now. Although the provincial Government has divested itself of its rights in the timber, it still exercises control through royalties and licence fees. I have no doubt that if those interested can convince the provincial Government—and from what my friend has said it seems to me he would be a good representative to impress the provincial Government with his argument—and if its members desire to come to Ottawa, they will get a fair hearing.

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

VETERANS' LAND BILL

REPORT OF COMMITTEE—CONSIDERATION POSTPONED

Hon. F. B. BLACK: Honourable members, as those who sat in the Banking and Commerce Committee this morning will remember, we spent a good deal of time in examining Bill 65. We amended the Bill in several particulars. Most of the amendments are merely clerical, but some are important. As, however, the report has reached me since I came into the Chamber, I have not been able to check the amendments against the memorandum I kept during the passage of the Bill through the committee. It will not, I think, delay the passage of this Bill to postpone the consideration of the report until to-morrow. That would give me an opportunity of checking the report.

Hon. Mr. KING: Agreed.

The Hon. the SPEAKER: The report stands.

TAFFERT DIVORCE CASE

MINORITY REPORT

On the order for the consideration of the eightieth report of the Standing Committee on Divorce with respect to the petition of William Taffert, together with the evidence produced before the said committee:

Hon. JAMES MURDOCK: Honourable senators, I understand that the honourable the Acting Chairman of the Divorce Committee (Hon. Mr. Aseltine) is not here to-day, but possibly the House will permit me to couple up with the report before us my minority report. It is as follows:

Minority Report

In the matter of the petition of William Taffert, of Montreal, P.Q., praying for a Bill of divorce from Annie Gross Taffert, otherwise known as Amy Gross Taffert, of the said city.

I, the undersigned member of the Standing Committee on Divorce, dissent from the recommendation contained in paragraph 2 of the 80th report of the Standing Committee on Divorce with respect to the above petition, on the ground that, in my opinion, the woman in the red hat was not the respondent, Annie Gross Taffert, and that the allegations contained in paragraphs 8 and 9 of the petition have not therefore been proven. Also in respect to paragraph 10 of the petition, the evidence appeared to disclose that the petitioner deserted the respondent, and not what is charged in paragraph 10.

The above minority report is filed for the following reasons.

Respectfully submitted.

James Murdock.

July 23, 1942.

The reasons are as follows:

The Petition of William Taffert for a Bill of Divorce from his wife, Annie Gross Taffert, was heard by the Divorce Committee on March 17, 1942, but a decision granting the divorce was not given until July 21, and was given then in the absence of the Chairman, the Honourable C. W. Robinson.

These people were married in the State of New York on March 1, 1920, and were both young at that time.

They only remained in New York a few months after their marriage in 1920, and for some years, or until 1936, they lived in Montreal, where Mr. Taffert appears to have been associated with his father in business.

About 1937 these people, with a young daughter, went back to New York and lived there for some time, and while there Mr. Taffert, according to the evidence, was employed as the representative of certain liquor interests.

In 1938, Mr. Taffert returned to Montreal, but did not bring his wife and daughter with him. Later his wife advised him she was coming to Montreal. Mr. Taffert met the wife and daughter and took them to a room which he had secured for them, but which proved to be entirely unsatisfactory. Later they changed to another location on Hutchison street in Montreal.

The occurrence on which this divorce action is based took place, it is said, on the evening of May 8 and the morning of May 9, 1941; and it should be borne in mind that Mr. Taffert had been paying the rent for the room on Hutchison street, where his wife and child were rooming.

Near the end of April, 1941, Taffert served notice on the landlord that he would not pay rent for the month of May, 1941, for the room occupied by his wife and daughter. He evidently anticipated the occurrence of May 8 and 9, which may have been a frame-up with co-operation.

It is a somewhat peculiar coincidence that, according to Mr. Taffert's evidence, he engaged detectives on April 30, 1941, to secure evidence of his wife's infidelity, and had also anticipated such investigation to the extent of declining to pay for his wife's May room rent. The detectives were engaged on April 30, 1941, and on the same date, or in the last days of April, Mr. Taffert gave notice to the landlord that he would no longer pay the rent for the room where his wife was located.

It is particularly interesting in connection with this divorce petition to note from the evidence that Mrs. Taffert's relatives on two different occasions came to the financial assistance of Mr. Taffert, to the tune of about $1,000 on one occasion, in order to keep Mr. Taffert from going to jail for embezzlement of moneys of the liquor agency for which he was working. Later the relatives of his wife, brothers and brothers-in-law, again came to Mr. Taffert's assistance to the extent of $500 on a purely "phoney" claim by Mr. Taffert that he had to have the money to pay to a union in order to be permitted to work. This statement was false, but he got the money. (See Taffert's evidence in cross-examination.)

It should be especially noted in connection with the evidence in this case that it is alleged that on May 8, 1941, Mrs. Taffert, distinguished by a red hat, left the Hutchison street address and was around the corner of St. Antoine and Windsor streets in Montreal (which is just outside the Canadian Pacific Railway elevator entrance) from about eight o'clock in the evening of May 8 until 3.30 on the morning of May 9—all the time being distinguished by a red hat. By the way, it should be noted that Mrs. Taffert in her evidence swore positively and repeatedly that she never wore or owned a red hat, and her daughter, almost sixteen years of age, also swore that her mother never owned a red hat. I believed the evidence of these two ladies.

It is true that Mrs. Taffert admitted in the evidence that she would not be averse to a divorce from her husband, but she was positively averse to a divorce being granted on the ground of her alleged immorality.

In my judgment, this case appears to be a simple "frame-up" against this woman by the petitioner. It was not brought out in committee that the petitioner had ever reasonably and properly supported the respondent, but it was brought out in committee that the respondent's relatives had financially and materially come to the assistance of the petitioner on two or more occasions.

It was brought out in the evidence that Mr. Green and his assistant detective, Mr. Manel, were employed in the latter part of April, 1941; also that in the latter part of the same month Mr. Taffert served notice by letter on the landlord that he would no longer pay Mrs. Taffert's room rent. He must have been reasonably sure that he was going to be able to "frame" the evidence on his wife.

The evidence would appear to indicate that prior to May 1, 1941, a woman of about the same age, height and description as Mrs. Taffert was employed, and one of the requirements was that she was to wear a red hat easily distinguishable; and it will be noted in the evidence that Mr. Taffert was with the detectives at all times to point out Mrs. Taffert (or the woman with the red hat). The question is, did he point out Mrs. Taffert, or someone whom he had employed, and who likely lived at that house on Hutchison street, to go through the motions which were gone through for seven and a half hours at the corner of St. Antoine and Windsor streets on the night of May 8 and the morning of May 9, 1941?

Then, too, it will be noted in the evidence of Mr. Taffert and his detectives that after they alleged they found this woman in the red hat in a room with a man, the woman had her clothes on and the man had his clothes on, but the woman's shoes and stockings were off and the man's pants were unbuttoned.

The conviction is that the entire case was the "framing-up" of a woman whom Mr. Taffert had grown tired of providing for, in part, to say nothing of his sixteen-year-old daughter, who appeared on the witness stand, and who was definite in her evidence as given to the committee.

Possibly these people should be divorced, but surely we should decline to subscribe to the principle of the brand of immorality being placed on a woman by a man who has proved by his own evidence that he is a rotter in every sense, from the standpoint of manly conduct.

The two detectives were, no doubt, following a "stoogie" woman with a red hat, who had been secured for the purpose of obtaining evidence that would free Mr. Taffert from his matrimonial obligations.

The evidence of Detective Green appears to show either surprising luck or collusion, in that about 6.00 a.m. of May 9, when the two detectives and Mr. Taffert were tired after being on the job from before eight o'clock the previous evening, as Mr. Green states in his evidence, he kindly drove Mr. Taffert home and then drove his associate detective, Mr. Manel, home; then Mr. Green returned to the place where he had treed this man and the woman who was alleged to be Mrs. Taffert, and he, Mr. Green, found he was just in time to see them leave in a car for the house on Hutchison street where the woman with the red hat appeared to live. How lucky it was that this man and woman stayed until Mr. Green had delivered Mr. Taffert and Mr. Manel to their homes at six o'clock in the morning, and then returned to the house to see these parties leave. And Mr. Green, to make it good and strong, indicates that the woman with the red hat shook her fist at him when she was being delivered to the house at Hutchison street where the woman with the red hat appears to live.

The Hon. the SPEAKER: The question, honourable senators, is on the adoption of the report.

Hon. Mr. MURDOCK: I rise to a point of order. Rule 143 of the Senate of Canada, relating to divorce, provides:

After such hearing and inquiry the committee shall report to the Senate, stating whether the requirements of these rules have been complied with in all material respects; and, if it shall have been then found that any such requirement has not been so complied with, stating in what respect there has been default, and also stating the conclusions arrived at and the action recommended by the committee.

2. The report shall be accompanied by the testimony of the witnesses examined, and by all documents, papers and instruments referred to the committee by the Senate or received in evidence by the committee.

I take the position that without the printed record before us we cannot deal with this motion at the present time. Someone will say, of course, that we have often done so before. Yes, I know that; but we are not going to do it now unless we set aside these rules. I think that the evidence in this particular case was sent to the printer two or three days ago, and that the printed evidence is to be available to-morrow. Your Honour, I submit that in the meantime we cannot deal with this particular motion.

Hon. A. B. COPP: Honourable senators, this order is in the name of the Acting Chairman of the Committee, the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine). He did not speak to me about it; but, inasmuch as I am a member of the committee, I may say to the the honourable senator from Parkdale (Hon. Mr. Murdock), after listening with a very great deal of interest to his essay in regard to what may or may not be assumed, and after hearing the rule cited to the effect that we may not go on to-day, I was going to ask, in the absence of the Acting Chairman, that the matter stand until his return.

Hon. Mr. HAIG: He will be here to-morrow.

Hon. Mr. COPP: At that time, I presume, the evidence will be before the Senate.

The Hon. the SPEAKER: Is it suggested that the report be laid on the Table?

Hon. Mr. COPP: That the order stand.

The Hon. the SPEAKER: Stand.

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

44567—17

THE SENATE

Friday, July 24, 1942.

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

Prayers and routine proceedings.

NATIONAL RESOURCES MOBILIZATION BILL

FIRST READING

A message was received from the House of Commons with Bill 80, an Act to amend the National Resources Mobilization Act, 1940.

The Bill was read the first time.

VETERANS' LAND 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 65, an Act to assist war veterans to settle upon the land.

He said: Honourable senators, the committee has had this Bill under consideration and beg leave to report the same with a large number of amendments, more than thirty in all, none of which changes the intent of the original Bill to any material degree.

The motion was agreed to.

THIRD READING

Hon. J. H. KING moved the third reading of the Bill.

Hon. A. D. McRAE: Honourable senators, I think we all are in agreement with the objective of this Bill. The committee took a great deal of time and care in considering the similar measure which was passed after the last war, and the steps which will be taken to profit by the mistakes made in connection with it. Speaking generally, I think the department made a very favourable impression on the committee. The type of land to which most attention was given was farm land, whether at present occupied or unoccupied. It was stated that a large number of farms were being operated by aged men who had no sons over fourteen years old to carry on the work, and that presumably many of these properties would be available for purchase under the Act. As was the case after the last war, the matter of purchase is one that will involve great care. It is necessary to make sure, first of all, that the farm is worth the price to be paid for it,

and, secondly, that it is a farm on which a war veteran can make a living. In these respects I think the department is well aware of the risks which should be guarded against.

Only brief reference was made in the department's report to what might be called virgin development, or the settlement of land which has not yet been brought under cultivation. In general, vacant farms which are capable of production and are located conveniently to transportation, and farms which, though now occupied, are likely to become vacant soon because their owners are too old to operate them much longer, would have first consideration and perhaps be deemed most desirable. But with regard to this programme I should like to call to the attention of the House this other feature, the opening up of some new districts in the last few years, a development which has brought them within the sphere of farm settlement. This is a mechanical war, and after it is over many of our returned soldiers will be competent to operate modern machinery. Much of the land with light timber on it, heretofore considered undesirable for settlement, could at no great cost per acre be cleared by returned soldiers operating modern equipment. In this way farms could be made available to our soldiers without much capital investment for the land itself.

In colonization work we have never in the past been favourable to what are called community settlements. However, if we take into consideration the developments of the last twenty-five or thirty years, it would seem that to ensure successful farm settlement farming communities should be established and furnished with those comforts and conveniences which are essential to keeping people contented on the land.

An outstanding opportunity in this regard is now presented to us by the construction of the Alaska highway. I have in mind the district in British Columbia extending north from Fort St. John to Fort Nelson and then across to the foot-hills. I have flown over that country several times, en route to and from the Yukon, I have talked to the trappers and the odd storekeeper at Fort Nelson, and to the best of my information I would say that that district covers an area of probably 200 by 150 miles. It is park-like country with small timber, little of it of commercial value. There is a heavy growth of grass and other vegetation. The land as a whole is good, though in spots there is considerable muskeg. The country is similar to, and may be regarded as an extension of, the Peace River district, with which I am quite familiar. From the information I have there is a ridge of very heavy timber between the Peace River district and what we may call the Fort Nelson district.

On referring to the map honourable members may be inclined to think that the winter climate of a district so far north must be very cold, but I would point out that as a matter of fact it does not vary a great deal from that of Edmonton, for as you go north and the Rocky Mountains become less prominent the Chinook winds exert a moderating influence, the result being a livable winter climate. Indeed, the winters there are not as cold as in districts further south. I doubt that winter temperatures drop as low as around Winnipeg.

Hon. Mr. HAIG: That is a warm country.

Hon. Mr. McRAE: In some respects. Certainly winter is less severe in the Fort Nelson district than around Kapuskasing.

The point I wish to call to the attention of the House—and I hope it will receive the attention of officers of the department concerned when they come to consider this matter—is the fact that there lies a virgin country, not complicated by any homestead or other settlement whatever, and it affords ample scope for our returned men. Without doubt, that district will be colonized after this war is over, for then people will follow the new Alaska highway into it.

It may be that this matter could well be considered when our post-war employment problem comes up. The opening up of that district in a large way would certainly take care of many of our returned soldiers, since it would represent very useful employment following the war, thus helping out not only settlers, but also returned men for whom we have to find work.

I have taken up the time of the House simply to call attention to this vast area in the hope that the opportunity to develop it in connection with soldier settlement and the solution of our post-war labour problem will not be overlooked.

Hon. Mr. BLACK: I am sure the honourable gentleman's proposal has aroused the interest of all members. I should like to be quite clear on one point. Does he suggest that a number of returned men be engaged and supplied with adequate mechanized equipment to build roads, clear a large area, and make the land available for any returned soldiers who may desire to settle there?

Hon. Mr. McRAE: Yes. I should think that in the carrying out of a scheme of that kind a pretty efficient organization would have

to be set up. It probably would not be in order to clear all the land, but perhaps forty acres in a quarter-section could be cleared and broken. The soldiers who did the clearing would probably settle there to a large extent, and they would have employment in opening up the land. The scheme would require careful preparation, and should be carried out on a really large scale.

I mention this matter at this time because later on the situation may become complicated by homesteaders and others going into that area. The land is now completely virgin. There are no settlers in the country, only the trappers and the men at the Hudson Bay posts.

Hon. Mr. FARRIS: What is the extent of the area?

Hon. Mr. McRAE: I would say that as you fly in to Fort Nelson from the west, from White Horse, the country is good from about sixty miles west to the foothills. To the north of Fort Nelson it extends for about sixty miles, and to the east for easily one hundred miles. As you go south from Fort Nelson you have good country for seventy-five or eighty miles. Then there is a ridge of hills and you come into the Fort St. John district, which extends north for about forty miles and which has a certain amount of settlement in it. The whole area, eliminating the Fort St. John district, might be said to be one hundred and fifty miles square. It is a large area, and would be good for a scheme of community settlement, if that should be decided upon. I think I have answered the question.

This is something that should not be engaged in piecemeal. It ought to be thoroughly investigated and then dealt with in a large way. It would not only provide farms without any considerable capital investment, but would also provide employment for returned men.

Hon. Mr. MURDOCK: Is that the same territory the honourable senator was interested in in 1931 or 1932, when he proposed in this Chamber that the Government should inaugurate a plan to bring a considerable number of settlers out to that part of the country?

Hon. Mr. McRAE: I think the honourable senator from Parkdale (Hon. Mr. Murdock) refers to a speech on the Peace River district that I made in the House of Commons. I do not remember making such a speech in this House.

Hon. Mr. MURDOCK: I think that if I had a few minutes I could find it.

Hon. Mr. McRAE: I think my real speech on the development of the Peace River district was made in the House of Commons. The territory I am speaking of now might well be considered as a westerly extension of the Peace River country, with a ridge of timbered hills intervening. It is much the same as the Peace River country, but not quite as rich.

Hon. Mr. MURDOCK: Who owns it?

Hon. Mr. McRAE: At the present time it is owned by the province of British Columbia.

Hon. R. B. HORNER: I am very much interested in what has been said by the honourable senator. Only the day before yesterday I was speaking to a contractor who built some of the airports which partially follow the route of the Alaska highway. In asking him about the country I was very much surprised to learn that the most advanced crops he had seen were in the Fort St. John region, in the eastern end of this territory. I should have expected the crops there to be later, but he informed me that they were the finest and the most advanced he had seen across Canada.

Hon. LOUIS COTE: Honourable senators, may I add just a word, and say how interested I was in the remarks of the honourable senator from Vancouver, and particularly his suggestion that the undertaking should be carried on as a community settlement scheme. We all know that in the past the various provinces, either with or without the help of the Federal Government, have engaged in land settlement schemes for the alleviation of the hardships of unemployment, or for other reasons. We know also what a relatively small measure of success has been achieved by them. Sometimes the reason for this has been bad land, sometimes bad settlers, but very often it has been that the settler has been allowed to pick some isolated spot, far from any community and far from neighbours, where from the moment of settlement he has been deprived of association with his fellow men and the benefits of community life of any kind. That has been a great deterrent to the success of settlement schemes.

Hon. Mr. MURDOCK: Hear, hear.

Hon. Mr. COTE: That is why I heartily welcome the suggestion of the honourable senator from Vancouver, that in the development of the schemes for returned men very serious consideration should be given to community settlement.

It is strange, in view of the lessons of the past, that in modern times we have been so

unsuccessful in our endeavours to settle land. Those who know the history of the settlement of Lower Canada, even when it was New France, will remember the well ordered and well considered scheme of Colbert, who was the real power behind the settlement in the province of New France. In his scheme that feature, which is so essential, was not overlooked. In those days seigniories were established. The seignieur, who was an overseer or overlord, would establish himself, and the settlers would all settle around him. Furthermore, in each settlement there would be a certain number of trained and skilled artisans, such as blacksmiths and the like, and professional men, such as doctors. If there was not a doctor in the community there was at least a man who knew something about drugs. In other words, it was made sure that in each seigniory or settlement the essential elements of community life were present. That went far towards the success of the settlement of New France.

Something of the same kind took place in Upper Canada, although there the seigniorial system was not adopted. There the Government of those days made sure that the settlers would take up one township at a time, and would settle and develop that township. The same result was achieved: there was brought together a group of human beings who could enjoy the benefits of human companionship and the other advantages of community life.

Hon. JOHN T. HAIG: Honourable members, in order that nobody may misunderstand my position, I want to say that I am opposed to this legislation. I have been opposed to it from the very beginning. The other day I listened to the Director while he gave a history of experiences in connection with such schemes as this. It it not necessary to publish it by and large. I have followed the settlement schemes of Manitoba, Saskatchewan and Alberta, and know that they were not successful; and I am advised that British Columbia had the same experience. No matter what rosy pictures may be painted, a scheme cannot be a success if the basis of it is wrong. The plan suggested by the honourable senator from Vancouver has much to commend it, but such schemes have failed before and will fail again. It is true that from experience the Director has learned much that is to be avoided, but there is a fundamental difficulty which nobody can avoid. Farming is a most difficult operation to carry on. I know nothing about farming in Eastern Canada, but I know the situation in Western Canada pretty well. I lived on a farm there from the time when I was a small boy until I was twenty-five years of age. My father was a homesteader. I know the history of farming in the West. Furthermore, as a practising solicitor in the city of Winnipeg I have had on opportunity of observing conditions in agriculture for forty years.

Under ordinary circumstances farming cannot pay. In order to make a success of it a man must be highly skilled, and he must be a good business man. I do not want to repeat what I said the other day, but I would ask honourable members to get the report on any farming scheme undertaken in the past and see what happened to it. I suggest that under this scheme, even if you are lucky, you will lose not only the interest on your capital investment, and the cost of management, but 50 per cent of your capital as well; and you will not settle as many men on the land as you could establish in homes in rural communities in Western Canada, and provide with annuities, at an equal expenditure. This is in accordance with the history of every one of these schemes. I could give you the figures of the Manitoba Farm Loan scheme and the Manitoba Rural Credit scheme, in which Government expenses came out of public funds and were not charged against the scheme at all.

I am all for helping the returned soldier, and I believe that educational schemes for soldiers are all to the good. Such schemes will be more costly than we might expect, and many mistakes will be made. Still I say these endeavours are all to the good.

I know there are not many in this House who agree with me upon this matter. It is easy to pass legislation, but, having spent seventeen years in the Manitoba Legislature, where I heard similar schemes propounded, I have made up my mind that I am not going to sit silent here when we are asked to support this one, which in my opinion can never be a success. I repeat that I am opposed to this measure. In the first place it will be disastrous from the point of view of cost to the people. I do not care how good the management may be, nor how highly the officials are paid, the scheme cannot succeed. Farming is a kind of business that requires a special ability. You can go through any district in Manitoba and Saskatchewan—I mention these provinces because I know them best—and you will find some farmers who have succeeded and others who have failed. All had much the same start in life and all are on much the same type of land. I do not know of any profession or occupation that requires greater skill than farming does.

After a man has gone to war, has been paraded down the streets and shown the bright lights, it is extremely difficult to get him to go back on the land. The comparative

dreariness of farm life causes a restlessness that makes it almost impossible for him to succeed as a farmer. What is the history of farmers' sons who have been educated in our agricultural colleges and universities? I think that of all the graduates in agriculture —I mean, not the short-term men, but those who took the four-year course—fewer than 10 per cent are back as farmers now.

Hon. Mr. MARSHALL: I just want to say to my honourable friend that if that is true of Manitoba, it is not true of any other province.

Hon. Mr. HAIG: It is true of every other province. My honourable friend is thinking of men who take the short course.

Hon. Mr. MARSHALL: No.

Hon. Mr. HAIG: The men who have taken the B.Sc. degree in agriculture, after graduating from the four-year course, may have become directors of agricultural undertakings, or editors of agricultural magazines, or may be similarly engaged, but they have not gone back to the farm.

Hon. Mr. MARSHALL: Will my honourable friend allow me? They are farming in every concession in Ontario. I will take him around and show him, if he will give me a chance.

Hon. Mr. HAIG: I know of the situation only in my own province. I am speaking not by guess, but in accordance with information that I acquired in the Manitoba Legislature. Not ten per cent of the four-year graduates are back on the land. The rest may be instructing in colleges and schools, acting as directors of various undertakings, or editors of magazines, and doing all kinds of other things. They may be performing very useful service. I am not questioning that. The money expended on their education may have been well spent. I am not questioning that. It may be that they have helped to place agriculture in this country and elsewhere on a more scientific basis. I am not questioning that. The point I make is that once a farmer's son puts in four years at a university or college it is very difficult to get him to go back to the old life. And once a man has spent three or four years as a soldier, he will find life on the farm very dull. Such was the experience in connection with the last scheme. More than 50 per cent of the men have gone from the land.

I am raising my voice in protest because I do not want to have it said I sat here and allowed this measure to pass without opposing it. I am opposed to the Bill. I think it will result in a terrific waste of money, money that you could spend far better by helping in many other ways the very men you are trying to help by this measure.

Hon. A. L. BEAUBIEN: Honourable senators, I had not intended to say anything on this motion, but after listening to the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig), I think I probably should suggest that the chances of success for those who go on farms under this scheme are not as poor as he indicates. The soldier settlement scheme of the last war was put into effect in a period of general inflation. At that time we had had no experience with any plan of the kind, and as a result many mistakes were made. Large numbers of war veterans were settled on very inferior land where no man would have any chance of success. High prices were paid for the land purchased, as well as for equipment and stock. The honourable senator referred to the Manitoba Farm Loan scheme and the Manitoba Rural Credit scheme. They were put into effect near the end of the last war, or shortly after peace was declared. Loans were made on land which was valued at an inflated figure. I know, for I had a loan myself. Not only that, but it seemed to me with my knowledge of Western Canada—and I have lived there sixty years—that some of this land was not very good. Stock and equipment also were bought at highly inflated prices.

Although the application of those provincial schemes was not successful and resulted in the loss of a good deal of money, and a large sum was lost under the soldier settlement scheme of 1919, that is no reason why the land settlement provided for by this Bill should not succeed. The experience we have gained in the meantime will be very helpful. Besides, this plan will be put into effect under different conditions. My honourable friend from Winnipeg South-Centre says that ex-service men will find farm life dull in comparison with the bright lights, but I would say to him that if we are taxed after the war as we are being taxed to-day, instead of bright lights we may have a blackout. The bright lights may not be as attractive after this war as they were after the last one.

When the war is over, among the men who will have fought to defend our country will be many who have worked on farms and will want to go back to the land, but whose parents could not afford to establish them. We are no longer getting $2.25 a bushel for wheat. How would it be possible to place these young men on the land without a scheme of this kind? My honourable friend from Winnipeg South-Centre is objecting to the scheme, but so far as I can find out he has not offered anything in its place. When men who have been brought up on the farm reach the age of twenty-four or twenty-five or more, you cannot put them to work in the cities. They

would feel out of place there. You must have a scheme of some kind for settling them on the land.

There are some features of this Bill that I do not like. For instance, the Government will allow up to $3,600 for the purchase of a farm, but only $1,200 for equipment and stock. If a man settles on 240 acres or on a half-section, 320 acres—I am thinking of Western Canada, where these are the usual sizes of farms—he will not be able to do much with the stock and equipment that can be bought for $1,200.

Hon. Mr. HARMER: He would fail before he started.

Hon. A. L. BEAUBIEN: That is only one of the features of the Bill that I do not like. However, the administrators of the scheme will gain experience from its application, and if they find that $1,200 is not sufficient for stock and equipment they can come back to Parliament next year or the year after and suggest that this allowance be increased by probably $800. While the war is on we must provide some means whereby, when peace is restored, our ex-service men who were brought up on farms or in the rural parts of Canada will not be forced to live in the cities, but will be able to get suitable employment in the country, where they will be with God's nature all the time.

The Hon. the SPEAKER: Honourable senators, the question is on the motion for third reading of this Bill, as amended. Is it your pleasure to adopt the motion?

Some Hon. SENATORS: Carried.

Hon. Mr. HAIG: On division.

The Hon. the SPEAKER: On division.

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

EXCISE BILL

FIRST READING

A message was received from the House of Commons with Bill 110, an Act to amend the Excise Act, 1934.

The Bill was read the first time.

TAFFERT DIVORCE CASE

CONSIDERATION OF COMMITTEE'S REPORT POSTPONED

On the order for consideration of the eightieth report of the Standing Committee on Divorce, with respect to the petition of William Taffert, together with the evidence produced before the said committee:

Hon. Mr. COPP: Honourable senators, in the absence of the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine), in whose name this order stands, I would move that the same be discharged and placed on the Order Paper for the next sitting of the House.

The motion was agreed to.

The Senate adjourned until Monday, July 27, at 3 p.m.

THE SENATE

Monday, July 27, 1942.

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

Prayers and routine proceedings.

REINSTATEMENT IN CIVIL EMPLOYMENT BILL

COMMONS DISAGREEMENT WITH SENATE AMENDMENT

The Hon. the SPEAKER: Honourable senators, a message has been received from the House of Commons in the following words:

Resolved, that a message be sent to the Senate to acquaint their Honours that this House agrees to their first amendment and the amendment in the title of Bill No. 5, an Act to provide for the reinstatement in civil employment of discharged members of His Majesty's Forces or other designated classes of persons, and disagrees with their second amendment for the following reason:

The operation of the said amendment would detract from the enforcement of the Act.

Hon. Mr. KING moved that the message be taken into consideration forthwith.

The motion was agreed to.

Hon. Mr. KING: Honourable senators will notice that the reason given for the Commons disagreement with our second amendment is that it would detract from the enforcement of the Act. I have had an opportunity to speak to the Minister of Labour and he has told me there would be difficulty in administering the Act. In his speech in the other House he said:

There is no intention of imprisoning anyone under these provisions. Section 9 is the penalty section, and it provides for a fine not exceeding $500 and a sum not exceeding an amount equal to twelve weeks' remuneration received by the individual appealing to the courts. That clause gave the committee—

that is the committee of the House of Commons—

—considerable concern. Some members thought that it should be even stronger.

In view of what has been said, I would move with the consent of the Senate:

That the Senate do not insist upon its second amendment to Bill 5, an Act to provide for the reinstatement in civil employment of discharged members of His Majesty's Forces or other designated classes of persons.

Hon. Mr. BALLANTYNE: Honourable senators, I concur in the change suggested by the Minister, provided that it meets with the approval of the Senate.

The motion was agreed to.

Hon. Mr. KING: I would further move:

That a message be sent to the House of Commons to acquaint that House that the Senate does not insist upon its second amendment made to Bill 5, an Act to provide for the reinstatement in civil employment of discharged members of His Majesty's Forces or other designated classes of persons, to which the House of Commons have disagreed.

The motion was agreed to.

CUSTOMS TARIFF AMENDMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 111, an Act to amend the Customs Tariff.

The Bill was read the first time.

SPECIAL WAR REVENUE BILL

FIRST READING

A message was received from the House of Commons with Bill 114, an Act to amend the Special War Revenue Act.

The Bill was read the first time.

POOLING OF BRITISH AND AMERICAN PRODUCTION

INQUIRY

On the Orders of the Day:

Hon. A. D. McRAE: Honourable senators, on June 12 last, prior to our adjournment, I asked the honourable leader of the Government if he could make a statement to us in connection with the reported arrangement between Great Britain and the United States whereby the United States assumed direction of all production on this continent, including Canada. I would again ask the honourable the leader if he could give us that information.

Hon. Mr. KING: I am very sorry to inform my honourable friend and the other members of the Senate that the information has not as yet come to hand. I am hoping to be able to give it before Parliament adjourns.

Hon. Mr. McRAE: Honourable senators, I think I should state to you that through certain sources I have received information which leads me to believe that the arrangement is now in being and that conferences are being held between officials in Canada and officials in Washington with regard to the marketing of products formerly sold direct by Canada to Great Britain. I think the matter is of such importance that the Government should explain the arrangement to the producers in Canada, because trouble will arise sooner or later unless they know the basis on which they are producing.

I would press the honourable leader of the House to give us this information. There are no war secrets to be disclosed by so doing. The arrangement may be advantageous for many reasons, but on the face of it there appears to be danger that we may lose the position we have been working up to for a generation or longer in the British market.

Hon. Mr. KING: I shall do my best to get the information.

Hon. Mr. HARDY: Unless I am out of order, I should like to join with the honourable senator from Vancouver in his request.

TAFFERT DIVORCE CASE

REPORT OF COMMITTEE

The Senate proceeded to the consideration of the eightieth report of the Standing Committee on Divorce, with respect to the petition of William Taffert, together with the evidence produced before the said committee.

Hon. W. M. ASELTINE: Honourable senators, I regret very much that the honourable gentleman from Parkdale (Hon. Mr. Murdock) has seen fit to oppose this petition for divorce. Of course I have no objection whatever to his filing a minority report. That report, as I read it, is based on the question of identity, and in my opinion, and in the opinion of the others who voted in favour of the divorce, is not in accordance with the evidence nor the weight of evidence.

The honourable senator also advises me that he is sending a certain memorandum to members of the House of Commons dealing with this matter. I hope he has not done this, because in my opinion—I may be wrong—an honourable senator, particularly a member of the Divorce Committee, should not act as counsel for the defence and send a memorandum of that kind. I say that because the functions of the Divorce Committee are different from those of other committees of the Senate. These functions are of a semi-judicial nature, in that the members of the committee sit as trial judges. They hear the sworn testimony of the witnesses produced by the lawyers who appear before the committee in their gowns, and the whole procedure is the same as that followed in the courts of the

different provinces, and is in accordance with the procedure in England. The committee includes four lawyers who, before they became senators, had a good deal of experience in divorce matters in their respective provinces. The other members are four laymen and one doctor. Since I have been a member of the committee very careful consideration has been given to every petition that has come before it. I wish to pay tribute to the late senior senator from Winnipeg (the late Hon. Mr. McMeans), who was Chairman of this committee for a number of years and did wonderful work. The present Chairman of the committee is the honourable senator from Moncton (Hon. Mr. Robinson), who in his kindly and fair way considers all the evidence and gives his decision accordingly.

This committee works hard. It sits not only in the morning, but also in the afternoon and evening, and sometimes when the work is not finished on Friday there is a sitting on Saturday. Time and time again the Divorce Committee is in session when the Senate itself is adjourned and all senators except members of the committee are away. The work is not very congenial. In fact, it has certain degrading features about it, and in the past it has been difficult to get honourable senators to serve on it. After these few introductory remarks I wish to deal briefly with the evidence in this case.

I say this without fear of contradiction, that there was no reason to doubt the identity of the woman in question in this case. Only one member of the committee had any doubt in that regard.

Hon. Mr. MURDOCK: May I ask the honourable gentleman if he heard the evidence of the petitioner and the two detectives, or any one of them?

Hon. Mr. ASELTINE: I heard all the evidence in this case with the exception of the evidence in chief given by the petitioner. I heard all his cross-examination and all the witnesses for the respondent, and I paid very careful attention to everything that was said. The respondent was represented by two very capable counsel, who cross-examined all the petitioner's witnesses in great detail, and I think I can safely say that in no particular were these counsel able to cast any reflection on the evidence given by those witnesses. With respect to the evidence of the respondent, Mrs. Taffert, I would say that I was not at all impressed by her. Before she had been on the stand very long I came to the conclusion that she had come there with the intent and purpose of denying everything. Her daughter was one of her witnesess, and I also concluded that Mrs. Taffert was very anxious to satisfy her daughter that she, Mrs. Taffert, was of chaste character. I might say further that the respondent was very positive in her remarks; too positive, in fact. For that reason I did not accept her testimony. I do not believe it was true. In my opinion the evidence of her daughter was not satisfactory, either, owing to the fact that she first denied her mother ever went out at night, but later, on cross-examination, she qualified that statement.

On the question of identity of the woman in the case I wish to refer honourable members to pages 30 and 31 of the committee's printed report. This is from the evidence of Mr. Green:

> At about 5.15 a.m. we entered 96, Mr. Taffert, Mr. Manel and myself, and I knocked on the door of number 10. A man's voice answered, asking who it was. I said it was the boss. He said, "Just a minute." We waited several minutes and the door was slightly opened and we entered, the three of us. There was no light on in the room; there was a streak of daylight coming through—
>
> By the Chairman:
>
> Q. Tell us a little more about your entering. —A. He opened the door slightly, and I pushed the door, walked in. Manel was behind me and Mr. Taffert was last.
>
> Q. You were not invited in?—A. Certainly not, Senator. We were uninvited and unwelcome guests. This man said who are we, and what did we want. I said, "This man is this woman's husband." He said, "We weren't doing anything, we are not doing anything."
>
> Q. The man said that?—A. Yes. And if I remember rightly, I think Mrs. Taffert also said, "We didn't do anything."

The same witness gave this evidence, as recorded on pages 27 and 28:

> By Mr. Garber:
>
> Q. You went away?—A. Yes, sir.
>
> Q. When did you return?—A. We returned on Thursday, May 1.
>
> Q. What time?—A. Seven p.m.
>
> Q. Did anything happen on that evening?—A. Yes, Mrs. Taffert left at 10.20 p.m. and she went—
>
> Q. How did you come to know it was Mrs. Taffert?—A. Mr. Taffert identified her.
>
> Q. You saw the lady going out of the house? —A. Yes.
>
> Q. Where did she go?—A. To the drug-store at the corner of Prince Arthur and Park Avenue.

Then the Chairman put this question:

> Q. Is this lady here the one you saw?

He had reference to the lady who was before the committee at the time, the respondent. The answer was:

> Yes, senator.

Therefore there was no doubt at all in my mind—nor, I presume, in the minds of other members of the committee who voted in favour of granting the petition—as to the identity of the woman. The woman in question was clearly the respondent. Since this matter came

up I have read the evidence over carefully many times, and I think it clearly discloses that fact. I am therefore asking the House to adopt the majority report of the committee, and I so move.

Hon. JAMES MURDOCK: Honourable senators, I do not quite understand my status here. I made a minority report a few days ago, but I do not find any reference to it in the Orders of the Day. I presume my position will be determined by the action taken on this motion just moved by the honourable Acting Chairman of the Divorce Committee (Hon. Mr. Aseltine). In his opening remarks he expressed the hope that I had not sent anything in connection with this matter to members of the House of Commons. Well, let me say I have. I sent two copies of my minority report and reasons therefor to the Rev. Mr. Hansell. Why to the Rev. Mr. Hansell? Because he and another honourable member of the House of Commons had expressed great interest in the work of the Divorce Committee. On one occasion they were present at a full session of the committee, sitting in the judges' seats there and taking cognizance of everything that went on. Incidentally we had before us that day a rather peculiar case, and I think Mr. Hansell agreed with the committee's decision upon it. My honourable friend the Acting Chairman states the Rules prohibit me from conveying any information to these gentlemen; the reason being, I presume, that I may not give them my personal view.

The Acting Chairman is right when he says the Divorce Committee works hard and puts in a good deal of time. Is it unfair for me to say that for the last two or three years, since I have been a member of that committee, I have spent more hours on it than any other honourable member? And is it not proper for me to add that in no single case that has come before our committee have the Rules of the Senate been complied with? I can prove that, but we will not go into that just now unless someone insists. However, we shall do so a little later, if I should be sitting on the Divorce Committee again.

What is interesting in this particular case is the fact that it was heard as far back as the 17th day of March. Maybe I should not say this, but I think the Chairman of the committee (Hon. Mr. Robinson) held virtually the same views as I do on the case.

Hon. Mr. ASELTINE: I do not think the honourable senator should make that statement. I had the other impression.

Hon. Mr. MURDOCK: All right, but that was my opinion. In any event, from the 17th of March to the 21st of July, until my honourable friend was acting as Chairman of the committee, we did not hear a single contention such as has been put before us to-day. But my honourable friend the Acting Chairman comes on the job, this is the only case left undecided, and he says that we will put it through.

Now, what is there to this thing? Why am I interested? I am thinking back a few thousand years to the case of the first man I recall hearing about who contemplated getting behind the statement that a woman tempted him. He said, "The woman tempted me and I did eat." Ever since that time certain lazy, selfish, over-sexed males have been trying to unload something upon some woman. In the work in which I was engaged all my life before I entered this distinguished Chamber I came to know something of what I am talking about. I have seen it in other walks of life. And in this particular case, what have we before us? We have a man and a woman who as care-free and happy young people were married in New York in 1920. Shortly after their marriage they came to Montreal, where some of the woman's people and the man's father lived. The man went into business to some extent with his father. It is intimated that he helped—I am not sure this is in the evidence, but I infer from the woman's testimony that he helped to wreck his father's business. They went back to New York about 1936, when our friend the petitioner started in the liquor business and collected money for the sales he made. Whether the business was legal or illegal I do not know. In any case he spent the collected money to the tune of about $1,000, and was liable to be sent to jail only that the woman's people gave him the amount of the deficiency. A little while later he was out of the liquor business and was interested in something else that he was trying to get into in New York, and he put up an argument that he needed $500 in order to join a union to protect himself. He got the $500 from the woman's relatives. He did not need the money. It was only a "phoney" claim, a frame-up. He spent the money. A little while later, having fallen down a couple of times in New York and sand-bagged his wife's relatives for money, he returned to Montreal, declining to bring, or being financially unable to bring, his wife and child with him. About eleven months later his wife got tired of living in New York alone and of trying to support their daughter, or having her folks support the two of them, and she sent him word she was coming back to Montreal. She came back. He met her and their daughter and took them to a room in a "dump"—pardon the expression, but that is what it means in the evidence—a room not

fit for his wife and daughter to live in. They made a complaint and were transferred to a room on Hutchison street, and Mr. Taffert undertook to pay the rent for that room. So things went on until the latter part of April, 1941—a year ago last April, remember. Then Mr. Taffert served notice that he would no longer pay the room rent.

He proceeded to hire a couple of detectives. My friend the Acting Chairman laid considerable stress upon the evidence of these detectives. Pardon me if I do not. We have positive proof, both the Acting Chairman and I, that one pair of detectives before us were absolute and unqualified perjurers.

Hon. Mr. HARDY: In this case?

Hon. Mr. MURDOCK: Not in this case, but in another. In my humble judgment there are two other sets of detectives that are just as much perjurers, only they are more foxy and deliberate and careful about the way they present their evidence. I do not believe a single word of the evidence given either by Green or Manel. By the way, as to Manel, if ever you saw a subservient understudy in your life it was that fellow. You could tell he was only parroting what had been given to him by Mr. Green in conversation with Mr. Taffert.

And so we come to the actual circumstances. Is anybody in this Senate or elsewhere gullible enough to believe that a case of this kind, lasting eight hours and thirty minutes, could occur, of all places, around the corner of St. Antoine and Windsor streets, Montreal, just outside the Canadian Pacific elevator? Then, to make it better, along they went, they say, up to Sherbrooke street, and after they had all been on duty for ten hours, why, Mr. Green magnanimously offered to drive Mr. Manel and Mr. Taffert home. He did so. Between five and six o'clock in the morning he loaded them into his car and took them home, where they needed some "shut-eye," being tired right out. But Mr. Green was not. He had a fellow back on the job, and a "stoogie" woman, in my judgment, to whom he wanted to bid good-night before he put them off the job. Then, of all things, we are asked to believe—

Hon. Mr. ASELTINE: I wish the honourable gentleman would stick to the evidence.

Hon. Mr. MURDOCK: I am deliberately doing so. I will quote it for you if you want to take up that much time. Back went Mr. Green, and at six o'clock in the morning he was just in time to see this pair of his, who, I think, were either his or Taffert's employees, come out of the house on Sherbrooke street and get into a car and start driving home to the Hutchison street address. Unbelievable lies! Surely it could not happen except in the wildest dreams of some fellow who wanted to build up a case. And yet, to make it better, he drove carefully after this pair to the so-called home of the woman on Hutchison street, and when the woman got out of the car she shook her fist at him—at six o'clock in the morning.

Is there anybody here who will believe anything of that kind? I certainly do not. That is the reason why I made a minority report and am undertaking to protect a woman and a girl whom I deem to be just as honourable and decent as the wife or daughter of anybody in this place. That is my judgment.

Now, go as far as you like when you pass on my minority report, but again I say—and we shall have something more about it later—no single divorce case that has been before the Divorce Committee since I have been a member of it has complied with the rules laid down right here in the Senate. That is all I have to say, and I shall be satisfied with the decision of this body.

Hon. A. B. COPP: Honourable senators, a debate of this kind is not one that anybody desires to participate in. I have, unfortunately, been a member of the Divorce Committee for a number of years. I have given its work as strict attention as I could. I realize full well that mistakes may be made. The Acting Chairman says that the Divorce Committee is a semi-judicial body. I differ with him. I think it is a 100 per cent judicial body.

I have listened with a great deal of pleasure to the dramatic effort of my honourable friend from Parkdale. No member of the committee has any objection whatever to the honourable gentleman taking exception to the committee report and filing his minority report. He may be right in his interpretation of the evidence as adduced. Like my honourable friend the Acting Chairman, I did not hear all the witnesses, but I heard most of them, and I read the evidence over as carefully as I could. At the meeting when the committee decided the case, irrespective of my feelings for the poor woman whom my honourable friend defends so ably, I could not help coming to the conclusion, on the evidence, that the committee could do nothing else than approve the petition and so report to this House.

My honourable friend laid a good deal of stress on the fact that this case has been standing from March 17 until the 21st of this month. We all understand there is very good reason for that apparent delay. The evidence

was long and conflicting, it took some time to consider, and our decision was deferred from time to time until the 15th of June.

Hon. Mr. MURDOCK: July.

Hon. Mr. COPP: Pardon me; the 15th of June. The Senate adjourned until the 14th of July, then the Chairman of the committee was absent, and the case was held over so we could give it better consideration. There was similar delay in dealing with the second case reported last week. My honourable friend did not take exception to that case not having been decided until the 21st of July. On the contrary, he joined the other members of the committee in the report.

Speaking for myself, I do not for one moment contend that I never make mistakes in the interpretation of evidence. It must be realized that cases of this nature require very serious consideration. I do not think we have ever heard a defended case in which we were not convinced that some of the witnesses were committing perjury. Unfortunate as it may be, from that evidence, perjured or not, we have to come to the best conclusion we can as to whether or not the petitioner has proven his allegation of adultery.

I gave the present case, as I have given all other cases, my best consideration, and after taking everything into account I could not help agreeing with the opinion of the majority of the committee. My honourable friend from Parkdale took the opposite view, and he was perfectly at liberty to do so. I have no particular interest in this matter. It is for the House to accept or reject the report, but I want to state, in so far as I am able to speak for the committee majority, that every member of it gave the case most careful consideration, and after long deliberation we came to the conclusion that we could do nothing else than report in favour of the petition.

Hon. Mr. MURDOCK: May I add a word? My honourable friend—I know, in error—said he heard a part of this report. He was not in town.

Hon. Mr. COPP: The report or the evidence?

Hon. Mr. MURDOCK: Part of the evidence. He was not in town.

Hon. Mr. COPP: I beg my honourable friend's pardon. I did hear part of the evidence.

Hon. Mr. MURDOCK: Then the record does not convey the information that the honourable senator was here that day.

Hon. Mr. COPP: What day do you mean?

Hon. Mr. MURDOCK: The 17th day of March.

Hon. Mr. COPP: I was here and heard part of the evidence.

Hon. Mr. MURDOCK: There were only three members deputized to hear this case—Senator Robinson, Senator Haig and myself. The other three members of the Divorce Committee at that time were deputized to deal with three other cases. They got through them very soon, and as this Taffert case was the last one on the list, I thought, before my honourable friend made his statement, that they were back on the job to hear the evidence of Mrs. Taffert and her daughter; but the record does not say my honourable friend was here on the day the case was heard.

Hon. Mr. COPP: The record is wrong. I was here.

Hon. E. S. LITTLE: Honourable senators, I think all this discussion is but another argument in support of the view that this foul mess ought to be taken away from Parliament and placed in the courts, where it belongs.

Hon. Mr. MURDOCK: Hear, hear.

Hon. Mr. LITTLE: I have on more than one occasion stated that I dislike undue publicity being given to divorce petitions, and I rise now, not to add to that publicity, but merely to state, as a member of the Divorce Committee who heard this case with the exception of the testimony of the first witness, and then at the request of the Chairman, as a result of the minority report, read over all the evidence, I support the decision of the committee. I do not think it is necessary to say anything further. There is not much doubt that every member of the Senate has during the last week or ten days read the evidence and is able to decide for herself or himself what should be done in regard to this report.

Hon. J. W. deB. FARRIS: Honourable senators, there are some features of this case to which I, as a member of the Senate, attach some importance. Whether divorce should be dealt with by Parliament or by the courts is a question not immediately before us. But the fact is, as the honourable senator from Westmorland (Hon. Mr. Copp) has said, we are discharging, not a semi-judicial duty, but essentially a 100 per cent judicial duty, the same as the courts would do. As I see it, when the matter comes before us we exercise our powers of review, and I think we might well be guided by the practice which our appeal courts have adopted after long experience in that connection.

The first observation I make is on the suggestion of an honourable member of that

committee (Hon. Mr. Murdock), who was in fact a judge for the time being, canvassing either this court of review or the House of Commons in regard to this particular case. I do not know what the rule is, but I am sure it would be wiser for a member who sat on the trial to content himself with his minority report and the statement he makes in this House, and then allow the other members who sit in review to decide on the merits.

In the second place, as to our functions here, I would make this comment. When, the other day, the honourable member from Parkdale spoke of his minority report, I got an impression which now I do not think was quite right. At that time I rather gathered that the chain of identity depended on the husband's testimony alone. Of course, if that were so, we should be entitled to review this evidence and say it could not stand. But, having read the evidence, I find that the testimony of the husband on that point was corroborated not only by the one witness whose evidence the Acting Chairman read to-day, but also by the other detective. They said that the lady who had been identified by the husband as his wife and whom they had seen in this compromising situation was the same lady then in court and admittedly the wife of the petitioner. So you have the evidence of three or four persons, including the husband, on the question of identity.

I think my honourable friend rather weakens his position when he tests the evidence of the detectives in this case with the evidence of detectives in other cases. Anyone with long experience in the courts may be sceptical to this extent, that he appreciates that hired procurers of evidence may commit perjury; but when he comes to a particular case he must judge the witnesses on their merits.

I have no desire to review the evidence, keeping in mind that most of the members of the committee had the advantage of seeing the witnesses. Having perused that evidence, I should be very reluctant to refuse to accept the judgment of the majority of the court.

Hon. JOHN T. HAIG: Honourable senators, I was present throughout the hearing of this case. I admit that I do not like the work of the Divorce Committee, and that I am a little prejudiced against the petitioner if there are children involved in the case. And I am a little prejudiced in favour of the wife where she has been getting a separation allowance from the petitioner. I try not to, but I do go into court with some of that prejudice still in my mind. If you look up the records you will find frequently that when we refuse a petition I am on the side of those members of the committee who would dismiss the petition on the ground that the case has not been clearly established.

Now, having made that statement, I want to say further that, from start to finish in this case, there never was any doubt in my mind as to the identity of the woman. There was not the slightest doubt. In fact, if the Chairman of the committee were here to-day he would tell you that he just asked the questions as to identity pro forma. It is always done so that there may be no doubt. The solicitor for the defendant did not raise any question on that point in his cross-examination.

Now we come down, as the honourable senator from Vancouver South (Hon. Mr. Farris) has rightly said, to the matter of judgment. I cannot tell you what makes a man judge things in a certain way; but when I hear the evidence of witnesses, hear their cross-examination, and see their demeanour, I come to my own conclusion as to who are telling the truth.

Hon. Mr. MURDOCK: Hear, hear. I too.

Hon. Mr. HAIG: The only trouble with the honourable senator is that he hears the first witness and is either for or against him all the way through.

The other day we had a case in which three witnesses said one thing and one witness said another. I believed that the one witness was telling the truth and the others were not, and I voted accordingly. We did not talk about it, but each of us came to his own conclusion, and we refused the divorce. The honourable senator from Wellington (Hon. Mr. Howard) was sitting on that case, and he exercised his own independent judgment.

In the case before us, if I had any prejudice at all, it was in favour of the woman. I did not like the situation. Nevertheless, after hearing the whole of the evidence, I came to the conclusion that there was absolutely no doubt at all either as to identity or any other essential matter; and I am absolutely clear, if I ever was clear on anything, that we should grant the petition.

The motion was agreed to, on division.

FIRST READING

Hon. Mr. ASELTINE: Under rule 144, I introduce Bill E4, an Act for the relief of William Taffert.

The Bill was read the first time.

MOTION FOR SECOND READING POSTPONED

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

Hon. Mr. ASELTINE: With the leave of the Senate, now.

Hon. Mr. MURDOCK: Oh, no; in two days from now, under the rules.

Hon. Mr. ASELTINE: Evidently the honourable gentleman is determined that this Bill shall not get to the House of Commons.

Hon. Mr. MURDOCK: I hope not. I am protecting, as I believe, a virtuous woman and a good girl.

Hon. Mr. ASELTINE: Next sitting.

NATIONAL RESOURCES MOBILIZATION BILL

MOTION FOR SECOND READING

Hon. J. H. KING moved the second reading of Bill 80, an Act to amend the National Resources Mobilization Act, 1940.

He said: Honourable senators, we have before us to-day a Bill to amend the National Resources Mobilization Act. That Act was passed in June, 1940, and under it the Government was given very great powers. It provides in section 2:

> —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.

That enactment gave the Government the right to take persons, their property or their wealth, and to make use of them towards the successful prosecution of the war. But the first line of that section contains the following words:

> Subject to the provisions of section three hereof.

Section three of the Act reads as follows:

> 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.

The Government has now thought it wise to amend this enactment so that whenever the Government may think it expedient or necessary, our man-power can be utilized in the armed forces of this country either within or without the limits of Canada; in Great Britain or anywhere else in the world.

It might be well to review briefly what the Government has done under the Act passed in 1940. That Act was accepted by Parliament without any very great objection that I know of. Why? At that time Hitler had not only overrun Austria, Czechoslovakia and Poland, but had invaded Denmark, Norway, Belgium and Holland, France had capitulated, and the people of Canada were beginning to realize the seriousness of the war. Great Britain was left alone with her Dominions to carry on the battle against the foe. Parliament did not hesitate to give the Government authority to make use of our man-power and wealth as it thought best in order to carry on the war. When Parliament was called together in September of 1939 there was no question as to whether Canada should join in the war or not. His Majesty was advised that it was the desire of the Canadian people to declare war against Germany, and this was done.

Much water has run under the bridge since then, and I think that we as Canadians may to-day look with some gratification at what has been accomplished by the efforts of the people, Parliament and the Government, during the past three years.

We have succeeded in building up an armed force, including the three services, of from 500,000 to 600,000 men. We have a number of army divisions in Great Britain. Prime Minister Churchill has spoken in glowing terms, and in much better language than I could hope to use, of the Canadian army in Britain.

We know something of what has been done in regard to the Naval Service. Starting from scratch, we now have some 30,000 men in that service, which is engaged not only in convoying ships between Canada and Great Britain, but also in protecting our coasts and, more recently, in co-operating with the navies of the Allied Nations in the protection of southern Atlantic waters. Units of our navy are also to be found in the northern Pacific, where they are co-operating with the American navy in guarding the coast of British Columbia.

In addition to our military and naval forces, we have developed, along with Great Britain, Australia and New Zealand, one of the greatest air training programmes in the world. This is one of the bright spots in the war, and is something of which I think we may well be proud. The President of the United States has described Canada as the Airdrome of Democracy in the world to-day. We learn from day to day that men trained under this plan are to be found on every battle front. They have been in Russia and in Libya, they have been in Ceylon—they are there yet—and they are patrolling the coasts of Great Britain and defending Britain itself. Night after night squadron after squadron of Canadian airmen fly over Germany, inflicting such damage as has never before been inflicted.

All these things which I have mentioned have been accomplished during the last three years, and I think Canadians may look upon them with great pride, particularly when they realize that between 400,000 and 500,000 of these men volunteered for service.

What else have we done? We in Canada have also carried on a very large industrial

campaign in order to utilize the machinery and other facilities of this country for the making of munitions, tanks and all other kinds of war equipment. At times we have complained that our forces overseas and those in training in this country have not had sufficient guns or other equipment. That is true. But war materials made in Canada have been sent not only to Britain, but to virtually every war front. We know that in the first Libyan campaign it was the product of Canadian workshops that provided the transportation used by the British in their drive; we know that the first tanks to arrive in Russsia were Canadian-made, and we know that many rifles manufactured in this country were furnished to the British forces at Singapore, and that much in the way of munitions is still being sent to every part of the world where the war is being carried on.

The Minister of Munitions some time ago placed on Hansard figures which I think it might be well to give to this House He estimates that there are now 800,000 men and women engaged in munitions plants throughout Canada. He estimates that by the end of this year 85,000 additional workers will be required, and that early in 1943 there will be a total of 910,000 persons employed, directly or indirectly. There are now 120,000 women engaged in war work, and 60,000 employed in connection with our naval and shipbuilding programme. In the production of tanks and mechanical transport 67,000 persons are employed. One single plant constructed and operated by the Government employs more than 14,000 persons. War production and the armed services have absorbed approximately 1,300,000 persons, and an additional 200,000 will be needed between now and the early part of 1943. In agriculture we find that, exclusive of housewives, 1,350,000 persons are employed. In addition to all this, about 3,000,000 persons are necessary to carry on essential industries in this country. So we have arrived at the time when the man-power problem is extremely urgent.

I am sure it is the desire of the Canadian people that we should maintain and strengthen our armed forces as far as it is within our power to do so. We have arrived at the stage where at any time it may become necessary to do what it has not been necessary to do so far, namely, to conscript men for overseas service. So in the Speech from the Throne delivered at the opening of this session the Government stated it wished to be released from a certain promise or pledge that had been made during the 1940 election campaign. That pledge, to the effect that there should be no conscription for overseas service, was made not alone by members of the Government, for a similar pledge was made by the leaders of every party. Many people may say, and some do, that such a pledge made in an election campaign should not be regarded as binding now. But I have always contended, and I think it should be contended, that a pledge of that character was a personal pledge, made to each man personally in this country. It was not an ordinary kind of promise such as is frequently made in an election campaign. A direct pledge was made to each and every citizen. I think the Prime Minister was correct in taking the stand that owing to the exigencies of war, to the serious war situation all over the world, the Government should be released from its pledge. Means were taken to obtain the necessary release through a plebiscite, the result of which is well known. The majority of our citizens voted to release the Government from its pledge, and in doing so they released not only the Government, but all members of Parliament who had made a similar pledge in the campaign.

We know what happened in the United States. In 1940 a good many Americans were in favour of war against Germany, and I think that if the hands of the President had not been tied he probably would have declared war in that year; but the influence of the large group of people known as isolationists was sufficient to stay the hand of the Government. It is true that after Great Britain and France declared war against Germany certain American regulations prohibiting the giving of assistance to belligerents in war time were modified so that the Allies could purchase munitions and other war materials in the United States. But I think it was after France capitulated that the American people first realized how very serious the war was for them. Congress then passed the Lend-Lease Act, under which war materials were purchasable by the Allies on credit. That in itself was a great help. However, there still was a large body of public opinion in the United States opposed to the sending of Americans abroad to engage in war. According to that school of thought the best way of defending the United States was to keep its army at home.

That was how things stood until December 7, 1941, when the Japanese, who for years had been planning and waiting for a suitable occasion, struck out of the night at Pearl Harbour. What was the reaction in the United States within the next few days? There was no delay. The American Government declared war not only on Japan, but also on Germany and Italy and their allies. And

did the American people then say, "We will remain in the United States and fight off the invader"? No. Steps were immediately taken to send American armed forces to those portions of the earth where they could render the most valuable service in fighting their foes. To-day large bodies of American soldiers are in Great Britain, Ireland, Australia and Libya, and in all probability some are in Russia. Why have they gone there? Not to protect those countries. They have gone there to protect the United States. They believed that by going where the enemy had already taken the war they would be more effective in protecting their own country.

In the light of the American experience, surely in recent weeks we in Canada have had sufficient warning to adopt, as a people, a different perspective. We cannot afford to go back in our minds to the political contest of 1911, which caused some disturbances and left some sores. We cannot go back to 1917, when the Military Service Act was put into effect. It was a different story at that time, and much water has gone under the bridge since. We must be realistic and face conditions as they are to-day.

It is true the Government has been sending our volunteer troops to many parts of the world. Canadians have been on active service in the West Indies, in Hong Kong, in Iceland, in Newfoundland and Great Britain. As I have already stated, our airmen are all over the world to-day. There can be no doubt in the minds of Canadians that we, with our powerful Allies, are now engaged in a world struggle, not to conquer new lands, but to maintain our freedom against savagery and domination which the Germans, claiming to be supermen, feel they have the right to impose upon us.

If that is the situation, why should there be any great hesitation over this Bill to amend the Mobilization Act of 1940? A great deal of good has been accomplished under the Act. We are more fortunate than was the Government in 1917, when it felt the need to bring in a conscription measure, for under this Act some 13,000 men known as one-month trainees and some 23,000 known as four-month trainees have been brought into the Canadian army, and within the next three or four months the number will have risen to 100,000. The Act has had a very important result in that it has created a large reservoir of trained men, many of whom after a relatively brief experience in the army have expressed their desire to volunteer for overseas service. I believe the percentage of such volunteers is somewhere between thirty and forty.

A suggestion has been made—I do not know whether there is any truth in it or not—that pressure has been exerted in some quarters to compel volunteers to enlist for active service abroad. If that is so, it has been a tremendous blunder. I am of the opinion that capable officers could easily make clear in a proper way, to the young men under their charge, the desirability of their doing their all to help defeat the enemy.

I do not wish to prolong the discussion. The Bill was debated at considerable length, not only in another place, but in the Press throughout Canada. The debate in another place was carried on in good temper, I think, and in the general hope that the difference of opinion about the measure must not be permitted to result in national disunity. I was pleased with the Hon. Mr. Cardin's speech of a few nights ago. He has very strong views, but in concluding his address he pointed out that the majority of the people expressed their desire to release the Government from its pledge not to bring in conscription for overseas service, that the will of the majority must eventually prevail, and that if the Government found it expedient or necessary to conscript men for overseas service his province, Quebec, would accept the law enacted by the Canadian Parliament. That being so, should we all not approach this question thoughtfully and carefully? After all, as I have stated, this is no ordinary war in which we are engaged. The United Nations are not seeking conquest, nor are they fighting merely to preserve their own lands. Our object is, by the use of all the power and resources we have, to save the liberty we prize so highly.

Hon. C. C. BALLANTYNE: Honourable senators, it is a remarkable coincidence that exactly twenty-five years ago to the day this House had under review the Military Service Act, the object of which was the putting into effect of conscription by a Conservative Government under Sir Robert Borden. To-day we have before us a Bill to amend the National Resources Mobilization Act of 1940. No doubt honourable senators realize, as I do, that when this amending Bill is carried and Royal Assent is obtained, conscription by the present Liberal Government, under the Right Hon. Mackenzie King, will be the law of Canada. I for one certainly have no objection to that. When I was speaking for honourable members on this side of the House on the Address in Reply to the Speech from the Throne, I expressed our objection to the plebiscite. The objection we made at that time has been fully justified by the unfortunate result of the plebiscite. In my opinion the voters of this country paid very

little if any attention to the argument of the Prime Minister and his followers, that while under the War Measures Act he had the legal right to bring into effect compulsory service for Canada and overseas, he was under a moral obligation to the people because of a commitment he had made to them, and he was applying for release from that commitment. I for one am satisfied that those who voted Yes—the majority—voted for compulsory service, and that those who voted No were against compulsory service.

We are now at a stage of the war almost as critical as that at the time of the Battle of Britain after the collapse of France. Our Army, Navy and Air Force are at this moment putting up a terrific battle on the hot sands of Libya to hold on to Egypt, the Suez canal and the Mediterranean, and our gallant Allies, the Russians, are being rolled back across the Don. And our shipping losses are certainly serious. I believe the people of Canada will be bitterly disappointed that this Government does not intend immediately to bring in compulsory service for overseas. The Prime Minister and his followers state that they are prepared to do so when it becomes necessary, but not now. If the present state of the war, which I have only briefly touched on, is not sufficiently serious to prevail upon the Prime Minister and his colleagues to make an all-out effort, then I do not know what will.

Parliament will adjourn in a few days. The Prime Minister states that if ever he finds the situation so acute that compulsory service is necessary, he will prepare an Order in Council under the War Measures Act and ask the Commons for a vote of confidence. When will he decide that the time is necessary? When will he summon the House of Commons? All these delays, especially at this critical hour, are worrying the majority of the Canadian people. They want bold, quick action now.

The Prime Minister has also made the remarkable statement that under the voluntary system we are getting all the volunteers we require. The voluntary enlistments in both the Air Force and the Navy have been satisfactory, I am sure. But when we come to the Army the situation is different. I shall confine my remarks exclusively to the Army, for, notwithstanding the wonderful service of the Air arm and the Navy, the final devastating battle will be fought and won on European soil. Therefore this Government, and especially the senior Minister of National Defence, must maintain a sufficient number of reserves in England to keep our present Army corps, which I am confident is a very efficient one, up to strength.

I have read what the senior Minister of National Defence has stated in the House of Commons and elsewhere about our Army. He says we have in England three infantry divisions, which would be about 50,000 men. We have a tank brigade or a tanks corps—I do not know which is the correct title. I am not sure what the strength of that would be. The mechanized division, the fourth, so far as I know, has not left this country yet. Let us suppose that the Fourth Division has arrived overseas. What is the total strength of our Army in England, our fighting force that will go across the channel and fight with our Allies for the victory which we are sure to gain? It cannot be more than 75,000 or 80,000 men. Military experts tell me that you require from 50,000 to 75,000 reserves, and that these should be not here, but across the ocean. Maybe we have from 50,000 to 75,000 reserves in England; I am sure the Government leader will never tell us the exact number; but without trying to be unfair to the Government, I do not think we have.

Then there is another thing. Parliament and the public have never been told the number of voluntary enlistments in the Army. You pick up a paper and read that such and such a number of men have joined the armed forces of Canada. No doubt correct, but the enlistments are amalgamated. What Parliament and the country are desirous of knowing is how many voluntary enlistments there have been in the Army since war broke out, and how many we are getting now.

I make this statement, and it cannot be challenged by either the Prime Minister or any of his colleagues: voluntary enlistment for the Army has broken down, just as it did in the last war from 1916 to 1917. There is not a commanding officer in Canada to-day who can raise an infantry battalion under the voluntary system and bring it to full establishment, which is about 900 men. The Minister failed in his attempt to get divisional commanders to raise under the voluntary system two divisions for overseas. Therefore I urge my friend the honourable leader opposite, and the Government, to lose no more time, but to put compulsory service into operation for overseas forthwith, not only in order that we may keep our Army corps up to strength, but also that Canada, as one of the independent Dominions within the British Commonwealth of Nations, may take its proper place with our Allies who are fighting so gallantly with us.

I want to pass to another subject: man-power. In my view the Government could not possibly have an accurate registration of man-power, and I shall give my reasons for

coming to that conclusion. There was a registration of man-power taken in 1940. I understand it was not very efficiently handled here, but I do not know whether that is true or not. Be that as it may, that registration of man-power two years ago cannot be, and is not, up to date. What followed then? The census. Well, if the experience of others with regard to census-takers was similar to mine, they would not attach much importance to the accuracy of manpower figures thereby obtained. Unemployed men from 16 to 69 were given ample notice to register. What happened in my city? A lot of men took temporary jobs and never registered at all. One indignant man told me: "I am 63. I had to register, but the man who cuts my grass and is many years my junior did not have to register at all." Therefore I may be permitted to urge the Government to take a new registration of man-power. It could be done within a comparatively short time. While the registration is under way, why not also register women from 20 to 40 years of age? I make bold to offer another suggestion. Why should we not have a strong, able man in absolute charge of man-power? Instead of the Navy, the Air Force, the Army, and the Munitions Ministers each asking for men, why not do as our neighbours to the south, who have appointed Mr. Paul McNutt to deal with their manpower problem. If we had a man in charge of man-power to sit in with the Ministers of the armed services and munitions, he would say, "These men are available for the armed services, and these for munitions," as the case might be. Surely we ought to have co-operation and co-ordination, and I think honourable senators will agree with me that we have not now.

My spirits went up a little when I was listening to my good friend the leader of the House. He got very, very close to saying that the Government was going to put conscription in at once, but he hesitated at the brink and did not go so far.

I have no political motives in speaking as I have done. I have a long lapse of years behind me. I have prospered in this country. I was born and brought up a Canadian and am proud of it. I am proud also that Canada is an integral part of what is known as the British Commonwealth of Nations. Sufficient credit has not been given to the great effort the United Kingdom has made in this war. Sometimes we are asked: "What is wrong with the British generals? What is wrong with the British Army?" There is nothing wrong with the British Army at all. As we know, they have had to retreat from certain occupied countries, and in Libya, but no finer generals or soldiers tread the face of the earth than those that compose the British Army. England has always given prominence and credit to the efforts of the Dominions. I do not find any fault with her for that. When you pick up the paper at night you will read that the South Africans or the Australians did so and so in Egypt, and, as was the case in the last war, the efforts of the Imperials are kept in the background.

The leader of the Government spoke, and very properly so, about the important part played by Canadian airmen in the war. I saw the statement the other day that 23 per cent, I think it was, of the Air Force in the United Kingdom came from Canada, and the rest were Imperials. Words of mine will not carry very great weight, but I should like to say to the men who are younger than I am, that since Canada has been British territory England has done much for us and has spent huge sums of money. This, combined with our own efforts, has given us a country to be admired. Our future is linked up with England, and it would be a sorry day for us if we ever cut the painter, for then Canada would be but a puppet state, and we should lose all the rights and privileges we have enjoyed under the British flag.

I will close by expressing the sentiment voiced by Sir John Macdonald, with which you are all familiar: "A British subject I was born, and a British subject I will die," and I shall couple with that the patriotic and eloquent utterance of Sir Wilfrid Laurier, who said that Canada was the brightest gem in the galaxy of nations known as the British Empire.

I think I have kept away from controversial subjects. I could have said much about the last twenty-five years in the political field, but I passed that by. I want to join with all honourable senators in urging our Canadian people to stand shoulder to shoulder, with the rest of our Allies, until victory is attained.

Some Hon. SENATORS: Hear, hear.

Hon. Sir THOMAS CHAPAIS: Honourable senators, before coming directly to the Bill which is now before us, may I be allowed to indulge briefly in a personal remembrance? I know that, to use the words of a great French writer, "Le moi est haissable,"—self is hateful—and I beg the forbearance of my colleagues.

Twenty-five years ago a Bill which had the same purpose as the one we are now debating was presented to this House. I had not then the privilege of sitting here, but my esteemed leader, Sir Robert Borden, had been kind enough to offer me a seat in the Senate. I

felt obliged to refuse the proffered honour, because my conviction was such that I could not conscientiously support that Bill.

Here is a Bill of the same kind, and I must declare that I feel bound to take the same stand as I did twenty-five years ago. Now, as then, I am against conscription. I am against conscription for three reasons: first, because I honestly believe that it is not needed; second, because I believe that it would be inefficacious; and third, because I am convinced that it would be against the national interest.

I think that conscription is not needed. If we can rely on the figures given to the public and to this Parliament, Canada has already provided more than 500,000 men for the armed services, and under the present plan this figure will be increased by approximately 100,000 before the end of the fiscal year. Recently a Minister of the Crown, the honourable the Minister of Agriculture, made the following statement:

> There are something over 600,000 men up to the end of the present fiscal year, and 750,000 would provide us with the necessary troops to carry on during a three-year period of time, if the troops at the front were in action. Under these circumstances we have the possibility of carrying out in Canada the present policy in relation to the army, without conscription.

Another statement, this time from the honourable the Minister of War Services, gives us this information:

> Voluntary enlistments for the Army, Navy and Air Force up to the end of the thirty-third month of the present war totalled 505,574, not including May enlistments for the Navy, and with the figures for the Air Force not quite complete for May.

According to these figures the voluntary system has already provided more than half a million men for our Army, Air Force and Navy. And enlistments are continuing. The voluntary system is surely doing well, and we should bear in mind the fact that it gives to the armed forces of this country a far better quality of soldiers than conscription would do. I readily subscribe to the assertion that

> All services requiring special skill and initiative can best be performed by volunteers. Conscription would not make for as effective an army as the Canadian overseas army is at the present time.

The foregoing figures and statements lead, surely, to the following conclusion, for which the honourable the Minister of War Services is also responsible:

> As a matter of fact we are much closer to the total mobilization of our man-power reserves than most persons would imagine. Over 500,000 men have enlisted voluntarily for service overseas in our armed forces. In addition we have raised over 56,000 men for active service in Canada, for the duration of the war. Over 800,000 persons are engaged in war industry, and about 1,350,000 men are engaged in agriculture . . . The supply of man-power in Canada is not unlimited. For the last year we have added approximately 20,000 men a month to our armed forces . . . Since the beginning of the war, war industry has been adding 28,000 persons a month to war production. The monthly deduction of persons from the production of the nation cannot continue indefinitely, for the supply of man-power is definitely limited.

It seems undeniable that, without compulsion, voluntary enlistment can provide over 700,000 men for our Canadian Army. Add to that number the 800,000 people engaged in war industry, and you have a total of one million and a half of our people devoted to war. Out of a total population of about eleven millions and a half, I think that is a very big proportion. I therefore contend that the enactment of compulsory military service for overseas is not needed, and I now add that, even if it were needed, it would be thoroughly inefficacious.

To enforce a law for compulsory service involves a complicated procedure, difficulties of all kinds, large expenditures, ugly cases of bribery, and very poor results. We had a sad experience of all that in 1917. The conscription policy of the Canadian Government in that year was an immense fiasco. When Sir Robert Borden introduced that legislation some time in the spring of 1917, he said:

> We must have 70,000 more men by December 31.

Well, how many had been enlisted at that date? Only 7,000. Four hundred thousand and four men had been called, and there were 383,000 applications for exemption. These facts are recorded in a book written by a man of the highest reputation, the late Dr. Oscar Skelton, for many years Under Secretary of State for External Affairs. In that book, entitled "Life and Letters of Sir Wilfrid Laurier," we read the following lines:

> No effort or expense was spared in its enforcement—

That is the conscription law.

> A huge administrative staff was set up, each office with its full equipment of shining desks and elaborate files; forms, instructions and regulations rained from the Printing Bureau; medical officers and reviewing boards, local tribunals, appeal courts, and a central appeal judge were appointed, with militia representatives to check exemptions, and police were enrolled to round up defaulters. In Quebec, as elsewhere, once the issue was decided at the polls, the Act was accepted, and its operation given full scope. Yet the legions promised did not appear. The first shock to the sanguine supporters of the Act came when it was found that of the 404,000 first-class, unmarried men from twenty to thirty-four, who had registered, by the end of 1917, 380,000 had claimed exemp-

tion. The next shock came with the announcement that there were 118,000 claims for exemption from Ontario, as against 115,000 from Quebec.

By March 31, 1918, the net yield was less than 26,000. To use the terms employed by the Montreal Gazette at that time:

The spectacle offered by the operation of the draft system has not been encouraging.

In the face of such a poor result the Government took the bold decision of cancelling all exemptions regularly granted to men of twenty, twenty-one and twenty-two years of age. At last, by the end of November, 1918, the total actual yield was 61,000 men; but the war was over; and it has been stated that during the same period 101,000 men enlisted voluntarily.

Sir Wilfrid Laurier surely foresaw such a result when he wrote at that time the following lines:

How many men will conscription bring in? Just a few slackers, exactly the same as in England. How many men has conscription brought to the ranks in England? An infinitesimal number, so that the actual figures have never been given to the public. Sir John Simon was supremely right, but Northcliffe and Carson and Toryism insisted and won their point, but won nothing else. It will be the same here: the number of men who can be spared from agriculture and industry is infinitesimally small.

Later on Sir Wilfrid was able to write this:

The conscription measure was introduced in the first week of June (1917). We are now in the third week of January (1918), and not ten thousand men, if indeed half that many, have been brought into the ranks by this measure. By next June you will not have one conscripted man across the ocean, and I doubt if you will have any number by the first of January next.

Honourable members, history often repeats itself. It would not be very hazardous to assert that in 1942 we shall have to face the same difficulties, the same hateful complications and the same paltry results. Even if a compulsory war service law could meet with some success, it surely could not achieve a result of such magnitude as to be a really telling asset in the gigantic struggle, in which millions are desperately clashing every day in the Old World. Quoting the question put some time ago by our Minister of War Services, I ask: "Would not the additional army so raised by Canada be relatively small in comparison with the vast armies now engaged in the war; and would that not be a relatively small contribution to victory, as compared with the potential production which would be lost?"

At the present moment our Allies urgently need weapons rather than men. Remember Mr. Churchill's word, "Give us the tools and we shall finish the job." And, with the weapons, food is urgently needed. Let us ponder over these lines published three months ago by an English journal:

Food is for us the crux of the war . . . Our farmers cannot produce enough food for our own people; yet we are feeding armies of Canadian and American soldiers we have shipped here. These soldiers hamper our war effort by needing extra food cargoes . . . Our ships ought to bring raw materials and food instead of bringing hearty-eating Canadians and Americans . . . It would greatly help our war effort if all Canadian and American soldiers here were sent back to Canada and America.

That was written on the 23rd of April this year.

I dare say that my second reason for opposing this Bill, namely, its lack of efficiency, stands on pretty solid ground. I now come to my third reason. I firmly believe the proposed legislation is detrimental to our national interest. Compulsion for military service has been a bone of contention in our country as well as in other countries. When enacted for the defence of the native land it is accepted as a sacred duty. This is our case at the present moment. Conscription for military service in Canada has been in force here for more than two years. No dissenting voice has been heard on that account during the last thirty months. But compulsion for overseas service—in Europe, in Africa, in Asia, at the Antipodes, at the other end of the world—is a different thing. It has formerly aroused and it now meets again with a strong opposition. This should cause no surprise. For more than one hundred and fifty years the policy of no service outside Canada has been followed. If you lay your hand on the old statutes of Lower Canada you will find that in 1796 what was probably our first militia law was adopted, and you will read therein the following section:

And be it further enacted by the authority aforesaid, that it shall and may be lawful for the Governor, Lieutenant Governor or person administering his Majesty's Government in this Province for the time being to form the Militia called out under the authority of this Act, into regiments, battalions or companies, in such manner as he in his discretion shall think proper, and under the command of such officers as he shall appoint, and them to march to and from such place or places, and in such manner as to him or to the officers whom he shall for that purpose appoint, may appear necessary. Provided always that no part of the Militia called out and embodied under the authority of this Act, shall march out of the Province, except for the assistance of the Province of Upper Canada, in case the same shall be actually invaded or in imminent danger thereof, and except in pursuit of an enemy who may have invaded this Province . . .

And so on.

A few years later a similar law was adopted in Upper Canada. And that principle of no

compulsion for military service outside our country was to be followed always as a standing enactment. Nobody could be surprised at that. It was absolutely consonant with the British mind. Freedom has always been the main passion of the English nation, and compulsion has always been hateful to the free men of England. The strong feeling against coercion asserted itself mightily in 1916, when the Asquith Government reluctantly introduced a conscription Bill. The Prime Minister himself voiced that feeling. A few weeks before presenting the Bill he had said:

> My proposition is that compulsion, if resorted to, ought only to be resorted to, and can only from a practical point of view—or, in other words, be made a workable expedient for filling up the gap which you have to supply—with something in the nature of general consent.

Later on Mr. Asquith stated that there were differences of opinion among the members of the Cabinet. And even when introducing a Bill enacting a modified form of conscription, he said:

> I am of opinion that no case has been made out for general compulsion. I, at any rate, would be no party to a measure which had that for its object.

Notwithstanding its modified form the Bill gave rise to a ministerial crisis. The Home Secretary, Sir John Simon, went out of the Government and said in the debate that followed:

> I confess to having regarded the voluntary system as a vital principle of national life.

The ensuing discussion was very bitter, as can be seen when one reads the following words of the Right Hon. J. H. Thomas:

> I resent to the full the suggestion that has been already made, that those who are likely to oppose this are not in favour of winning the war. Not only are they in favour of winning the war, but they genuinely believe that the course they adopt is the best course in the interest of winning the war. Therefore I do not think it will help matters to hurl charges of that kind.

The strong opposition against conscription in England during the Great War of 1914-1918 was in accordance with the old popular feeling, the principle of compulsion being absolutely un-British.

It is this same popular feeling which now prevails in the province of Quebec. But it should not be inferred therefrom that Quebec, to use the words of the Right Hon. Mr. Thomas, is "not in favour of winning the war." To make such assertion would be to misunderstand the situation utterly. At the present moment there are in this country different states of mind as to the participation of Canada in the world struggle. Some people deem and argue that our country has absolutely nothing to do with the conflicts of the Old World. They maintain that we should always keep aloof, and, as they say, mind our own business. Utter abstention is their watchword. They have been "isolationists."

There is another class of persons who assert that it is Canada's duty to take an active part in the deadly conflict which is shaking the foundations of the eastern hemisphere. According to their views, we should not only help, but we should rashly throw ourselves into the terrific maelstrom, we should even go beyond the limits of our strength and resources. This is what they call "total war."

What really is total war? As has been asked in another place:

> Does it mean squeezing the last possible man out of the population and putting him in uniform, or does it mean making the maximum war effort by a balanced distribution of manpower between the armed services, on the one hand, and, on the other, agriculture, war industry and civilian occupation?

We may well put that question to ourselves. Perhaps we may also put the question in another form. Snatching from the limited virile population of Canada 700,000 men, for the purpose of sending them towards remote and bloody battle-fields, is that not total war? Enrolling 800,000, perhaps 1,000,000, men and women of Canada, heretofore busy in peaceful pursuits, and putting them to work, often day and night, for the production of deadly tools, is that not total war? Raising the public debt of Canada within three years from three to five billions of dollars, is that not total war? Increasing our war expenditure within three years from $127,000,000 to $1,394,000,000, is that not total war? Making the Canadian people stagger and pant under the crushing load of enormous and always increasing taxes, is that not total war? Perhaps in the minds of some people total war means bankruptcy of men and bankruptcy of money. That would probably be total war, but it would surely be total wreck.

Coming back to the different states of mind towards our participation in old-world conflicts, I hasten to say that there is a middle one. Large numbers of good Canadian citizens, deeply devoted to the welfare and the good name of their country, deem Canada could not possibly stand aside in this tragic emergency. They are conscious that the present war, even more clearly than the preceding one, is not what is usually called an imperialistic war, is not a war to serve ambitious designs of lust and conquest, but that it is a defensive war, a war whose supreme aim is to save the world from the hateful domination of Hitlerism, from the enslaving of all other nations under the odious yoke of the Teutonic and anti-Christian Empire. I

do not like to use the stereotyped slogan, "We are fighting to save democracy." We are fighting for a higher aim; we are fighting to save human freedom and what remains of Christian liberty.

The crowds of good Canadians whose feelings I am now trying to translate faithfully therefore deem that Canada is serving a good cause when helping England, the United States and those who side with these two great nations, to stem the mighty and destructive tide of Nazi-ism. But in the meantime they hold that there is some difference, some disparity between our duties, our responsibilities, our obligations, and the duties, the responsibilities, the obligations of the nations directly threatened, who are desperately fighting with a treacherous enemy, and for whom the event of the fierce struggle is death or life. They say that Canada has no direct interest in European problems, that they are going too far who assert that our collaboration should be as intensive as—let us say—the superhuman strain on Great Britain. And they maintain that our present effort, our heavy sacrifices, our weighty obligations, our accepted responsibilities, are perhaps exceeding the claim of our national duty. However, they sincerely remain pro-Ally. They simply say that we should keep a sense of proportion.

This state of mind that I have tried to expound was described most happily by the Prime Minister, Mr. Mackenzie King, two years ago. Here is his felicitous analysis:

> Canada, it is contended, is not a country of unlimited powers; it has not the capacity to stand indefinite strain. We have tremendous tasks to do at home in housing the people, in caring for the aged and helpless, in relieving drought and unemployment, in building roads, in meeting our heavy burdens of debt, in making provision for Canada's defence, and in bringing our standard of living and civilization to the levels our knowledge now makes possible. There is no great margin of realizable wealth for this purpose; we must, to a greater or less extent, choose between keeping our house in order, and trying to save Europe and Asia. The idea that every twenty years this country should automatically and as a matter of course take part in a war overseas for democracy or self-determination of other small nations, that a country which has all it can do to run itself should feel called upon to save periodically a continent that cannot save itself, and to these ends risk bankruptcy and political disunion, seems to many a nightmare and sheer madness.

This very clear outline may shed some light on the feeling which is extant in the province of Quebec, and in other provinces also, at the present moment. Such a feeling is likely to clash with that of the totalitarians. It is that clash which the Minister of National Defence in 1941 urged us so strongly to avoid, in the following terms:

> If the method which has been suggested were adopted, it would be a method different from what the Commonwealth of Australia has adopted. I point out that this country, in 1917, was seared, was divided by the very issue which is mentioned. We have unity in this country. Let us try to preserve it rather than attempting to drive a wedge of disunion into a war effort of which I think Canada ought well to be proud. I deprecate in public men and in others the attitude of advocating something different for which no need has been established, because I believe it interferes with our war effort.

Such words should have special weight to-day. They strongly uphold my third reason for opposing the Bill, namely, that it seems to me detrimental to the national interest.

Honourable members, I have tried to explain on what ground is based the opposition of many of those who cannot accept the present Bill. I have no right to speak in the name of my native province, but I do believe that the feeling therein is adverse to this Bill: that this piece of legislation is not needed, that even if it were needed it would be useless, and, at all events, that it would be contrary to the national interest. Such is, if I am not mistaken, the general state of mind in Quebec. But this does not mean that the province is lacking in patriotism, in spirit of sacrifice, in the stubborn will to help the cause of freedom and to assume her due share in the common effort towards victory.

Those are not vain words. Quebec can show facts. Thousands of her sons have freely enlisted, notwithstanding unavoidable impediments like the difference of tongue, and others. The citizens of that province subscribe earnestly to war loans, buy constantly war certificates, accept most willingly all restrictions and regulations. And all this is done in a spirit of duty; perhaps more meritorious in her case than in others, for she has less European links than other provinces. She is purely Canadian. She is the most Canadian province of our Confederation. She has behind her three centuries of American history. Montreal, her great metropolis, has just passed the threshold of her fourth century. And my old city of Quebec could lately have celebrated her three hundred and thirty-sixth birthday.

But the province of Quebec is not chained to her past. She feels the beating pulse of the present emergency. She shares the anxieties, the fears, the hopes, the passionate will of the nations fighting for the liberation of the world. In her churches her people offer up to the Almighty this ardent supplication for victory and peace:

> We humbly pray Thee, O God of Mercy, to have pity on us and to give us victory. Give to humanity the victory of right over might, the victory of justice over injustice, the victory of charity over egotism, the victory of Thy divine rights over sacrilegious usurpations.

And always, on every Sunday, before the Host enthroned on the altar, we hear the beautiful anthem: "Domine Salvum Fac Regem,"—that is to say, "God Save the King." At the present moment these words have a wider meaning than ever before. God Save the King! Yes, God save the noble prince who is the worthy head of this commonwealth of nations! God save England! God save our poor France! God save our beloved country, our dear Canada!

Some Hon. SENATORS: Hear, hear.

Hon. C. P. BEAUBIEN: Honourable senators, it is not amiss, perhaps, that two voices in succession should be heard from this side of the House, particularly with respect to a subject on which they must be absolutely discordant. I need not say that I have for my honourable friend from Grandville (Hon. Sir Thomas Chapais) a very deep admiration. I have followed his career since my youth, and I know that he has been accepted, without contradiction by anybody, as one of our greatest historians and one of our greatest orators. But while listening to him a moment ago I thought of what had been said about France by a certain author—that France was often lost through her eloquence. That is terribly true.

I do not want to follow my honourable friend step by step in his argument. I do not think it is necessary to do so. What is needed from Canada now is, not words, even though they may be marvellously eloquent, but deeds. We shall not defeat the enemy with wonderful speeches.

The honourable gentleman says that Great Britain has always been in favour of liberty. Yes, she has; but she has always been in favour of justice too; and one of the main reasons why the Conservative party—to which I am proud to belong—enacted conscription in 1917 was justice. I have never heard a refutation of the argument that it is unfair that the entire burden of war should be borne by those citizens who are patriotic and devoted. Is it fair, or is it required by any law of nature, that one man should pass on to another, for defence, his home, his family and all that is dear to him? I say that is contrary to the fundamental law of nature. Every man, if he is a man, is obliged to defend his home and his children. Shall we allow our boys to go overseas, to die if necessary, on the battlefield, with the vision before them of other boys, like themselves good and strong, tucked away at home in more comfortable, happier and more prosperous conditions than ever before? Is that justice? Are you going to claim in the name of liberty that there should be no conscription? What about justice? I say that if you have different rules for different people in the land, so that one does his duty fully, even to the supreme sacrifice, while another stays at home, you will have in this country a rancour that nothing will obliterate. It will divide not only the provinces and the races, but unhappily it will divide families. In that way you will divide brother from brother, because one thing that will not be downed is justice.

My honourable friend said: "Look at Great Britain! I will quote Asquith for the House." Do I need to have any authority quoted for me? Not at all. What system has Great Britain to-day, and why? The British people have always been opposed to conscription. Why is Britain so different from the continental nations? The continental nations, which are so frequently visited by war, have always had conscription. For what reason? It was that they had learned its necessity; they had learned that the people would not stand for one rule for one man and a different rule for another. Great Britain, on the other hand, very rarely sent troops across the channel. As you know, she frequently paid her allies on the Continent to fight for her there. She did not require conscription. She continued to manufacture and to export, and by this means she was able to buy the armies that she needed in Europe. That was the reason why Britain did not have conscription.

My dear old friend—and I love him—said that to-day everything must be in proportion. He said we were a young country, we were not rich, we had not an enormous population. That is true, but when he says everything must be in proportion, I ask: In proportion to what? Answer that question, you who listen to me. Did we ever in this world have a war that approached this one in any way? Was there ever a menace to our country equal to the menace of to-day? Let any fair-minded man answer me. I say never, and I ask: What is our choice? What is to be our fate if we lose? That is the only important question. One does not need to be very eloquent to answer. Are we prepared to make sacrifices of so much, for so long as is necessary to win the war—yes or no? That is all there is to it. I say there is no question of proportion in this war. There cannot be.

I am afraid, honourable senators, I have been somewhat carried away. I will tell you frankly the reason why. This question has been a disastrous one for Canada. Yet it had to be brought up. My honourable friend says conscription is not necessary to-day, and refers to others who say it is not required. Count them on the fingers of your hands if you like. But what of to-morrow? What if

a second front is opened, such as the Russians are now praying for on their knees? What will be the needs of our army in that event? Up to now we have lost very few men, thank goodness. The war has cost us more in money than in men. There is a French proverb which says, "Plaie d'argent n'est pas mortelle—a money wound is not incurable." But when we open a second front, what then? Germany will not yet be beaten. We know what happened in 1918, when Ludendorff recommended that an armistice be asked for. He knew perfectly well that he could resist no longer; that his game was up. Yet since 1918 Germany has constantly claimed that she had never been beaten. There is only one way to down the beast and keep it down, and that is to beat it at home, so that it will suffer and will know that it is beaten. When the time comes to open a second front can anybody say what number of men we shall require? If we do not get the men through voluntary enlistment, how are we going to get them? Are we going to do without them and leave our boys in the trenches without support? Are we prepared to accept that policy? I say frankly that I am not. I was for conscription in 1917, and I am for conscription to-day.

I am going to tell my honourable friend something. He says that in 1917 conscription did not yield very good results. There are a great many within the sound of my voice who know why. The success of conscription in 1917 was made impossible by the most terrible campaign that we have ever seen in this country. Those who were for conscription were hounded. I know it. I know two men in this House—there may be more—who were threatened with being blown up with dynamite. The people of the province of Quebec were told that they were not bound in law, in duty or in honour to submit to conscription for overseas. What was the result? Of course conscription could not be successful with the Liberal party appealing to the country as it did. Mind you, I do not want to attack the Liberal party. We are divided enough. I am only stating facts. The Liberals in this House know what occurred, and if I make any errors they can correct me. You can understand the position of a young man who, when expecting to go to the battle-field, was told by his member of Parliament and his chief that there was no obligation on him to go overseas. He was advised: "Go voluntarily if you like, but in law, in duty or in honour you have no obligation to go." Do you think that was conducive to getting an answer in favour of conscription?

If the Liberal party are going to do in the province of Quebec to-day what they did in 1917, perhaps my honourable friend from Grandville (Hon. Sir Thomas Chapais) is right. But I sincerely hope they will not do that. If anything could stop them, it might be a reminder that the attacks made against the French race in Canada since this question was first mooted have been terrible. There is no other term for them. I do not want to describe them, for that would be too painful a task. But may I say to honourable senators that in the province of Quebec from 1917 up to the present date every election campaign, provincial or federal, has been fought on conscription.

Do honourable senators understand what that means? In 1921 we had just come out of the war. The sky was clear and everybody thought war was a thing of the past. We believed that for generations to come the League of Nations would save us from another terrible calamity such as we had just gone through. But in that year the elections in my province were fought on conscription, and everybody who had been for conscription was marked on the forehead with the sign of malediction. Do honourable senators understand? Every such man was to go down, and he went down.

In 1925 we were still farther away from the war and it might have been thought that the Liberal party, or at least the individuals making up that party, had cooled down a bit. But what happened? Conscription again. The Conservative party troops were mowed down at every election. In 1926 it was the same thing. Again, conscription. And so it was in 1930. I remember that in that year a desperate call came to me. I was told, "Beaubien, you must immediately answer Dandurand and Lemieux, because both of them are again using the conscription argument." At the last moment I had to speak over the radio. Why need I say these things? You know them as well as I do. But what I am coming to is this question: In view of these facts, do you not think it is only fair that the attitude of the French race in my province with respect to the war should be considered purely and simply as a result of the political policy of the Liberal party? It is nothing more nor less than that. During the twenty-five years since the last war every election campaign, federal or provincial, in the province of Quebec has been fought on that one subject, conscription. I say that, not for the purpose of attacking the Liberal party.

Hon. Mr. HARDY: Oh, no.

Hon. Mr. MURDOCK: It is six o'clock.

Hon. Mr. BEAUBIEN: If my honourable friends would like me to make a few attacks, I will do so.

Hon. Mr. MURDOCK: Could my honourable friend adjourn his speech until eight o'clock?

Hon. Mr. BEAUBIEN: The most important part of my speech is what I am driving at now. If the people in the other provinces realized that conscription was not a matter of contention between one race and the other, if they understood that well—

Hon. Mr. HAIG: We do.

Hon. Mr. BEAUBIEN: —there would not be that cleft between the races that there is to-day. But they do not understand this. All the attacks against the province of Quebec show that the other provinces do not understand it. The French race is accused of refusing to do its share in the war. Well, I say that if it were possible to make the other provinces see the manner in which conscription has been presented to Quebec for twenty-five years, the unity of this country would surely be strengthened.

The Hon. the SPEAKER: I dislike to interrupt the honourable senator, but if he wishes to proceed much further he should continue at eight o'clock.

Hon. Mr. BEAUBIEN: I will do whatever the Senate wishes.

Hon. Mr. MURDOCK: Finish at eight o'clock.

Hon. Mr. BEAUBIEN: Will you give me ten minutes now?

Some Hon. SENATORS: Yes.

Hon. Mr. HARDY: Why not adjourn the debate?

Hon. Mr. COPP: It is six o'clock.

Hon. Mr. BEAUBIEN: If you will allow me ten minutes more, I shall be able to finish, by cutting my remarks somewhat.

Hon. Mr. HARDY: I do not think the honourable senator should be asked to cut his remarks. I think he is making a very fine and interesting speech, and I should like to see it continued at eight o'clock.

Hon. Mr. BEAUBIEN: I thank my honourable friend very much. I only hope he is thoroughly sincere.

Hon. Mr. HARDY: Oh, yes. I should like to ask the honourable senator a question. Who began the attack on the French Canadians? Was it not the Toronto Globe and Mail?

Hon. Mr. BEAUBIEN: I do not know.

At six o'clock the Senate took recess.

At eight o'clock the sitting was resumed.

DEPARTMENT OF EXTERNAL AFFAIRS BILL

FIRST READING

A message was received from the House of Commons with Bill 120, an Act to amend the Department of External Affairs Act.

The Bill was read the first time.

NATIONAL RESOURCES MOBILIZATION BILL

MOTION FOR SECOND READING—DEBATE RESUMED

The Senate resumed from this afternoon the debate on the motion of Hon. Mr. King for the second reading of Bill 80, an Act to amend the National Resources Mobilization Act, 1940.

Hon. C. P. BEAUBIEN: Honourable senators, I shall endeavour to atone for having retained your attention so long, and for having been, I am afraid, much more violent in my expressions than I should have been in this House. I confess that my expressions were perhaps not in accordance with the atmosphere appropriate to the Senate. If I were to plead anything in extenuation, it would be that I did not expect to speak on the subject as it has presented itself. I want to say to my Liberal friends that I did not utter a single word that had not been said by Liberal members in another place, and I have the documents here to prove that. I repeated only what was, so to speak, the leitmotiv of their attack. They asked the Government, in effect: "How can you expect us to change in eight days the policy that we have had for twenty-five years? It was not possible for us to do that." I want to ask honourable members of this House and eminent statesmen throughout the land: What would happen in your provinces with respect to this very question if the people there had been educated in the same way as the people of my province were, and by men of the same calibre?

Do not forget, honourable senators, that that educational campaign in my province was waged by perhaps the most brilliant galaxy of public men that Quebec has ever known. You will remember that Laurier came back from the Diamond Jubilee of Queen Victoria heralded as the greatest stateman in the British Empire. He was the cherished son of my province. I can tell you of an incident in which I once figured. I was discussing before an audience a question that I had very much at heart, the school question in Manitoba, and I thought the audience was

in agreement with me. I noticed an old man who seemed to be quite moved. In fact, tears were rolling down his face. I said to him, "My friend, you must be an old Conservative?" He said, "Yes." I said, "Well, at any rate, you are going to vote for us in this election?" Do you know what his answer was? He replied, "Oh, no sir. I cannot vote against Laurier." Do you know what Laurier's name meant to these people, to whole sections in my province? He was to them the greatest man, not only in the British Empire, but in the world.

And Laurier was not alone. What about Dandurand? He was a member of the Senate for more than forty years. Could you have a finer man than Dandurand, from every point of view? Intelligence, character—Dandurand had everything.

And what about Lapointe? Lapointe had a reputation that overlapped the borders of this country. And what about the other ministers? What about Lemieux, for instance? He was a man of great talent, for a long time the right arm of Sir Wilfrid Laurier. All the men who participated in that campaign in my province were the most brilliant men the Liberal party in this country have ever produced.

I ask honourable members from the other provinces: If your people had for twenty-five years been educated in that way, would they not have acted as my people? If so—and this is what I am driving at—try to stop the attacks against the French race. The rest does not count. I may say to the Liberal party: You have won the entire province of Quebec. We have not one Conservative representative in the other House, any more than we had in 1917. You are stronger than you have ever been. What does it matter whether you assume the responsibility? And your own members of Parliament reproach you much more than I do myself. I am mindful of my country and I say to you, the loyalty of the French race in this province is necessary to Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BEAUBIEN: It is necessary to Canada. These attacks are driving my people from everything that is British. Laurier used to say: "I love France because France gave me life, but I love the British Empire because the British Empire gave me liberty." Do you hear that any more? There is an ominous silence now on everything that touches the English race within and without the country. Why? Because my people are tending to be anti-English. You must not allow that. That is at the root of the trouble. The rest is not important, but that is important. Sometimes when I recall these appeals that were made and are now made time and again by small politicians, by people who see an opportunity come to the surface like scum on turbulent waters, I am surprised that the province of Quebec has done so well. Why, only a month or two ago we had the Prime Minister of Quebec with figures in hand telling us that his province had already three times more men in this war than it had in the other war.

An Hon. SENATOR: That is right.

Hon. Mr. BEAUBIEN: We have not one regiment, as we had in 1914-17; we have eleven regiments. What did General McNaughton say when he left the province of Quebec? He said he was thoroughly satisfied with what Quebec had done in men and in munitions, and that there are no finer soldiers in the world than the French Canadian soldiers on the other side.

Let me give you something in this connection that may surprise you. Here is a list of members of same families that have enlisted. Listen to these names:

Bacon, 3 brothers and 1 brother-in-law; Bédard, 7 brothers; Charette, 2 brothers; Chevalier, 2 brothers; Cormier, 5 brothers; Corrigan, 6 brothers; Deschenes, 4 brothers and 2 brothers-in-law; Desjardins, 6 brothers; Dugal, 3 brothers; Dupuis, father, 1 son and 2 daughters; Fougère & Petitpas, 7 brothers; Gagnon, 5 brothers; Goyer, 3 brothers and 1 cousin; Gravelle, father and 2 sons; Grenier and Archambault, 2 brothers, 1 uncle and 4 cousins; Grothé, 3 brothers; Guertin, 5 brothers; Lacombe, 3 brothers; Laramée, 3 brothers; Leblanc, 3 brothers; Leclerc, 3 brothers; Lefebvre, father and 2 sons; Léger, 4 brothers; Letellier, 2 brothers; Métivier, 2 sons and 1 grandson; Moncion, 4 brothers; Pellerin, 2 brothers; Pérusse, 5 brothers; Pilon, 4 brothers; Quintal, father and 3 sons; Rose, 3 brothers; Routhier, 3 brothers; Roy, 3 brothers; St. Jacques, 5 brothers; St. Louis, 2 brothers; Savard, 4 brothers; Senez, 8 brothers; Tessier, 3 brothers; Vautour, 7 brothers and 2 brothers-in-law; Woods, 4 brothers.

Here I pass over to my honourable friends a group photograph of five brothers, all officers, from Quebec City.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BEAUBIEN: Is it possible to have five finer looking boys than are depicted there? I say to you now: The loyalty of the province of Quebec must be preserved, for it will become precious for this country. If you want to turn back the leaves of history, I ask you to see if you can find in the records of the British Empire a similar instance of a race that was conquered and from the very morrow became and thereafter remained loyal to Britain? That is what the French Canadians did. Why? I am ready to admit Great Britain was extremely kind to us and

treated us with a broad generosity that our people appreciated thoroughly. There is no doubt about that. But there is another reason. When our people were left here after the conquest the Catholic clergy were their only advisers and protectors. Most of the nobles, those of the beautiful chateaux, had left. The farmers grouped themselves around the church, and their curé looked after them. What did he say to them? I do not like to burden my speech with quotations, but I should like to cite the words of the Archbishop of Quebec, His Grace Archbishop Briand. Six years after the conquest, he said to them:

> Do not forget that the King of England is your king. Do not forget that the English have treated you with extreme generosity. They have not interfered with your language or your religion, and they have made you British subjects, with all the rights that that implies. Do not forget the oath you have taken. Be faithful to your king and to your country.

That is what Msgr. Briand said. I need not say that the clergy have always preached along the same line. During the last war no man spoke more eloquently to the French Canadians in urging them to do their duty than Msgr. Bruchesi, Archbishop of Montreal. He said many things to indicate to them where their duty lay, and lately Cardinal Villeneuve added these words, which I think are impressive:

> You know the British Empire is not an association of nations purely and simply for economic or financial exploitation; not at all. The British Empire is an association of nations bound together by the same principles, the principles of justice and of liberty. And for that you owe it to yourselves to defend the British Empire at the cost of your blood.

Now, am I right or wrong in making this appeal to those who attack the province of Quebec? My people are not responsible for what has occurred. They do not deserve to be called slackers, to be pointed at as a people who prevent this country from doing its duty thoroughly. Do not forget that the collaboration of the province of Quebec is essential. It is scarcely necessary for me to tell you that the effort we are making we must all make together. The effort is too big for one group of the nation only. We must whole-heartedly collaborate together. And do not forget that after the war you will find there is no race more God-fearing, law-abiding, hard-working and solid in its principles than the people of the province of Quebec.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BEAUBIEN: You people of the other provinces do not know my people. But I could point to some honourable senators who do, and I am confident they approve every word I say. Those who come in contact with my people come to me and say they have never seen such thoroughly loyal people as the French of my province.

The war will come to an end some day. Then persons interested in coming to power by one way or another will make subversive suggestions, and then the collaboration of the province of Quebec will be necessary to this country.

I have just one more word to say before I close. What is the trouble with my people? They are just as good as any of you, and they will defend their country to the last drop of their blood; but they do not know that they are menaced.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BEAUBIEN: You will say, "Well, why are they not informed?" That is all very well. But what about the people of France? For eight months after war was declared the French people went about looking at their smiling fields, but they never saw the hungry wolves at their frontier waiting to jump at their throats. And France had been invaded a hundred and twenty times. The last time nearly seven-eighths of their total industry was completely wiped out. Yet these people did not think they were menaced; they were behind the Maginot line, and they thought they were perfectly safe. De Gaulle and Reynaud warned them of their danger repeatedly, but were not heard.

But that is not all. What about England?

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BEAUBIEN: You good Englishmen well know that what I tell you is true. What did we have up to the time of Dunkirk? The Americans called it a "phoney war." The English people called it a "bore war," because they were bored by it. They slept, and spent their week-ends as usual, and the labour unions refused to work for longer hours than in ordinary peace time; yet they were immediately exposed to assault by Hitler and his hordes. Was Churchill listened to? For years he was uttering warnings, but he was not listened to by Parliament, let alone the English nation.

The trouble is that human nature always sees what it desires to see. The people desired to see peace, and they saw peace. Well, if what happned to the French people was possible with the enemy right alongside of them, and if the English people, who are wise and prudent, did not think they were menaced, is

it strange that the people of my province, three thousand miles away, should fail to be aware of the danger?

If it were only possible to waken the population of my province from its lethargy, you would have no trouble at all. They are a law-abiding people, and they are going to accept conscription. I have no doubt of that. They would collaborate with their whole heart if they only knew they were menaced. You and I know that we are terribly menaced, but do you know what my people say? They say, "Oh, yes, but there is the British Navy." You and I know that the British Navy would be sunk to the last ship in defending the homeland or the life-line of the Old Land, and would not come here to seek shelter in Canada, if England were conquered or famished. If such a thing should happen, Hitler would have all the resources he required, and he would have all the time he wished to prepare ships, guns, planes and submarines—everything he might require; and the peoples of all the conquered nations would be sunk in slavery. As the President of the United States and his ministers have said time and again, the American Navy alone could never battle Hitler's navy with any chance of success. Why? Because he would have seven times the productive capacity of America.

If Hitler should win the war would the farmers plant what they want? Not at all. Our Government would tell one man, "You will plant wheat," and another man, "You will plant oats," and still a third man, "You will not plant anything at all—you will go to work elsewhere," and there would be no liberty at all. I am not exaggerating. Honourable senators know that what I say is true, and if they do not, I would ask them to take the declarations of Mr. Roosevelt, Mr. Stimson, Mr. Knox and Mr. Willkie.

One thing that is said by all these men is very striking. They say, "We carry the whole American nation with us in our conviction." That is true, and what is the result? The enormous expenditures they are making have been unanimously approved by Congress and by the 133,000,000 people who make up the American nation. They are all convinced. Why can we not convince our own people? If we could do that, everything would be done. If that were done the people of my province and the people of the other provinces would all work together like brothers in the knowledge that they were fighting one another's fight; that they were helping and being helped. They would be like the soldiers in the trenches, who help one another, and who know that the salvation of one is the salvation of all—the salvation of the country.

Just one last word. There is only one body of men who can do what I suggest—only one—and that is the Liberal party. We, the Conservative party, do not exist any more.

An Hon. SENATOR: Why?

Hon. Mr. DAVID: I do not wish to interrupt my honourable friend, but may I ask him a question? Who was it that in 1910 created the Nationalist sentiment and influenced the province of Quebec?

Hon. Mr. BEAUBIEN: In 1911 there was an alliance, as I know from my bitter experience. And do you know how that alliance was formed? I have nothing to hide. There were three parties. All of them acknowledged that they were fighting the same opponent, and they agreed that they would fight that opponent from the position which each of them occupied. That is what they did. The alliance did not last very long.

Hon. Mr. COPP: Unholy alliances never do.

Hon. Mr. BEAUBIEN: Perhaps.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. BEAUBIEN: You may laugh if you like. We found it bitter at the time, but now it is a matter of indifference. Those parties did not compromise their own positions, but fought a common foe.

In closing, I apologize for taking so long. I suppose, as a life-long opponent of the Liberal party I have no right to ask favours, and I am not going to do so; but I am going to suggest that the Liberal party, as they have full sway in the province of Quebec, should go to the people and tell them that the best way to defend their homes is to do so where Germany is being held by the throat by Great Britain, Russia and the United States. I think they would understand that; and if they did they would be aware of the menace and there would be no trouble at all. Then the war, instead of dividing the races, would unite them and knit them more closely together. That is only a suggestion, but it springs from a very sincere wish, and in closing my remarks I offer it in all sincerity.

Some Hon. SENATORS: Hear, hear.

Hon. LOUIS COTE: Honourable senators, I am not rising to reply to the honourable senator from Montarville (Hon. Mr. Beaubien) nor to be a referee between him and the honourable senator from Grandville (Hon. Sir Thomas Chapais). Both made excellent speeches. The honourable senator from Grandville has stood in this House as an eloquent champion of liberty; the honourable

senator from Montarville has defended justice. Those two qualities are very great virtues. But it may be that liberty cannot exist without justice, and that justice cannot really survive without liberty; so I am going to leave the decision as between these two very eloquent gladiators to the House, and shall simply carry on with the remarks that I intend to make on the Bill before the House.

If this Bill becomes law, as no doubt it will, the Government will have the right to have recourse to conscription of men for overseas military service. No members of the Government have stated that conscription is necessary now. Some have said it will likely never be necessary, and one has said that only a national or coalition government could enforce it. The Prime Minister has declared that before it is put into force, if it is at all, his Government will go to the House of Commons for a vote of confidence, and he has added that in such an event the reasons invoked by the Administration for enforcing the law shall not be debatable in that House. It is obvious that there would be no vote of confidence in this House; so the matter would not be debatable here.

On the whole, I regret to say that in my opinion the procedure adopted is rather uninspiring, and I think it is no exaggeration to say the Government is now dealing with this matter of conscription with all the caution that must be exercised when one decides to play with political powder, in this case powder of its own making. When I say "the Government" I mean all the ministers except one, because Mr. Cardin, after himself playing with this powder for a little while, has now resigned.

May I ask you to listen to what Mr. Cardin said over the radio during the plebiscite campaign, on the 9th of April, 1942? I quote from his French text, as translated by me:

> Here I should like to captivate your souls, to merge them with mine, so as to be better heard and understood. Canadians of everywhere, Canadians of Quebec particularly: answer "Yes" to the question on the plebiscite. You hear me well, don't you? Answer "Yes" without hesitation and with confidence.

I only wish that my feeble voice could give to those words the eloquence which the speaker imparted to them when he made his address over the radio.

I think the word "confidence" is explained by other parts of the speech, which contains additional gems, such as the following:

> It (conscription) is not the question to-day; in fact, Mr. King has often stated in the House and elsewhere that, for the present, conscription was not necessary. He has even said that his firm belief was that it would never be necessary to enforce it, because voluntary enlistment would suffice and perhaps the present circumstances would change.

Some opponents of Mr. King criticize him because he does not now adopt conscription for overseas service. Circumstances demand it, they say. This is the language of those who would take Mr. King's place if some day he felt that he no longer had the confidence of the vast majority of the Canadian people. If later circumstances made it necessary to consider conscription for overseas, Mr. King wishes to be free to study it so as to be able to submit the subject to Parliament. There, and then only, we would with knowledge of the facts and at the appropriate time discuss and vote, each according to his conscience and his convictions.

Well, the plebiscite was held. It was held in the midst of confusion for which the Prime Minister and Mr. Cardin were largely responsible. We all know the results of that plebiscite. The total Yes vote was 2,945,000, and the total No vote was 1,643,000. Of the No votes, 993,663 were from Quebec and 650,000 from other provinces. The performance as a means of accomplishing harmony of conviction was a terrible fiasco. It increased the opposition to the use of conscription.

However, the result of the vote, notwithstanding the weird character of the question, the lack of cogent arguments in favour of compulsory service and the lack of real effort to answer the arguments against it, showed that throughout Canada public opinion had moved, as usual, much faster than the Administration on the question of total war. And everybody asked the question: "Now that the plebiscite has been held, what will the Government do? Will the Government jump the hurdle of conscription?" Some said, "Yes"; and their opinion seemed reasonable, because it was supported by the verdict of the people. Some said, "No," because, as they said, there were 1,643,000 No votes, and these votes were cast by voters residing in constituencies which for many years have returned Liberals. The people who argued this way took the view that Mr. King would not offend these electors who, on the whole, are the backbone of the Liberal party. Obviously there were some No voters who are not supporters of this Government; and it is evident that in this democracy, where men and women are entitled to their opinion, a great many of these persons voted No because they conscientiously believed they were voting in the best interests of their country. And I am sure that will be the reason for the vote of the honourable senator from Grandville (Hon. Sir Thomas Chapais), who spoke this afternoon.

Some citizens said the Government would not enforce conscription, because it would not want to lose the support of Premier Godbout,

of Quebec, who is bound by the following pledge to the electors of his province, a pledge from which the recent plebiscite did not release him. This pledge, which he made on the 30th of September, 1939, in order to win his election against Mr. Duplessis, is as follows:

I undertake in honour, weighing each of these words, to leave my party and even to oppose it, if even one French Canadian, between now and the termination of hostilities in Europe, is mobilized under a Liberal Government or even a provisional Government, if our present Ministers of the Cabinet of Mr. King join the same.

Others said the Government would not enforce conscription because the Prime Minister would not give that satisfaction to Berlin. I know that they referred to a formal pronouncement delivered by Mr. King at Calgary not very long ago, on June 27, 1941, and reported by the Canadian Press as follows:

The Prime Minister replied to circulars widely distributed in Calgary to-day, urging Calgarians to insist that Mr. King answer the question: "How can we fight total war without conscription?"

"I am going to answer that question right now. If every man does his own duty first before he concerns himself about the duty of his neighbours; if, having done his own duty, every man tries to help his neighbour to reach a personal conviction of his duty instead of wishing to compel him, Canada will have no need of conscription for overseas service and Canada will not be divided on every conscription issue. If Canada had conscription for overseas service who would be the first to say that Canadians had to be dragged away unwillingly from their homes to fight across the seas? That is what the radios of Berlin would blare forth to the world."

It turned out that the guessing was quite wrong, because Mr. King produced Bill 80, which should have been entitled, "An Act to enable Mr. King's Government to have conscription and not to have it at the same time."

Everybody should have been satisfied, but Mr. Cardin was not. He resigned in order to be freer to captivate the souls of the No voters better than he had done last April. He also captivated the souls of a number of Liberal members of Parliament so that they might be kept secure for the Liberal party for one grand merger of souls at the end of the war—after, perhaps, we have had no conscription.

Possibly some members, and particularly those who are smiling—

Hon. Mr. DUFFUS: We all are smiling.

Hon. Mr. COTE: I hope so.

Hon. A. L. BEAUBIEN: We are enjoying it.

Hon. Mr. COTE: Possibly some honourable senators may wonder why I put so much stress on the political feature of this question. The answer is that, in my opinion, the Bill is a political one and not straightforward legislation. It is part of a manœuvre to get rid of what the Government described in the Speech from the Throne read in this House in January as "the controversy with respect to the methods of raising men for military service." It was not indicated in the Speech from the Throne that it had been decided to adopt different methods of raising men; but it is obvious that it had been decided to get rid of the controversy, for the Speech from the Throne states it is the controversy which obscures Canada's war effort. I may say without malice that it might also have stated, "and obscures Mr. King also." Only a few days ago the junior senator from Vancouver (Hon. Mr. Farris) deemed it his duty as a follower of the Administration to protest in very vigorous language against an American magazine friendly to the Allies and to our common cause, because that magazine had criticized our Prime Minister. I have read that article since. I had not read it before the senator brought it to our attention. The article states that our Prime Minister had already on the question of military service turned three loop-the-loops. Well, what did the senator expect? It is, then, quite understandable that the Government wishes to bury the controversy both at home and in the United States. However, it does seem to me that the taking of the plebiscite, the debate in another place and the discussion throughout the country have certainly failed to remove the controversy so as to allow the light of fame to shine on the Government and on our Prime Minister. Therefore, from the point of view of the continental popularity of those who resorted to these tactics, the plebiscite was also a fiasco.

But why should there be so much controversy and difference at home? At this point may I say that of all the speeches delivered on the subject of compulsory service none forces itself more upon our attention nor has been expressed with more lucidity than the speech delivered by Hon. Mr. St. Laurent, Minister of Justice. May I quote a few lines from his speech? Speaking of the citizens of French origin in this country and their attitude towards conscription, he said:

It is not a word they are opposed to; it is the thing which the word "conscription" has come to symbolize in their minds. In their minds, conscription is the theory that they can be forced to enrol, train, fight and die for some other cause than that of their own country.

I stated to the electors of Quebec East, in my address to them in opening my campaign on February 2, that there were in this country

two very different concepts with respect to the real patriotism of its people. One, which is that of practically all Canadians of French origin, and a great many I am sure, if not the majority, of Canadians of other origins, has found its expression in the famous phrase used by Lord Tweedsmuir in 1937:

"Canada is a sovereign nation and cannot take her attitude to the world docilely from Britain or from the United States, or from anybody else. A Canadian's first loyalty is not to the British Commonwealth of Nations, but to Canada and to Canada's King, and those who deny this are doing to my mind a great disservice to the Commonwealth."

The other conception seems to many of us in Quebec to be characterized by a blind, sentimental, proud and even arrogant attachment to England, not only as the Mother Country, but as the real homeland toward which all loyal British hearts should ever turn.

The speech of the Minister of Justice contains a great deal of truth, but does not explain some of the things which it asserts as facts. It is true that to the mind of many No voters conscription is the theory that we "can be forced to enrol, train, fight and die for some other cause than that of our own country." But the Minister did not give the explanation that the "other cause" means the cause of Britain, and that the conviction of the No voters is the result of the predication of the Liberal party in the province of Quebec and elsewhere, under the leadership of Mr. King. I think we all remember the denunciations in the elections of 1917, '21, '25, '26 and '30, of the Conservatives and the Imperialists, the men who loved England better than their own country, who would conscript our sons for England, and ruin our country for England. These are the denunciations which had such influence on the minds of the inhabitants of the province of the honourable member from Montarville (Hon. C. P. Beaubien). A moment ago he was seeking some other explanation. He hinted that newspapers had not penetrated to the remote concessions of his province, and that therefore full knowledge of current tragic world events has not reached them. I have gone to the province of Quebec and spoken to farmers and habitants. I found their information was pretty good.

Hon. Mr. LACASSE: Hear, hear.

Hon. Mr. COTE: But when the leaders of a great party come to those intelligent Norman peasants and tell them, as they have been telling them for twenty-five years, "Conscription is only a method to take your sons away from you so that they may go and fight to die, not for Canada, but for England" —although the honourable senator's people may have a strong regard for England, the argument was bound to tell, and I am not exaggerating when I say that the explanation for a great many of the No votes can be found in the argument of the Minister of Justice. I need not repeat that these denunciations of the political opponents of the Liberal party in Canada have been the leitmotiv of the Liberal campaigns for the past twenty-five years, and unfortunately they are not through yet. Mr. St. Laurent, seeking election in Quebec East on February 2, explained the two concepts of Canadian patriotism. I read a number of newspapers at the time, and he was reported as follows:

There are two concepts: There is mine, Mr. King's, the Liberals'; we love Canada. The other concept is Mr. Meighen's, the Conservatives'; they love England first.

At a meeting within a few days after that speech Mr. St. Laurent brought his colleague Mr. Michaud into his riding. Mr. Michaud decided to explain the reason why Canada had donated a billion dollars to Britain and he said:

We are giving to England a billion in order to redeem from that country our economic independence.

Obviously after those two speeches it was not necessary for Mr. St. Laurent or for Mr. Michaud to say to the electors of Quebec East, "We are the people who are going to protect you against conscription." Let us look at the other part of Mr. St. Laurent's speech:

The other conception seems to many of us in Quebec to be characterized by a blind, sentimental, proud and even arrogant attachment to England, not only as the Mother Country, but as the real homeland toward which all loyal British hearts should ever turn.

I am quoting those words because they are the words, not of the ordinary political campaigner, but of a man of great ability, for whose legal attainments I have the highest admiration, and are words which he has not spoken lightly. I do not know whether honourable members on this side or opposite have for England an attachment that is "blind and arrogant." I know honourable members on both sides of the House very well. Possibly I know those on my side better, and, speaking for them, I am free to admit that they have for Britain an attachment that is sentimental and proud. I know that in the province of Quebec, notwithstanding Liberal propaganda, they entertain toward England and toward the Anglo-Canadian partnership a sentimental and proud attachment. I am afraid that in his desire to paint Canadians who are Conservatives as bad Canadians, as Canadians who are victims of colonialism, the Minister has slandered his opponents and has slandered also the French Canadian people.

For what I am now saying I suppose I shall be branded as an Imperialist or a man who loves some other land better than his own. Of course that would be a ridiculous accusation. I can trace my Canadian ancestry back for more than three hundred years. I love my country above all, but I do cherish Canada's association with England and with the countries of the British Commonwealth, and I say that that Anglo-Canadian friendship is a thing to be preserved with reverence and care and not to be undermined or threatened in order that political purposes and ambitions may be served. That friendship has grown from a century of fair and loyal treatment of this country and of its people by Britain. For proof of this assertion I would refer honourable senators to the records for the last century. One cannot find in the English statutes or ordinances or regulations one line, one word of enactment or law, prejudicial to the interests of this country or contrary to its dignity. On the other hand, look at the accomplishments. We have the statute of Confederation, of which we have just celebrated the 75th anniversary. We have given credit to the statesmen in our land whom we call the Fathers of Confederation. But do the people who have been calling us bad Canadians for a generation ever stop to give credit to Britain, who at one time owned one-half of North America, including Quebec and Ontario, the old Province of Canada, the colonies of Nova Scotia, New Brunswick, Prince Edward Island and the Northwest Territories to the Pacific, and who in effect granted to Canada dominion and quasi sovereignty over this vast and rich country and its inhabitants? In these troubled times when party politics and party government find it necessary to hold plebiscites and split the country in twain, and use words that destroy unity in the hope of destroying opponents, I think it is well to recall these historical and fundamental facts.

A moment ago I said that Confederation had given us quasi sovereignty over Canada. In the course of time, by the adoption of new constitutional practices and appropriate declarations by Britain, through its authorized spokesmen, and particularly by Mr. Lloyd George in 1921, Canada obtained full nationhood. That declaration uttered at the Imperial Conference of 1921 by the Prime Minister of England reads as follows:

> The British Dominions have now been accepted fully in the Comity of Nations by the whole world. They are signatories to the treaty of Versailles and of all the other treaties of France.
>
> They are members of the Assembly of the League of Nations and their representatives have already attended meetings of the League. In other words, they have achieved full national status, and they now stand beside the United Kingdom as equal partners in the dignities and responsibilities of the British Commonwealth. If there are means by which that status can be rendered even clearer to their own communities and to the world at large we shall be glad to have them put forward at this Conference.

Yet, did Mr. King's Liberal party give credit to our old friend England for this new recognition, a recognition not exacted, but granted as a matter of course? Not at all. It simply could not, because the Lloyd George declaration had been made under the Government of Mr. Meighen, a bad Imperialist.

Not only was this circumstance not used to promote a feeling of regard for England, a feeling which we all could have shared, Canadians of French, English and other origins, but Mr. King pounced upon the occasion to ask for the enactment of the statute promised by the Prime Minister of England in 1921. Mr. King attended a number of Imperial conferences, from which he always came back with a story presented in such a way that it meant that he had won great victories against Britain and had wrenched liberties from an unwilling people, just as in days of old the barons of England had forced King John to sign Magna Charta on the meadows of Runnymede.

There were other manifestations of this tendency. Everybody remembers that in 1938, a year before the war, when the clouds of tragedy were about to burst upon mankind, Britain, through its representatives in Canada, asked Mr. King's Government for permission to train airmen in Canada. The answer was, "No; that would conflict with Canada's sovereignty."

Does it not seem clear now to everyone that the duty of those who have engaged in this game of endeavouring to undermine in the hearts of Canadians, not only French, but English as well, the spirit of friendship for Britain is to admit that they were wrong, and that instead of making promises to win elections and then holding silly plebiscites about the releasing of electoral promises, their duty was and is to say that in 1917 we were, and that in 1942 we are, fighting with Britain for Canada, and fighting one for all and all for one?

That is what I had in mind last January when I opposed the Plebiscite Bill and said to the Government these words:

> As soon as the Government in honour and conscience comes to the conclusion that the interests of Canada demand compulsory service for overseas, let its Ministers and members go into their constituencies and tell the people of Quebec that the voluntary system has failed. Let them say to the people, in all humility and in all sincerity, that the time has come when Canada, their country, needs everything, even compulsory military service for overseas. What will happen? They will follow you.

An honourable member stood up in this House to reply to me and he said: "Really how can Senator Coté expect his advice to be followed? He has used harsh words toward the Administration." I am not paying any compliments now, although I should very much prefer to be obliged to do so, but how can I be complimentary in the face of what I sincerely think is a second display of political adroitness? Surely we have had too much of that already. The very Act which we are now asked to amend was just part and parcel of the same sort of things.

We remember the circumstances which preceded and accompanied the passing of the Mobilization Act of 1940. Central Europe and France had been vanquished and the world was thrown into a period of uncertainty and of almost complete darkness. There was only one thing to support our hope and to rally our courage, and that thing was a light that shone over Britain; a light of resistance that the Huns could not extinguish. In Canada public opinion was agitated. Questions were being asked: "Why has not Canada moved faster in the path of preparation and in the task of dealing blows to the enemy?" The people wanted to know why more had not been accomplished during the nine months which had intervened since our entry into the war. The popularity of the Administration was on the wane. If popularity was not completely gone, it was very much weakened, and the Government had to do something which had a semblance of action to regain popularity. Without coming to Parliament at all, the Government could have then, under the existing powers, mobilized the whole nation and trained men for the army in Canada or for the workshop. It could have ascertained its man-power and allocated it to those functions in the war effort where all classes of man-power would have been most useful. In fact, this could have been done before the fall of France, under the War Measures Act, which gives to the Government authority to do all those things. The Government has not used the War Measures Act for that purpose, and in order to make the nation forget its omissions and to supply an explanation for the lack of preparedness the Government announced that it would seek, through Parliament, power urgently needed to mobilize the whole nation: its resources in men, material and wealth. These were described as resources, and the Act was called the National Resources Mobilization Act of 1940. The announcement was broadcast over all radio systems, through the Press, and in speeches, and popularity began to improve. The Bill was introduced and put through Parliament, conferring upon the Government the same powers that it had under the War Measures Act, but the Government included in the Act section 3, which stipulates that even in the most dire necessity our men trained for military duty under the said Act could not be sent overseas. The Government had taken advantage of the situation to remove any immediate controversy regarding the methods of raising men for military service overseas; this at a time when the nation as a whole was ready for everything. But unfortunately the controversy was not dead.

Notwithstanding the very creditable records of enlistment for the overseas army, resulting from the patriotism of our young men, and brought about also by a system of coercion worse than conscription, the controversy was still alive, and it became more acute when the United States entered the war. The United States, who are not part of the British Empire and who cannot be accused by the Liberal organization of having a blind and arrogant affection for Britain, had the draft. Mr. Meighen became leader of the Conservative party and advocated compulsory selective service across the whole field of war. The controversy and the obscuration grew at home and abroad. The obscuration became unbearable. In order to get rid of both, Mr. King held the plebiscite, and he now presents to us this Bill.

The Bill as a measure of conscription is an affront to Parliament. Parliament is the body that should decide if and when the country should have conscription; and Parliament should enact the rules of the game, the causes regulating exemptions and the method of appointing those who shall have the authority to select.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. COTE: Therefore, from that point of view I think the Bill is bad, and it is only subject to that reservation that I can bring myself not to oppose it. It is bad also because of its uncertainty.

Honourable members may be curious to know why, having praised the Bill and its makers so faintly, I still support it. My answer is this. I believe that total war demands total effort. This Government is in power. If it does not use the Bill we shall not be worse off than if it had moved no Bill at all. Therefore, by voting for the Bill I am not interfering with the conduct of the war. If I voted against it I might be interfering, and I should never forgive myself. So I will vote for the Bill, but without enthusiasm and with resentment at the thought that as a member of this House I have been manœuvred into a position in which I feel I am being forced to give my consent to a terrible harlequinade.

Before I conclude I wish to express one more thought. It is along the line taken by the honourable senator from Montarville (Hon. Mr. Beaubien), that the handling by the Administration of the question of military service has hopelessly failed to change the convictions of those who are opposed to compulsory service. Indeed, it would be very suprising if it were otherwise. Unfortunately, after listening to the speeches made in another place and elsewhere, and reading the editorials of leading newspapers in this country, including Liberal papers like the Manitoba Free Press, one must realize that there is a growing feeling of antipathy and animosity against French Canada because a substantial part of it has taken the stand which we know it has taken on this question. Credit is not given for sacrifices already made by French Canada in joining the colours in large numbers and submitting loyally to all demands made for the war. I am aware that we are fast moving into a period of racial misunderstanding. It is unfortunate and tragic, the more so because it could have been avoided but for the play of party politics.

I ask my English-speaking co-citizens to restrain their feelings, to which politicians will appeal in order to fill the voids caused in their ranks by the mishandling of this question. I ask them to realize and admit that if so many of my compatriots are obdurate in their views on compulsory service, English Canadians have been the aiders and abettors of those who have induced them to hold such views.

I say that if the Government gives up manœuvres of party politics, and if insults, threats and provocations are avoided, there is still room for common understanding and for preservation of the spiritual acceptance by all Canadians of a common concept of duty, the basis of which is loyalty to Canada, loyalty to our partners and loyalty to our past and future.

Some years ago, at a Canadian Club luncheon held at Ottawa, Sir Austin Chamberlain said of Canada:

> I have seen a great nation, to the formation of which two great nations gave of their best. I have seen a nation rich already in historic tradition, the early chapters of whose story are as full of romance and chivalry as any novel of Sir Walter Scott.

These words from a great Englishman, who was also a lover of French culture, I have never forgotten. I was proud to listen to them and to contemplate the picture they painted of the two partners of Confederation, English and French, forming a great nation. We have walked many roads together; we have done great things together; we have given birth to this nation. We shall be called upon to do greater things in the future, because Canada's destinies are much greater than her past. So let us travel the glorious path of the future together in understanding and amity, with our respective qualities and defects—for neither of us is perfect—and let our friendship and the unity of our country never be disturbed by causes and circumstances that are temporary, to the end that the greatness and happiness of our country may be more permanent.

Hon. ATHANASE DAVID: Honourable senators, I fully appreciate under what circumstances I am rising in this House to-night to state the truth, as I see it, by placing my cards and the cards of the province of Quebec on the table. I do not intend to follow the example that has been set this afternoon and this evening by some honourable members facing us. They tell us this is no time to talk politics, that we must win the war, but they go on to say that the Liberal party and the election campaigns that have been held in Quebec in the last twenty-five years are responsible for the province's mentality as it has been throughout that period and is to-day. That is false. The mentality of Quebec Nationalists was created in 1910, when the election in Drummond-Arthabaska brought forth Perreault, the Liberal candidate, representing Laurier, in opposition to Gilbert, representing Bourassa. According to the honourable senator from Montarville (Hon. Mr. Beaubien), who is a friend of mine, we are supposed to have taught Quebec to despise the British Empire. Well, what were we doing in 1910? We were gathering around the old chieftain, Laurier, who, with a clear vision of the future, was asking the Canadian people to accept as a necessity the creation of a Canadian navy.

And at the same time that the Conservatives of Quebec were making their alliance with the Nationalists of Quebec, another party, the Tories of Ontario, came in to make a triple alliance. I do not intend to be long on this subject, but I want to say that in view of what history teaches, it hurts us to hear some Conservatives, members of Parliament, including even certain senators, contend that if there is any disloyalty in Canada it is the result of Liberal preachings. We shall see a little later what history has to say about this.

While the Conservatives made their alliance in the province of Quebec against the Canadian navy, in Ontario and the West they were fighting Laurier on the question of reciprocity. But let us come back to 1910, which was the beginning of the nationalistic ideas that have

prevailed since. There is no use in not admitting the fact. What happened then? Sir George Foster, one of the most eminent orators Canada ever had, and a statesman—but at certain times a politician—when asked if the Nationalists could expect some financial support from the Conservative party, made this answer: "Surely. Anything to beat Laurier."

That was the time, I say to my honourable friend from Montarville (Hon. Mr. Beaubien), when the Nationalist party was created. And in 1911 the Nationalists of Quebec defeated Laurier. We know the consequences. But before dealing with them, honourable senators, I crave your indulgence to refer to another matter. I shall try to be brief. Nevertheless, if it is your desire that in future there may exist between us of different creeds and languages real unity, it can be based only on one element, which may be a guarantee for the future: it is a knowledge of the history of Canada from the original foundation of Quebec to the establishment of the English domination, and then to the Confederation of to-day.

I know that sometimes, judging from speeches by certain elements who represent only a minority, you are inclined to believe, and in fact are led by your papers to believe, that the French Canadian has no more fidelity to British institutions, no more admiration for English people, and no more desire to retain allegiance to Great Britain. I am not speaking of the Empire. We are to-day as decided in our minds, our hearts and our souls to remain loyal as our ancestors were after 1763. In spite of everything that was done then to discourage them, notwithstanding that appeals were made to them by Washington in 1775, when in his famous proclamation he told French Canadians, "Come with us Americans and be free citizens of America," and notwithstanding that Frenchmen like Rochambault D'Estaing and Lafayette appealed to the habitants in the province of Quebec, they remained loyal. Do not forget it was only sixteen years after the defeat on the Plains of Abraham, when the habitants might have had in their hearts, and could not be blamed for having, a desire to become French again or to get away from evil domination. What did they do? I will let the man of whom you on the other side have reason to be proud, Sir George Etienne Cartier, speak for me. He said:

> But with the disappearance of British power, they too would have disappeared as French Canadians. These historical facts taught that there should be a mutual feeling of gratitude from the French Canadians towards the British, and from the British towards the French Canadians, for our present position, that Canada is still a British colony.

Therefore, in the opinion of Cartier, but for the action of French Canadians in 1775 the British connection would have been broken and British domination on the American continent would have completely disappeared.

I was saying a few minutes ago that sometimes we members of a minority make certain claims. They may strike you as being extravagant, but when you read what, for instance, such a great historian as Macaulay thought of the possibility and at times the necessity of providing for the independence of the British Colonies, why should you be surprised at our aspirations? Here is what Macaulay said:

> The doctrine that the parent State has supreme power over the colonies is not only borne out by authority and by precedent, but will appear, when examined, to be in complete accordance with practice and with policy. During the feeble infancy of colonies independence would be pernicious or rather fatal to them. Undoubtedly as they grow stronger and stronger, it will be wise in the home government to be more and more indulgent. No sensible parent deals with a son of 20 as with a son of 10. Nor will any government not infatuated treat such a province as Canada or Victoria in the way in which it may be proper to treat a little band of emigrants who have just begun to build their huts on a barbarous shore and to whom the protection of the flag of a great nation is indispensably necessary.

Macaulay adds:

> Nevertheless, there cannot really be more than one supreme power in a society. If therefore a time comes at which the Mother Country finds it expedient altogether to abdicate her government authority over a colony, one of two courses ought to be taken. There ought to be complete incorporation if such incorporation be possible. If not, there ought to be complete separation. Very few propositions in politics can be so perfectly demonstrated as this, that parliamentary government cannot be carried on by two really equal and independent parliaments in one empire.

You may ask, "Why are you citing this?" I reply: Only because of this. We in the province of Quebec have never desired, and do not desire for the future, that any decision of the Canadian Government should be influenced as it was in the past by other than the Canadian people, by other mentalities than the Canadian mentality, and by other pride than Canadian pride.

The honourable senator from Montarville (Hon. C. P. Beaubien) said, with great justice, that we were the first in Canada. Our ancestors came to the banks of the St. Lawrence in 1608. Now, may I put this question to honourable members who are not

of the same racial origin? Is it possible for those who, through their families, have been here for only fifty or sixty or at most one hundred years to have exactly the same mentality as those whose ancestors were here three hundred years ago? Do not forget one thing: even under the French regime there was already a Canadian mentality developed on the banks of the St. Lawrence. I go further. Perhaps the cause of the French defeat was that the Canadian mentality had already formed, and that this led to indecision in an army composed of Canadian soldiers and French soldiers.

There is no one who has greater admiration for British parliamentary institutions than your humble servant. But when we hear all the time, "You were given privileges—there is no minority that has ever been treated as you have been—never has a minority been conceded as much as you have been," I say, "Please do not go so fast." True, in the treaty we obtained magnificent concessions from England, but if those who came here later could have had their will those concessions would have been taken away from us inside of twenty years. In support of my statement let me quote Murray, writing in October, 1764, as appears in volume 261 of the Canadian Archives. He said:

> Nothing will satisfy the licentious fanatics trading here but the expulsion of the Canadians, who are perhaps the bravest and the best race upon the globe.

Again, writing to Lord Eglinton, October 27, 1764, he said:

> I could not be prevailed upon to persecute His Majesty's Roman Catholic subjects in Canada. I displeased the little Protestant traders, who are Quakers, Puritans, Anabaptists, Presbyterians. Atheists, Infidels, and even Jews joined in protesting against any consideration being paid to the poor French Canadians.

Carleton, writing to Shelburne on the 25th of November, 1767—again I am quoting from Canadian Archives—said:

> We should deceive ourselves by supposing they (Seigneurs Canadiens) would be active in the defence of a people (Anglais) that has deprived them of their honours, privileges, profits and laws, and in their stead has introduced much expense, chicanery, and confusion with a deluge of new laws unknown and unpublished.

It may be too bad, honourable senators, but in Quebec we read our history. It may be too bad, but what even English diplomats and statesmen said of the colony in the past is known to us. We know exactly, for instance, what Disraeli thought of "these wretched colonies." In 1852, writing to Lord Malmesbury, he said:

> These wretched colonies will all be independent in a few years, and are a millstone round our necks. If I were you I would push matters with Filmore and make an honourable and speedy settlement.

Cornwall Lewis, the Minister of War in 1862, said in the House of Commons:

> I for one can only say that I look forward without apprehension, and I may add without regret, to the time when Canada may become independent.

Robert Lowe, in 1872, upon the nomination of Lord Dufferin as Governor General for Canada, said, as is to be found in the Life of Marquis Dufferin and Ava, by Sir A. Lyall, volume one, page 286:

> Now, you ought to make it your business to get rid of the Dominion.

This brings me back to one of the assertions I made at the beginning of my remarks. You cannot expect from the Canadians of the province of Quebec the same kind of attachment that you may have for what you call the British Empire—what we, with great reverence and respect, call Great Britain.

Now let us go a little further. You may see that all along our national career we were directed by one quality that I claim for my people, namely, logic. When we saw in England a good disposition, upon which we thought we could depend, we felt assured that the guarantee of what were close to our hearts and souls—our religion, our language, our laws and traditions—would be respected by Great Britain. After the cession to Great Britain by the French, every time Canada was attacked or even only menaced, the Canadian peasant immediately and voluntarily took up his musket for the defence of what was his only motherland. He did it despite the appeals of Washington, Lafayette and Rochambault. He repulsed Montgomery on the rocks of Quebec, and he repelled Arnold in his attack against Canada.

In 1812 there was again an attack against Canada. And who defended and kept Canada for the British Crown? It was deSalaberry and his volunteers who went to meet the Americans and who won the battle that made them glorious throughout history.

Only twenty-five years after that—and I know this is a subject that has very often been discussed in the papers, and particularly in clubs—the Canadians from Quebec and from Ontario thought, as has since been proved in many ways, that they were ill-treated by a governor who did not want to recognize

ministerial responsibility, and who was taking money from the treasury without the approval of the ministers or the Government. In 1837 there was an uprising in the province of Quebec. There was also one in Ontario. Now, who better could judge of the situation then than those who were near to the men who have been called "rebels," and whom we now call "patriots"? Lord Dufferin entirely disapproved of the rebellion—he could not do otherwise, and I do not blame him—but he said it would have been most extraordinary if a people like the Canadian people—Canadians of French descent, and of English descent, mind you—had not resented the slight put upon them by the neglect to ask permission to withdraw the moneys.

As I said before, I do not like to take up so much time with my citations, but I believe some of them are quite necessary.

Justin McCarthy, in his Modern England, published in 1899, says at page 81 of volume two:

> Many men of mark and of great popular influence found themselves so far in sympathy with the rebels that at least they regarded the rebellion as the inevitable result of an indefensible system.

Sir Charles Dilke, in his Problems of Great Britain, says at page 29:

> Papineau's rebellion—

I ask honourable senators of English descent to ponder and weigh these words.

> Papineau's rebellion of 1837 won for Canada the constitution of 1841, by which she obtained home rule.

Joe Chamberlain, the founder of Imperialism, said in the House of Commons on the 30th of January, 1902:

> The Canadians had great grievances. There was justification, or at least an excuse, for the conduct of the rebels.

The Edinburgh Review of January, 1907, said:

> British arrogance had much to answer for in provoking and increasing discontent.

Again Justin McCarthy, in volume one, at page 51, in the chapter on Canada and Lord Durham, said:

> When he—

that is the Governor—

> —was accused of having gone beyond the law, he asked with a scorn not wholly unreasonable: "What are the constitutional principles remaining in force where the whole constitution is suspended? What principle of the British constitution holds good in a country where the people's money is taken from them without the people's consent; where representative government is annihilated, where martial law has been the law of the land, and where trial by jury exists only to defeat the ends of justice and to provoke the righteous scorn and indignation of the community?"

And again, at page 52 of volume one:

> Durham declared openly that he did not think it right to send to an ordinary penal settlement, and thus brand with infamy, men whom the public feeling of the colony entirely approved, and whose cause, until they broke into rebellion, had far more of right on its side than the authority they complained of could claim to possess.

To show you, honourable senators, how in a time of crisis even minds that are ordinarily the clearest may become obscured, I should like to read a passage published in the Montreal Herald in November, 1838. This will indicate that a crisis, whether it occurs in 1837, 1917 or in 1942, always produces certain similar results. What I have before me is a French translation, for I was not able to find the original, and I shall endeavour to put it into English as I go along.

> To have tranquillity we must have solitude. Let us sweep the Canadians from the face of the earth. Sunday evening the whole country behind Laprairie presented the awful spectacle of a large area of livid flame, and it is reported that not a single rebel house has been left standing. God knows what will happen during the coming winter to the Canadians who have not perished, and their wives and families, for they are faced with nothing but the horrors of the cold and of hunger. It is sad to look upon the terrible consequences of rebellion and the irreparable ruin of so many human beings, whether innocent or guilty. Nevertheless, the authority of the law must be maintained. The integrity of the Empire must be respected, and peace and prosperity must be assured to the English, even at the cost of the existence of the whole French Canadian race.

Hon. Mr. MacLENNAN: That is crazy.

Hon. Mr. DAVID: It is crazy. That is the point.

On the 19th of November, 1838, the editor of the Herald wrote this:

> The new scaffold made by Mr. Bronsdon will, we believe, be erected to-day in front of the jail. So the rebels in their cells will enjoy a sight which, without doubt, will have the effect of producing for them deep slumber with disagreeable dreams. Six or seven of them could easily be placed on the scaffold at one time, and in case of necessity room could be made for a much larger number.

In ordinary times, honourable senators, I would never mention these things. I now pass on to some eleven years later, to 1849, when what might have developed into a real tragedy for the British Empire was organized in Lower Canada, more particularly in the city of Montreal. This was only nine years after Upper and Lower Canada had become the Union of Canada. We always contend that the wishes of the majority should prevail. What happened in 1840? Lower Canada had a population of 650,000, as compared with 450,000 in Upper Canada. In other words,

Lower Canada had a majority of 200,000. Yet equal representation was imposed. The debt of Upper Canada was £1,200,000, and that of Lower Canada was £95,000. In Upper Canada the annual interest on the debt was £56,000, the revenue was £60,000 and the deficit was £75,000. Despite the protests of Lower Canada, union was imposed upon it on unfair terms. Well, I say with all due respect, there was a confirmation for once of the sovereignty of a minority.

Nine years later, when Lower Canada had, I believe, a right to complain of the treatment it had received, the annexation movement was created. That movement, which brought under its banner some of the most important men in Montreal, had as its cause the refusal of Great Britain to grant a protective tariff on Canadian imports. Now, honourable senators, I will leave it to two professors to speak. I quote from a work entitled, "Annexation, Preferential Trade and Reciprocity," by Cephas D. Allin, Assistant Professor of Political Science in the University of Minnesota, and George M. Jones, English and History Master, Humberside Collegiate Institute, Toronto:

> That very party, who had always pretended to such extraordinary loyalty and affection for the mother country, now, when they feared that some measure was to be adopted hurtful to their pecuniary interest, turned round, as he (Mr. Roebuck) had told them they would, and threatened them with annexation to America. It was not the people of Canada, whom they had deprived of all they held dear,—it was not the Lower Canadian French population who talked of annexation to America. It was the English, Scotch and Irish merchants, who had embarked their capital in a favoured trade, supported as they believed by protective duties; and who, the moment it was proposed to do justice to the people of the country by the adoption of free trade, threatened this country with republicanism and annexation.

The famous manifesto was signed by many prominent persons, one of whom, J. J. C. Abbott, later became Prime Minister of Canada. Others included Robert Mackay, one of the gracious former citizens of whom Montreal is very proud; Mr. J. Rose, afterwards Sir John Rose, Minister of Finance in Sir John A. Macdonald's Cabinet; John Redpath; John and David Torrance; Robert Jones, a prominent Conservative politician and member of the Legislative Assembly; Jacob Dewitt and Benjamin Holmes, John and William Molson; D. L. MacPherson, who afterwards became Lieutenant-Governor of Ontario; and L. H. Halton, later a member of the Mackenzie Administration. But let us come to the reasons why the annexation movement did not succeed. Professors Allin and Jones say:

> Among the chief factors in defeating the annexation movement in Lower Canada was the loyalty of the bulk of the French population. Lord Elgin had keenly realized the importance of cultivating the friendship of the French Canadians. In an early letter to the Colonial Secretary he expressed the opinion that "the sentiment of French Canadian nationality, which Papineau endeavours to pervert to purposes of faction, may yet perhaps, if properly improved, furnish the best remaining security against annexation to the United States.

I pause there. A little further on the authors say:

> The loyalty of the Catholic clergy, and the devotion of their simple parishioners, saved the day for the British connection.

I pray you to note that that was the third time the French Canadians saved the British connection.

In 1939 war was declared—

Hon. Mr. HAIG: By whom?

Hon. Mr. DAVID: The world was at war, if you like.

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

Hon. Mr. DAVID: Yes, certainly.

Hon. Mr. HAIG: Who declared war in this country?

Hon. Mr. DAVID: The Canadian Government.

Hon. Mr. HAIG: No. I think the Parliament of Canada declared war.

Hon. Mr. DAVID: The Parliament of Canada. I beg your pardon. It was just an error in terms.

In 1939 there was an election in the province of Quebec. The Liberal party—honourable senators need not be afraid that I am going to talk politics—the Liberal party, both through its federal and its provincial representatives, made the fight against the Union Government of the day on what question? On participation in the war. Messrs. Lapointe, Cardin, Dandurand and Power declared that if the verdict of the province of Quebec was against participation in the war, they would resign their seats in Parliament.

Hon. C. P. BEAUBIEN: That is right.

Hon. Mr. DAVID: What was the result of this appeal to the province? I think I am exact in stating that out of ninety seats the Liberal party won seventy-nine.

Hon. Mr. HOWARD: That is right.

Hon. Mr. DAVID: In 1940 the federal election was fought on exactly the same grounds, but at the last moment a new argument was brought in by the leaders of all parties: war to the end, help to the utmost; but it was

stated that there would not be conscription at any time, for any reason. Dr. Manion, for whom I have the greatest respect, himself declared that conscription in the last war had been a fatal error. The leaders of all parties took exactly the same stand.

Well, to all who have eyes to see and ears to hear we have proven our desire to make common cause with our brothers in the other provinces in full participation in this war. Yet, because we cannot agree with the majority on one question, compulsion, we are branded as traitors. As I understand it, a traitor is one who for either political or financial consideration is ready to deliver his country to another power. According to Messrs. Allin and Jones, we saved the day for the British connection in America. Yet here is what one editor wrote not long ago, under the heading, "54 were traitors":

When second reading of the Bill to amend the National Resources Mobilization Act—an amendment to permit the conscription of Canadian man-power for service overseas—was passed in the House of Commons last night, 46 Quebec Liberals, two Quebec Independents and six C.C.F. members voted against it.

It is hard to believe there are that many traitors in the country.

Hon. Mr. PATERSON: Who wrote that?

Hon. Mr. DAVID: That was an editorial in the Edmonton Bulletin of July 8, 1942.

Now, would the person who uttered the following words in October of 1938 be termed a traitor?

The Labor party in Australia is opposed in principle and in practice to Australians being recruited as soldiers for the battle-fields of Europe. We believe that the best service which Australia can render to the British Empire is to attend to its own business, to make certain that we manage Australia effectively, so that we shall have the necessary population and be able to rely upon ourselves in the event of an emergency.

To-day he is Prime Minister of Australia. Are Australians traitors because they have voted against conscription? Are New Zealanders traitors because they have voted against compulsion? Is Ulster, which has no compulsion, composed of traitors? Is South Africa composed of traitors because it voted against conscription? But I suppose it is better to put this aside, for probably it is written under the stress of pessimism, or maybe a certain trace of Imperialism or Colonialism remains in the minds of such Canadians.

It is true that Nationalists have been active in a certain part of Quebec during the past twenty-five years. But I know also men of repute for whom the Canadian people have great admiration, men who have played a prominent part, first in the Army and then in politics. It is not for the purpose of attacking the honourable gentleman if to-night, for the second time, I think, in three years—on the first occasion the citation was given by another member—I refer to the words of the honourable senator from Vancouver (Hon. Mr. McRae) to show how in time of peace we can judge with calm and give very good advice.

Hon. Mr. LACASSE: Hear, hear.

Hon. Mr. DAVID: But as soon as a crisis comes everything is different; calm is gone. I will not say reason wholly disappears, but it does in part, and enthusiasm takes its place. The declaration itself is not as striking as the reason given for it. I pass over the opening paragraph, if my honourable friend will allow me, and come to this part:

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—

"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.

An Hon. SENATOR: What year?

Hon. Mr. DAVID: 1934. But what I have read is a reference made to the speech in the session of 1940. It will be found in the Debates of the Senate at page 80. In answer to one of our honourable friends, this is what the senator said:

Of course, I have changed my mind.

Hon. Mr. McRAE: I am not denying that. But who said, "I have changed my mind"? You had better refer directly to my address in Hansard. I admit every word of it, but I do not want it quoted from somebody else's speech. I intend to reply.

Hon. Mr. DAVID: At page 81 of the Debates of the Senate I find the following:

Hon. A. D. McRae: Honourable members,—

Hon. Mr. McRAE: What year?

Hon. Mr. DAVID: 1940, May 29, first column, page 81.

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.

Hon. Mr. McRAE: That is after the war began.

Hon. Mr. DAVID: Now you remember it?

Hon. Mr. McRAE: Yes. It is all right.

Hon. Mr. DAVID: Let me continue the quotation:

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 their wildest stretch of the imagination could visualize the situation in which the world finds itself to-day? Conditions have changed.

I do not think the worse of any man who changes his mind, but I like better the man who bases his declaration on reason and logic, so as not to have to change his mind. And that is Quebec.

Hon. Mr. MacLENNAN: They possibly should.

Hon. Mr. DAVID: I will come to that. That is the kind of interruption I like. Honourable members will recall that one of the first causes—may I call it?—of retraction in the province of Quebec was the war against South Africa. I do not know the opinion of honourable members, but I have met many of your compatriots who say that that was an error on the part of Great Britain. And it is quite easy to understand that we did not very much like the idea of a war against a little people, a minority. But let that pass. I come just for a few minutes to the question as it stands to-day. In 1918 this motion was presented before the Quebec Legislature to allow the opinions of its members to be placed before the Canadian people:

That this House is of opinion that the province of Quebec would be disposed to accept the breaking of the Confederation Pact of 1867 if, in the other provinces, it is believed that she is an obstacle to the union, progress and development of Canada.

It is not a very dangerous motion. As a matter of fact it was withdrawn by the proposer, Mr. Francœur, without any vote. On this motion my honourable friend from Rigaud (Hon. Mr. Sauvé), who was then, I believe, leader of the Opposition in the local House, made a very good speech, which I find at page 34 of this Hansard. He said:

The number of requests for military exemption as well as the number of those who refuse to respond to the call of the military authorities proves that of all the provinces, Quebec has obeyed the law the best. Here is a table of official figures in support of my statement, a table furnished by the Director of Information, an officer of the Government:

Bachelors Between 20 and 34 Years

Quebec

Called	Reported	P.C.	Failed to report	P.C.
123.831	117.104	95	6,727	5

I could take any one of the other provinces, but I suppose Ontario is the most interesting—the most loyal.

Ontario

Called	Reported	P.C.	Failed to report	P.C.
201,400	125,750	62	75,650	38

Hon. Mr. HORNER: Is it not a fact that several of the men who received calls had passed away in battle, and others were fighting in England and in Libya?

Hon. Mr. DAVID: I am speaking of the war of 1914-18.

Hon. Mr. HAIG: My honourable friend from Saskatchewan North raised a question, thinking you were speaking of the present war.

Hon. Mr. DAVID: Oh, no.

Hon. Mr. HAIG: One moment, please. You were speaking of 1914-18.

Hon. Mr. DAVID: Yes.

Hon. Mr. HAIG: But he raised a question which I would suggest you inquire into, namely—

An Hon. SENATOR: That is not a question.

Hon. Mr. DAVID: Give him a chance. He never speaks.

Hon. Mr. HAIG: If honourable members on the other side want to play politics, it is O.K. with me.

Hon. Mr. DAVID: Go ahead.

Hon. Mr. HAIG: During the last war there was a situation similar to that which exists to-day, and that is what my honourable friend (Hon. Mr. Horner) was driving at. Volunteers did not respond to the call because they were already in the Army. That is the answer.

Hon. Mr. DAVID: It is a pity I have only the 1917 figures.

Hon. Mr. HAIG: I say the same thing applies now.

Hon. Mr. DAVID: In Quebec the percentage of those who reported was 95, while in Ontario it was 62. In Quebec the percentage of those who failed to report was 5, while in Ontario it was 38. If he likes I will take the figures for Alberta. In Alberta 53,979 were called, 28,105 reported, or 54 per cent; in Quebec 95 per cent. In Alberta, 25,874, or 46 per cent failed to report; in Quebec only 5 per cent. Maybe my honourable friend from Rigaud—

Hon. Mr. HAIG: Let me give you the answer. This week in the city of Toronto a

young man of 26 was called and did not report. He was killed on December 12 fighting in Europe.

Hon. Mr. COPP: That is only one.

Hon. Mr. HAIG: There have been twenty-five cases in the city of Winnipeg in the last two months. Those men were called, but they had died in Europe fighting for Canada. My own boy was called up six months after he joined the Air Force. The notice contained a warning that if he did not report he would be treated as a deserter. Such cases account for many of the failures to report in 1917.

Hon. Mr. BALLANTYNE: Are the figures quoted from the Militia Department?

Hon. Mr. DAVID: They were cited by the then leader of the Opposition in the Legislature of Quebec, who was Mr. Sauvé.

Hon. Mr. BALLANTYNE: But Hon. Mr. Sauvé got them from the Militia Department?

Hon. Mr. DAVID: Here is a table of official figures in support of my statement.

Hon. Mr. BALLANTYNE: From where?

Hon. Mr. DAVID: "A table furnished by the Director of Information, an officer of the Government."

Hon. Mr. BALLANTYNE: But that is not the Militia Department.

Hon. Mr. DAVID: I do not know. I am taking the statement of my honourable friend.

Now, so far as the bringing in of conscription is concerned, my very good friend from Montarville (Hon. Mr. Beaubien) this afternoon said that a beautiful letter had been written in 1917 by Archbishop Monseigneur Bruchesi. Yes, I remember, it was a beautiful letter. It was written after the Prime Minister of the time had declared that national registration would never mean conscription for the country. After the Minister of Justice, Honourable Charles Doherty, had gone and seen the Archbishop and given his word of honour, Monseigneur Bruchesi tried to convince everyone who registered that it did not mean conscription. It was done the same way in this case. We do not object. Nobody objected to national registration, but the consequence of it is that to-day we have conscription.

This afternoon I listened with reverence to the words of wisdom of a historian respected not only in our province, not only in this country, but in every place where history is read. The honourable senator from Grandville (Hon. Sir Thomas Chapais) declared that in his opinion conscription was unnecessary and inefficient. This afternoon I also heard 60,000 mentioned as the number who were recruited or drafted under the Military Service Act. I have a pretty clear recollection that when the discussion took place in the House of Commons the leader of the Opposition, Mr. Manion, declared that conscription was a fatal error, and that the number of conscripts then mentioned—I will verify this, though I am pretty certain—was 10,000. Also, I have the opinion of a general of the army that not 1,000 conscripts ever went to the front.

Hon. Mr. BALLANTYNE: Nonsense.

Hon. Mr. DAVID: When we see the effort that is being made in every province, I would ask in virtue of what principle you want the word "conscription" to come into our laws. It is not a question of effectiveness. The word "conscription" must be there. Conscription against whom? Is it for Canada or is it against somebody, some province or some group?

You have heard the figures given by the honourable senator from Grandville. What strikes me is this, that instead of criticizing what has been done in Canada, instead of saying that we are not doing enough, we should take the attitude that was taken by a very good English lawyer only last Saturday in speaking of all the United Nations—that no other country is doing as much in proportion as Canada has been doing in the last three years.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DAVID: Why not be proud of our efforts? Why not be proud of our Army, our Navy and our Air Force?

An Hon. SENATOR: Politics!

Hon. Mr. DAVID: But no; our soldiers are doing nothing, our Naval Service is no good, our aviators are worth nothing, and our production of tanks and corvettes is valueless.

Hon. Mr. McRAE: Honourable senators, I do not think the statement should go on record that this House or any member of it has not the greatest enthusiasm for and confidence in our Army, our Navy, and our Air Force, which is one of the grandest in the service of the Allies. I should not like that statement to go on the record uncontradicted. It is not true.

Hon. Mr. BALLANTYNE: And if my honourable friend will permit me, may I say that I should not like it to go on the record that only 10,000 men were sent to England under the Military Service Act. We had an army

corps of 80,000 men. There were 20,000 men in a division, which consisted of four brigades. The loss of man-power was so great that the number of brigades to a division had to be reduced from four to three. Notwithstanding the heavy casualties, Canada kept her divisions fully up to strength; and we had reserves besides. In other words, we stood by our men.

Hon. Mr. COPP: I would ask if the 80,000 came into the army through conscription.

Hon. Mr. BALLANTYNE: Oh, no.

Hon. Mr. DAVID: Surely the honourable senator is in a position to know. Probably the memory of Mr. Manion was not very good.

Hon. Mr. BALLANTYNE: He was not in the Government then.

Hon. Mr. DAVID: No, but if you look at the 1939 Hansard of the House of Commons, Volume III, pages 2440 and 2441, you will find that that is where the allusion is made to the number of men who went to the front.

Now, to come back. Monseigneur Bruchesi wrote the letter that he was asked to write; but the honourable member from Montarville did not say what happened to his health after conscription was adopted.

Hon. C. P. BEAUBIEN: If the honourable senator would allow me: Monseigneur Bruchesi made a series of speeches, and there were none finer during the war.

Hon. Mr. DAVID: Now, is it the business of the Senate to intervene in such a law? May I cite the opinion of men like Cauchon, Cartier and Macdonald.

We ought,—

said Cauchon,

—to place in the Constitution a counterpoise to prevent any party legislation, and to moderate the precipitancy of any government which might be disposed to move too fast and go too far—I mean a legislative body able to protect the people against itself and against the encroachment of power.

Cartier declared:

The weak point in democratic institutions is the leaving of all power in the hands of the popular element. The history of the past proves this to be an evil. In order that institutions may be stable and work harmoniously, there must be a power of resistance to oppose the democratic element.

Macdonald said:

There would be no use of an Upper House if it did not exercise, when it thought proper, the right of opposing or amending or postponing the legislation of the Lower House. It would be no value whatever were it a mere chamber for registering the decrees of the Lower House. It must be an independent House, having a free action of its own, for it is only valuable as being a regulating body, calmly considering the legislation initiated by the popular branch, and preventing any hasty or ill-considered legislation which may come from that body.

I believe, as does the honourable senator from Grandville (Hon. Sir Thomas Chapais), that we are making a very great effort, an effort which is bringing on the citizens of Canada such a burden that misery has entered into homes where formerly there was comfort.

With a population of 11,500,000, we have an Active Army of 320,000, half of whom are in England. We have an Air Force of 115,000 men, with 22 squadrons overseas. We have a Navy of 36,000 men. This makes a total of 471,000 in the active forces. We have a reserve of 130,000 men, plus 1,100 naval reserves. These figures make a total of 602,100.

We have employed in war industry 50,000 who are engaged in the production of aeroplanes and equipment, 60,000 in maritime construction, 45,000 in the production of chemicals, and 67,000 who are producing tanks. The total is 222,000.

The number of unemployed in Canada is less than 70,000, including men and women of all ages.

It would seem, therefore, that we have drafted into the armed forces and into industry about all who can be drafted. To equal the effort of Canada—I do not say this for the purpose of reproaching our neighbours, but just that we may appreciate our own effort—to equal the effort of Canada, the United States, with a population of 135,000,000, should have 8,988,000 men under arms.

Our effort is such that to-day there is a reaction. Is it in the province of Quebec? Not at all. It is in Toronto. If you read the Financial Post of July 25, what will you find? Here is what it says:

One manpower boss answer to new crisis? End of voluntary system in army and industry possible result of Cabinet battle. Big army vs. big production controversy still unsettled.

Then:

The breakdown will come, in the view of competent observers, because of the impossible demand for 60,000 draftees which the Army is making in July, August and September. In some quarters it is openly averred that the Army and Defence officials are making a deliberate attempt to force the issue . . .

It is not denied that given time and more orderly selective machinery, the heavy and accelerated Army demand might be met. But coming at a time when the three armed services are openly competing for man-power in the recruiting depots; when industry is still scrambling for men to man the production lines; when at least 150,000 men will be urgently needed on Canadian farms to meet the mid-August peak and garner in the prospective bumper crops, it is felt that there is little more than the proverbial snowball's chance of the draft demand being met.

The paper in which that appeared is not a Liberal nor a French Canadian journal. It is published, not in the province of Quebec, but at Toronto. It is loyal to the Crown, and, I am sure, devoted to the interests of the British Empire.

My closing words will be a quotation from a letter I received not long ago:

In the Field.
Canadian Army Overseas.
20th June, 1942.

It is moving in the extreme to be kept in touch with currents of thoughts which are running so strongly at the moment in Quebec, encouraging to note that free discussion—in the defence of which we are over here—has not died in our beloved province.

I may say here that the writer is not a French Canadian, nor a Catholic. He is a Captain, of Scotch descent and of the Presbyterian creed, serving in an English regiment. He goes on:

I hope you will not misunderstand me when I say I was surprised and a little hurt when I learned you had made a radio address in support of a "Yes" vote in the recent plebiscite. I feel sure there is one aspect of the Quebec situation which has been overlooked consistently, both in Ottawa and in enlightened circles in our province. More than a year ago I wrote of this to English-speaking friends in Ottawa. But it has yet to be given proper consideration.

It is this: Canada is the only place left in the world where men and women are still free to decide where they will fit in in the picture of their country's war effort. I feel very strongly that the principle of voluntary military service, though it has been forgotten almost universally, is still a great human principle which Canada, at least, ought to maintain.

I advocate it with confidence and with energy because I know the results which were obtained last summer in M.D. 5 when wise, understanding men were in charge of recruiting in that area. That was before the recruiting organization became political, of course . . . And I know perfectly well that if the people of all nationalities, languages and religions in Canada are informed, honestly and respectfully, of what our Dominion is doing, seeking to do and hoping to do, the response by the voluntary method will be overwhelming.

I regret to say that our Federal leaders have shown a shocking reluctance to lead the country in this war. They have fed the people stilted, superficial, timid public information based on the artificial commercialized techniques of advertising agencies and railway publicity. They have given the job of recruiting to men who were never overseas and never intend to go. The methods used over the radio and in meetings have lacked respectfulness, gravity and intelligence. Above all, they have shown a shameful lack of understanding of the hearts and minds of ordinary men and women.

War is a matter of agonizing sacrifice, humiliating self-abnegation, exquisite pain and, at times, of stark terror. I feel very earnestly that only men of profound character, who feel the full impact of this war and its meaning, should be charged with the awful task of laying its causes and requirements before our people. It is time the Government forgot services rendered in political campaigns and studied the human motives and spiritual fitness of its agents in going to the people with the story of our needs.

French Canadians, as I need not tell you, are serious people who require to know what they are to do and why they are called upon to do it. I know the sons of French Canada in the regiments overseas, and I tell you they are the finest soldiers Canada has. They are not here from a spirit of adventure and bravado, they are here with the full knowledge that they are offering their lives for a great principle. They came across the Atlantic with their heads high and the sure knowledge in their hearts that sooner or later they must walk a via dolorosa so that others at home might not suffer the bestialities of Hitlerism.

The leaders of Canada owe it to the men over here to raise our reinforcements by the same serious methods which brought us. They have no right to cover their terrible errors of oversight, indolence and political favoritism from the ugly, lazy, coward's "out" of compulsion. If voluntary enlistment has failed—and none of us here believe it has—then it is not the fault of the Canadian people, but of Canada's self-styled leaders.

Enlistment and active service can be matters only of deep, serious feeling and careful thought. No human beings who are not going to fight themselves have any moral or ethical right to force others to go. But they do have the moral and ethical duty of helping men and women to reach a brave decision voluntarily. This has not been done. And until it is done, no loyalty or approval can be expected from us here for those who have never taken and apparently are determined not to take the trouble to understand what we are fighting for and why we are fighting for it.

Hon. Mr. HOWARD moved the adjournment of the debate.

Hon. Mr. MURDOCK: May I ask the honourable senator from Sorel (Hon. Mr. David) who wrote that letter?

Hon. Mr. DAVID: I think it would be improper for me to disclose the name of the writer here. I shall be glad to give it to my honourable friend in confidence.

Hon. C. P. BEAUBIEN: May I ask the honourable gentleman a question, without offending him? Notwithstanding all he has said, does he himself think it is perfectly fair to leave the whole weight of the war on the shoulders of those whose devotion to our cause is such that they enlist voluntarily?

The Hon. the SPEAKER: Honourable senators, it has been moved and seconded that the debate be adjourned.

Hon. Mr. DAVID: I shall answer my honourable friend to-morrow.

The debate was adjourned.

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

THE SENATE

Tuesday, July 28, 1942.

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

Prayers and routine proceedings.

NATIONAL RESOURCES MOBILIZATION ACT—FARMERS' SONS

INQUIRY

On the Orders of the Day:

Hon. Mr. SAUVE: Before the Orders of the Day are called, may I ask the honourable leader of the Government if it would be possible for me to get an answer to inquiry No. 2 before the end of the session—or the end of the year?

Hon. Mr. KING: I hope to table the answer to-morrow.

Hon. Mr. SAUVE: Thank you.

CUSTOMS TARIFF AMENDMENT BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 111, an Act to amend the Customs Tariff.

He said: Honourable senators, the budget proposals submitted to Parliament contain two tariff resolutions, one affecting a number of items in Schedule A to the Customs Tariff and the other increasing the amount of additional duties of customs payable on imports of alcoholic beverages.

The items covering prepared or preserved vegetables, orange juice, grapefruit juice and silicate of soda are amended to facilitate administration.

The tariff is eliminated on crude cotton seed oil for canning fish, on magnesium scrap, on fuel injection pumps and nozzles for diesel and semi-diesel engines, on braided wick for the manufacture of wax candles or tapers, on net floats of cellulose acetate, on bats, hillers and plate setters for saggars and on resin or rosin in bags containing less than one hundred pounds.

A new item is established in the Customs Tariff to provide for duty-free entry from all countries of machinery and apparatus for operating oil-sands by mining operations and for extracting oil from the sands so mined. Provision is also made for duty-free entry of complete parts of the foregoing.

The tariff on rubber tired dump wagons or trailers having a capacity of 10 cubic yards or over is substantially reduced. Provision is also made for reduced rates on diesel switching locomotives of a class or kind not made in Canada, on semi-finished piston castings of any material, on pins specially designed for marking systems, on non-elastic woven fabric for the manufacture of abdominal supporters and spinal braces, on mouthpieces, screws, and wood bowls (other than briarwood) for use in the manufacture of tobacco pipes, on glass tubing for use in the manufacture of vials and ampoules, and on belting, n.o.p.

The wording of the tariff items covering certain parts used in the manufacture of motor trucks, motor buses, including chassis for the foregoing is modified to accord the same tariff treatment to unfinished parts as to complete parts and to permit the importation by other than actual manufacturers.

The additional duty on imports of whisky, brandy, rum, gin, and all other spirituous liquors is increased from $3 to $5 per proof gallon. The additional duty on imported wines of all kinds, except sparkling wines containing not more than forty per cent of proof spirit, is increased from 32½ cents per gallon to 42½ cents per gallon; the additional duty on imports of champagne and all other sparkling wines is increased from $1.25 to $1.75 per gallon; and the additional duty on imported ale, beer, porter and stout is increased from 9 cents to 30 cents per gallon. The actual increase under the present Budget is 9 cents per gallon. The former duty of 12 cents per gallon assessed under the Excise Act is now transferred to the Customs Tariff.

With this, which I think is a fair explanation of the items contained in this Bill, I move the second reading.

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

THIRD READING

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

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

NATIONAL RESOURCES MOBILIZATION BILL

SECOND READING—DEBATE CONTINUED

The Senate resumed from yesterday the debate on the motion for the second reading of Bill 80, an Act to amend The National Resources Mobilization Act, 1940.

Hon. C. B. HOWARD (Translation): Honourable senators, as this is the first occasion I have had to address the House since being called to the Senate, I hope I may be permitted to say a few words in French.

First of all, may I congratulate our Speaker on the dignified manner in which he directs the proceedings of this House. Great Canadians have presided before him, but none has done so with more dignity.

I also wish to congratulate my old friend the honourable senator from Kootenay East (Hon. Mr. King) on his appointment as Government leader in this House. The honourable gentleman has taken part in many political contests and was one of the first friends I made after my election to the House of Commons in 1925. He well deserves this new honour.

I am also proud of the fact that another of my old friends, the honourable senator from Alma (Hon. Mr. Ballantyne), has been chosen as leader of the opposition. He is from the province of Quebec. Businessman as well as politician, he has already shown all his gentlemanly qualities in the leadership of his party. I congratulate him on this honour, which he has not sought, but which is well deserved.

Having had the honour of representing the constituency of Sherbrooke during eighteen sessions, I wish to thank my former electors, 80 per cent of whom were French Canadians, for the loyal support they have always given me. I have never failed them, and to-day, if I speak as I am going to do in a few moments, it is because I wish to take a stand which I consider in the best interests of our country, and not because I forsake the principles I have always cherished.

(Text) Honourable senators, I do not wish to delay the House very long, but, considering the serious situation our country is in, I think I should say what I am going to say. Canada's position in world affairs has entirely changed in the last century. From a colony we became a Dominion. From a Dominion we became a full-fledged nation, partners in a world war, standing shoulder to shoulder with our Allies, fighting for our very existence and fighting for the first time Canada's own war. We have made many mistakes since the declaration of war in September, 1939, but we have accomplished many things. I do not wish to underline the mistakes we have made, but I do wish to say a few words about what we have accomplished.

I pay my respects to Britain. I bow to the British for their doggedness during the first year of German bombing, and I bow to them for their tenacity after Dunkirk. Words fail me to express my sympathy for France, Belgium, and the fifteen other nations now under the heel of Germany, slaves to Hitler. Words fail me to express also my admiration for the United States, Australia, New Zealand, South Africa, China and Russia. But I stand with my head up, as all honourable senators do, Commoners may and Canadians must when we say, without boasting, that no country in the world with our size of population has done so much in so short a time as Canada has.

Let us review for a few moments the history of the progress of the war. When first we became partners in this war we were asked to supply the necessary pilots in order that Britain might as quickly as possible gain mastery in the air. Without prejudice I say to honourable senators to-day: just think of what Canada has done to accomplish that result. Everybody admits it. In the United States, in Britain, in all our Allied countries, Canada, though the youngest, is recognized as having developed in a very short time an Empire Air Training Scheme that has supplied pilots to such an extent that the Allies to-day are admitted to have supremacy in the air over their enemies.

The second request was that we protect the trade route, the life-line, between North America and England. What have we accomplished in that respect? I shall not take the time of the House to pay tribute to our Navy, although it seems to me we ought to do so every time we speak of the boys from the homes and offices of Canada who before this war knew nothing about the Navy. As was said to me the other day by the Commander of the Canadian corvette Sherbrooke, people have been staggered by the marvellous conduct of the merchant marine captains and the young Canadian boys in charge of corvettes, mine-sweepers and the other vessels convoying our merchant ships.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HOWARD: It is true that to-day we are being assisted by the naval forces of the United States. We have always been assisted by the British Navy. But when the history of this war is written we shall certainly get credit for having done most valuable work in connection with this service.

There is no doubt that at the beginning of hostilities Britain thought she would be able to finance the war by the excess profits of her manufacturing industries and her export business. But under the terrific bombing of their industrial areas the British authorities realized that production could not be increased; on the contrary, they were convinced that production would decrease. So they turned again to Canada and asked us to supply aeroplanes, tanks, munitions, chemicals and all the other things required for a fighting army. My honourable leader (Hon. Mr.

King) gave us yesterday a splendid picture of what has been accomplished. I do not intend to enlarge on it, but I would point out to honourable members that at the outbreak of war we had in Canada only the automobile industry equipped for war work. Let me go further. The automobile industry, by its production and shipment of motor transports at a rate never heard of before, is one of the reasons why we held Libya during the first German rush. My honourable friend the leader opposite shakes his head. I mean to say that was the only industry absolutely ready for war production. I will turn to the steel and other industries in a minute.

All honourable senators will remember a new industry started in Ontario to manufacture the Bren gun. I think I am not giving away any of the secrets which I have here from the Department of Munitions and Supply when I say that the production of Bren guns is beyond anything we ever dreamed of, although during the start of that undertaking about six months' delay was caused by the criticisms of Colonel George Drew. When I think of what is going on in another House at the present time, I wonder whether we are fighting George Drew or the Japs, and whether, when this war changes, as it will in the next twelve months, after every battle we lose or win we are to be faced with an investigation in the Parliament of Canada.

I have before me an editorial from the Montreal Star, which expresses my feelings in the matter. I shall read only a portion of it. The editorial appeared in the issue of July 23 under the heading of "Exploiting Grief." I think it is one of the finest articles we could have on the Hong Kong situation, and I commend it to the attention of honourable members. I direct attention particularly to this paragraph:

> What conceivable beneficial purpose can be served, therefore, by simply repeating ad nauseam charges already made it is impossible to discern.

In many places throughout this country I often hear this statement: "French Canadians are hewers of wood and drawers of water. In the business world they do not stand in line with English Canadians." Let me give one example in refutation. Three French Canadians of Sorel, along with a former Minister of the Crown, had sufficient initiative and foresight to go over to England and to France to conclude contracts for the manufacture of guns. Their factory produced the first guns at Sorel in eight months' shorter time than similar industries making the same guns in England were able to get into production. I appeal to any honourable members who have not visited that industry to go to Sorel and see what is being accomplished in the production of admittedly the best 25-pounder field gun, and shore battery and naval guns.

I come now to what I think the honourable leader opposite had in mind when he shook his head just now; that is, in regard to an industry starting from scratch. That means something. If you have a factory such as the Canada Car Company or the Canada Steel Company and one hundred other splendid industries in Canada have, this implies organization and personnel, and even then you have to tool up your factory. But it is a much bigger job when you start from scratch, that is, put up your building, install machinery and get into production in eight months' time. I wish to pay tribute to those French Canadians so prominent in the business world of Canada.

We have accomplished something else that is most interesting to the taxpayers of Canada. As I travel up and down this country business men say to me that this war is costing too much; and they usually search for the reason. I believe I may say without fear of successful contradiction that though we have been in the war since September, 1939, we have yet to hear of one single war scandal involving the Government. We have made remarkable progress in price reduction. In 1941 the Bren gun cost $390; this year it cost only $192. In other words, we can now build two Bren guns for the price that one cost last year. That is important to the taxpayers of this country. In Toronto the Browning machine gun in 1941 cost $402; this year that cost has been reduced to $220. Similar reductions have taken place all down the line.

As to tanks, I am not permitted to state how many have been turned out in Canada. We were not starting quite from scratch in this case and I am not going to give details of how long it took before certain parties allowed us to have the plans and specifications necessary in order to get into production. The Canadian Pacific Railway turned out the first tank in Canada, and the Montreal Locomotive Works the second. We have shipped hundreds of Canadian manufactured tanks into Russia. By this fall our tank production will run into thousands. And probably the tank is the second most useful war weapon.

Then there is another phase of our war effort. Everybody knows that before the war Denmark and Belgium exported most of their butter and cheese to Great Britain, that the Argentine was Canada's greatest competitor

in shipping beef and wheat into the British market, and that Australia sent to Britain wheat, beef, wool, cheese and butter. The war cut off most of these sources of supply, and Britain turned again to the one great source for these commodities, Canada, and asked if we would make good the deficiency. In June this year the production of creamery butter was 42½ million pounds, or a million pounds greater than the production last year. True, the United States are now co-operating in this work.

I think it is common knowledge that Canada, with her undeveloped resources and agricultural wealth, is one of the great war prizes sought by the Germans. But Canada's greatest wealth, in my view, is her men and women, her boys and girls.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HOWARD: Honourable senators will, I know, pardon a personal reference, since it is necessary to preface what I am about to say. My old dad, who passed away nineteen years ago yesterday, said to me, "Charlie, in order to fit yourself for the future in this country of ours, you are going to learn the French language." At fourteen years of age I was sent to Beauce county to learn French, and I lived with French people for twenty-three years. I was taken into their hearts. I can never forget the kindnesses which the families of Beauceville extended to me, a green English kid going into an entirely French country. One of the girls is to-day the wife of the present Minister of Justice. While there I went to church with them and to social gatherings, and not only did I learn something about the French people, but I also learned to love their nationality. I am convinced that every English-speaking Canadian would feel exactly as I do if he had enjoyed the privilege I had of living with French Canadians. Honourable members, if there is any misunderstanding in this country to-day between French and English-speaking Canadians, it is because we do not know one another.

Some Hon. SENATORS: That is right.

Hon. Mr. HOWARD: We have adopted a different educational system from that of the United States. They have what is known as the steam-roller system. Whether immigrants come from Germany, France, Switzerland or any other country, they are passed under the roller of the American public school system, and all come out Americans. I prefer the Canadian system, under which we have tried to maintain two languages and two nationalities; in fact, two civilizations. But our system will be workable and lend itself to co-operation only if each of us has respect for the qualities of the other, and if that is so we shall have a still better situation than prevails under the American system.

The French Canadians are hero-worshippers, and sincere, loyal, hard-working people. They are loyal to their home, for the French Canadian is a home lover; they are loyal to their parish, loyal to their leaders, loyal to their province and loyal to Canada. When I see articles such as I have read in some papers—I am going to cite only one of them—I am surprised that while the situation has been allowed to continue we have been able to accomplish in this country as much as we have accomplished. I have no desire to pass judgment on, or to condone or condemn, the conduct of any group or individual. My aim is simply to promote a better understanding between the two great races. If we are to win this war we must get behind the Government, and instead of criticizing the other fellow we must examine ourselves and ask, "What am I giving as my contribution to Canada's war effort?"

For generations French-speaking Canada has been told by English-speaking Canada of the advantages of the British connection—freedom of thought and action in all circumstances, and, above all else, the rights of minorities. This is the democratic way. Are the English Canadians now going to do the foolish thing, the dangerous thing? Let us leave out comparisons with other countries. Let us not forget that this is not the only country that has problems with regard to nationality. No; in South Africa, New Zealand, Czechoslovakia, Belgium, Poland—in a hundred and one other countries, the same kind of difficulty exists. If you want to destroy a country and its effort, just do as the Germans did: create a minority problem and it will lead to all kinds of trouble.

The French-speaking Canadian resents compulsion in any form, particularly when it is contrary to what he believes to be right. His temperament is entirely different from that of the English-speaking people. Once he is sold on a principle he stays sold. Let us remember that for twenty-five years the French-speaking Canadian has resented conscription as imposed in world war No. 1, without the people being consulted; let us remember that the Liberal party has told him for twenty-five years that there would be no conscription; and finally let us remember that in the last election the Conservatives told him that they were as much against conscription as

anybody else. Let us concede that every Canadian has a right to have his own opinion and to stick to that.

Insular egotism in men leads them to spend their time applauding their own ideas, trends of thought and principles and ignoring or belittling the intelligence and capabilities of other nationalities and nations. To this our tardy start towards success in this and other wars is due. Canadian unity is vastly more important than the political survival of any party or individual, and Canadian unity can be assured only by forbearance and understanding, not by domination. In domineering arrogance you have the basis of Fascism.

Now let us see what would be the effect of conscription on this country. The other day I was at Ayer's Cliff, in the county of Stanstead, sitting and talking with a farmer of that district. He usually employed two men. One of them enlisted and is now in the Canadian Air Force. A few weeks ago he came up and flew over the farm, and waved to his former employer to let him know how pleased he was to be in a position to do his share. The other man is in the Sherbrooke Fusiliers, a regiment which is either overseas or just going overseas. And do you know, honourable senators, that last year that farmer milked seventeen cows night and morning, without any assistance, even from his wife? During six weeks of that time, when the waterworks were frozen up, he had to haul water for his cattle. I tell you this story only because I want people throughout this country to know that in spite of the fact that there is no help, or is much lessened help, to be had, agricultural production in Canada is still on the increase. We should give full credit to the real, genuine farmers who are doing things and assisting in the present war.

Now may I put just a few figures of production on record? Of butter, in 1939 we produced 267,000,000 pounds; in 1941, 286,000,000 pounds. Of cheese we produced, in 1939, 125,000,000 pounds; in 1941, 149,000,000 pounds. Of bacon, we produced in 1939, 187,000,000 pounds; during the past year, 464,000,000 pounds. Of hogs we produced 3,700,000 in 1939 and 6,225,000 in 1941. Of evaporated milk, in 1939 we produced 131,000,000 pounds, and last year 200,000,000 pounds. There was a similar increase in the production of wool.

I wonder, therefore, if those who are advocating conscription are really sincere, or whether it is not really a political issue. If you take any more men off the farm, how can we continue to increase the agricultural production which is so essential to our war effort?

Take for instance an industry such as mining. Do we realize the situation in the mining industry? Do we realize that Canada supplies over ninety per cent of the nickel of the world, and that that industry is 800 men short of the number needed to carry out its programme? Do we realize that many mines have been obliged to stop keeping up their stopes and to cease work on reinforcing their drifts.

Take the shipbuilding programme. At the present time 40,000 men are required in this industry, and are being used in just one branch—the construction of freight boats, which are of vital importance.

That, honourable senators, is the situation as I see it in agriculture, in mining, and in shipbuilding; and we know what it is in the munitions industry.

Now I want to say a word about enlistments in the province of Quebec, and I say it in all humility. Those of you who know the small town I come from, the city of Sherbrooke, will be interested in figures showing the accomplishment there, which I am going to put on the record.

Hon. Mr. BALLANTYNE: It is a city.

Hon. Mr. HOWARD: The 35th Field Battery went over to England, a complete unit, in December, 1939, three months after the declaration of war. The second unit to go was the Base Depot group from the Sherbrooke Regiment. The third unit was the Sherbrooke Fusiliers, the only composite regiment in Canada, consisting of three companies of French Canadian men and officers, and two companies of English-speaking men and officers. This regiment is overseas at the present time. As if that were not enough, the Regiment of Sherbrooke and the Fusiliers joined together to create the composite Sherbrooke Fusiliers. Then the French boys said, "We want a regiment of our own," and the Fusiliers Regiment, all French Canadians, moved out of the exhibition grounds at Sherbrooke on Friday of last week. Further, many people in Sherbrooke, in Compton, in Stanstead, and especially in Bury, had husbands, sweethearts and brothers in Hong Kong and are unable to get any news of them. We have hundreds of men in the Air Force. We have in the Air Force Cadets an organization that is simply marvellous. This is composed of boys who are too young to go into the Air Force at the present time, but who are taking their training and getting ready to enter the Air Force as soon as the clock ticks off the moment when they will be of age.

Last week the officers of the English regiment, the Sherbrooke Regiment, came to me and said: "You are going to Ottawa, senator.

If you have a chance to say a word to Colonel Ralston, tell him that all our officers, all our non-commissioned officers and a big nucleus of our regiment have already signed up for active service, and cannot get taken on."

I give you these facts and figures simply because I do not want anybody anywhere in this country to think that we are not doing our duty under the voluntary enlistment system. I have a chauffeur who has been with me for thirty-four years. He has one boy and six girls: the boy is in the Air Force. My gardener has four boys and two girls: two of his boys and his son-in-law are in active service. My secretary in Sherbrooke has a husband and two brothers overseas at the present time. My secretary in Ottawa has two brothers overseas. My cook has a brother overseas, and I learn that the parlour maid also has a brother overseas. And all of these people are French Canadians. That is the situation in Quebec.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HOWARD: I go further than that. The people in my district in the province of Quebec are mostly French, and in travelling about it I have yet to go into one single home which has not someone directly serving in the present war. So I think we are doing pretty well. But probably it is still not enough.

I close with this remark, and I think it is most important to the whole subject. It so happens that I, like many others here, have a number of personal friends in the newspaper game in the province of Quebec. We have not very many papers in that province, but we have some good ones. Everybody knows John Bassett of the Montreal Gazette, J. W. McConnell of the Montreal Star, the Hon. P. R. Dutremblay of La Presse, and the Hon. Jacob Nicol, my business associate, who has four papers and two radio stations—not forgetting L'Action Catholique. These fellows are doing a real job for the people of Canada with their publicity and propaganda at the present time. Nevertheless, I believe they could do more. If I were in charge, I would call in the proprietors of all the newspapers in Canada and would put the cards on the table. These men know as well as we do the seriousness of the situation. I would not allow one single French-language newspaper in the country to publish one word which is detrimental to the English-speaking population, and I would not allow the English-language newspapers to publish one single word against the French Canadians.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HOWARD: Surely to goodness there is enough material of other kinds to put into the newspapers. Surely there is enough news to make it unnecessary to slip in a letter, supposed to be written by a certain individual, but probably written in the newspaper office, which contains insidious remarks such as I have seen by the hundred.

I was sent yesterday a marked copy of a paper, from which I want to read a few words. A front page editorial which states, in big type, "Quebec Won't Fight Overseas," closes in this way:

> We fear the people of Canada outside Quebec will not tolerate the presence of representatives of Quebec in the Parliament of the Dominion of Canada if there are not representatives of Quebec in the overseas army of Canada.

Now, honourable senators, let us fulfil our duty. Can you imagine permitting the circulation through the mails of any such rotten stuff as that?

Some Hon. SENATORS: What paper?

Hon. Mr. HOWARD: Well, it comes from Toronto.

Hon. Mr. BLACK: What paper is it?

Hon. Mr. HOWARD: The Canadian Mining Reporter, of Toronto. It came to me as a marked copy; otherwise I should not have used it. I do not take it.

Honourable senators, let us act as we should in this matter. Since we have maintained in this country two nationalities, two races, two languages and two civilizations, each of which has certain characteristics of which the other should be proud, let us ask the newspaper men not to print one single word detrimental to either side of the picture until after this war is over. If we do that we shall get a new interest and a new stimulus in this situation.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HOWARD: In closing, let me say that I favour the voluntary system. But I am like the Hon. Adelard Godbout. If conscription were the last and only thing required to win this war, I should be for conscription. I have no confidence in the dual leadership of the Conservative party at the present time. I have less in the C.C.F. party and I have none in the Social Credit gang. Consequently I am going to vote for this Bill, because I believe it is placing confidence in the leader of this country, a great leader, William Lyon Mackenzie King.

I should like to end with these words from a speech made by President Roosevelt on February 16, 1942:

> Let us then march forward together, facing danger, bearing sacrifice, competing only in the

effort to share even more fully in the great task laid upon us all.

Let us, remembering the price that some have paid for our survival, make our own contribution worthy to lie beside theirs upon the altar of man's faith.

These are my views in connection with the present conduct of the war and the present Bill.

Hon. A. D. McRAE: Honourable senators, I think it was George Adams who had a rather trite saying that he frequently used: "There is no yesterday to-day." It seems to me that in the seriousness of the situation confronting us we cannot afford to waste a single moment or effort on the things that are of the past, and that we must confine our every energy to to-day and to-morrow. Having said that, it is with regret that I have to ask your indulgence for a moment while I refer to a personal reference made last evening by the honourable senator from Sorel (Hon. Mr. David). He was kind enough to tell me in advance that he intended to refer to the matter, and he was particularly kind in reading, in the course of his speech, my answer to the question asked me in 1940. I feel I need not say anything more about that answer, because it was quite complete.

The honourable senator mildly criticized me for not being more careful to avoid reaching conclusions from which I subsequently have to recede. Well, I do not know that I need offer any explanation to honourable senators who were present eight years ago when the matter in question was brought up. But I would tell the honourable senator from Sorel, if he were here—

Hon. Mr. DAVID: I am here.

Hon. Mr. McRAE: I beg your pardon. I can say to my honourable friend that I went over to Europe well armed with letters of introduction. I spent four months there and had ninety important interviews, not counting talks with dozens of people I met in various countries, which included, of course, England, France, Germany and Austria. It was the hardest job I ever undertook, and I came home about as tired as when I started. I was a glorified reporter, if there ever was one, and since that time I have had more sympathy for press reporters than I ever had before. It was only my certainty of impending war that gave me the courage to introduce into this honourable House that very unpopular motion I made at the time. I have been grateful to the Senate ever since for the kindly way the motion was received. I think the discussion on the motion did no harm. It revealed quite a unity in this body, which was entirely adverse to the motion, and I think it probably had some educational results in the country. Since I made that speech—I was going to say that famous speech, because apparently it is getting to be a hardy annual—I have not read it, but I think on general issues it contains a number of points that have been well borne out in the interval, and will stand up even to-day.

I trust that I have now replied to the honourable senator's admonitions. I have no embarrassment whatever in talking about this matter, for I am in very good company. Literally hundreds of persons in Great Britain have similarly changed their position in the last eight years. No less a world figure than Mr. Roosevelt himself said not very long ago that Americans would not be sent abroad to fight. And in discussing the present Bill the Prime Minister of this country expressed the feeling—with certain strings attached, I admit—that conscription in Canada may become necessary. So I can assure honourable senators that, in the good company in which I find myself, I deal with this subject without any embarrassment whatever. I would remind my honourable friend of that old saying: "Wise men change their minds." The rest of it I will not repeat.

When this Bill goes through, as I am sure it will, conscription will be on the Statute Book. I intend to vote for the Bill. Personally, I think conscription is essential as a back-log to proper and efficient compulsory selective service. At the present time in almost every village and certainly in every city in Canada you will see on the streets young men, doing no useful war service, who would make good soldiers. Further than that, our munitions plants and other war industries are filled up with young men who are doing a useful war service, I admit, but who are fit for the Army. I ask you, honourable senators, do you think a young man who for the last two and a half years has been earning six or eight dollars a day at a munitions plant will sign up now at Army pay and forgo his present freedom and enjoyment of life? I think it is safe to say that these young fellows with the big wages and with their girls are responsible for much of the increased liquor traffic that is worrying so many people to-day.

The point I am trying to make is that I do not see how you can get these young men from their present positions unless you have some definite authority for calling them out. I believe in compulsory selective service, and I think it should apply to every Canadian without regard to age or sex. Every person should be in the position where he or she can best serve the nation. Nothing less than that is efficient selective service.

With regard to the Bill now before us, the question which concerns Canadians is whether we have sufficient reinforcement for our Army overseas. We do not need to worry about the Air Force or the Navy, for both these services—of which, as I said last evening, every Canadian may well be proud—have so far obtained all the recruits they need through voluntary enlistment. But the situation with respect to the Army is different. I have tried to ascertain just what the overseas situation is. I find it a difficult matter to get information, because there are no definite figures and one is compelled to arrive at figures from deductions, which are not always a safe way to calculate. On March 26 this year the Minister of National Defence said he expected to send over in the fiscal year 100,000 men, of whom 25,000 would be for new units and 75,000 for reinforcements. Those, I should say, would represent ample reinforcements for our forces overseas if those reinforcements were only in England, where they are needed. The Minister said that at the end of the fiscal year about 175,000 men would be in the Army overseas, but he qualified that by adding that this number depended on casualties.

It is rather difficult to ascertain the number of casualties. It is reported that replacements so far have totalled about 50,000. Naturally, those replacements were larger in the First Division because the older men who in their enthusiasm volunteered for overseas service were not able to stand the pace of present-day war and had to be returned to Canada. That, of course, is not to their discredit. As we progress, these replacements will be fewer, but it is very difficult to say what they will be. We have the Fifth and Sixth Divisions destined for overseas this year. They are the fighting divisions. The Seventh and Eighth Divisions are for home service. So the total movement this year would include the 100,000 referred to by the Minister. The Fifth and Sixth Divisions will number about 32,000 men. They too will require reinforcements, and consequently between 130,000 and 150,000 men should be transported to England in the present fiscal year.

Aside from the difficulty of getting the necessary men to make up that number, there are the present difficulties of transportation, which are very serious. We must recognize that the men who have been willing to volunteer have largely gone overseas or are now in training, and when we come to make up whatever the deficit may be between the men available now and the 150,000 required, the problem is much more difficult than it was with our first divisions.

With reference again to reinforcements for overseas, we have at the present time four divisions in England, three infantry and one tank. An infantry division when complete numbers between 15,000 and 16,000 men, but for the purpose of my calculation I will assume the 16,000 figure. A tank division has 12,000 personnel. Three infantry divisions of 16,000 men each and a tank division of 12,000 men would give us a corps strength of 60,000. Taking the number of men whom the Minister of National Defence says will be in England at the end of the fiscal year, 175,000, less, of course, wastage and the 100,000 men whom he says we shall send over this fiscal year, you have left 75,000 men in the corps and in the reinforcements in England. On that basis our reinforcements available in England as at the date he spoke of would be 15,000 men. In arriving at that deduction I have taken the units as complete. I have seen estimates, not authoritative, that our reinforcements behind the corps are 12,000 men. I think we can be certain that 15,000 is not far from the mark. But I submit, honourable senators, that is not enough; barely sufficient to make up natural wastage. True, we have been fortunate in that our Army has not had to go into action; but if a second front were opened up next week, our four divisions might be expected to be in the vanguard of the attack, and the casualty lists would soon take up all the men we have in England as reinforcements. I do not think it is too much to say that if our troops were engaged in a serious conflict and subjected to a real blood bath, we should soon have, not four divisions, but three, and if the battle continued very long we might have only two divisions. No army unit below strength can fight efficiently. The only thing to do in that case would be to consolidate the units in order to keep two or three divisions, or whatever number it might be, up to 100 per cent strength.

The forces we are raising here are composed of green men. I think the honourable leader of the House spoke of two or three months being required to get under way. I would point out that it takes at the minimum eight months to train a soldier. Raw recruits called up to-day would not be ready for action until after eight months' training. Furthermore, if we decide on conscription for overseas service to-day, it will take some little time to put it into operation. It cannot be done overnight. It is not too much to say that our position is precarious. I think it is very precarious. That is what is worrying the Canadian people. They are not worried particularly about our Air Force or our Navy, but they are worried about the

Army. There does not attach to the Army the glamour that is associated with the Air Force or the Navy, and in consequence it is much harder to raise men for that service. How sufficient men can be raised without conscription I fail to see. It is obvious that we require almost twice as many men as we have in the corps now. It is a huge task to contemplate. It will be a grand effort if accomplished, but we must have the men to bring it about, and I do not see any chance of getting those men except by conscription.

In regard to compulsory selective national service, there again our situation will become more serious every month. It is said that we need 250,000 men for our munition plants and other war industries. According to the Minister's statement we shall want about 100,000 men for the Army. The Navy and the Air Force will continue to attract the best of our young men. So it looks as though our requirements this year would be in the neighbourhood of 400,000 men. It all comes back to the proposal of my honourable leader for real selective service. I think the Government should lose no time in putting into effect such a selective service as will place every Canadian in the position where he can best serve his country.

Now, as to the other string on this legislation—approval of Parliament. I was present the other night in the House of Commons when the Bill was passed by a vote of 141 to 45. What better vote of confidence should the Government require? I do not think the Government should ask further approval of Parliament. Already the people of Canada have given it carte blanche to go ahead. If the Government requires the approval of Parliament again, and the House of Commons is not to meet until January 27 unless specially called, is it not fair to presume that Parliament will only be called in the event of some grave emergency? If that grave emergency arise, then we shall have already lost too much time. How can we meet an emergency with no trained troops? These troops could not be fully trained in less than eight months and they would be in Canada, not behind our corps.

It strikes me that the Government must consider the situation very seriously. I do not think my subtractions and deductions are very far from the exact situation. It seems to me that if we are to meet emergencies we must prepare for them long in advance, and I seriously say to the Government that it should get along with the job. The Government has the approval of the country, it has the approval of Parliament. There is not an hour to be lost. Undoubtedly Canadians favour an all-out war effort, and in that effort the Government must lead.

Hon. ARTHUR SAUVE: Honourable senators, as it is my intention to speak in my mother tongue, I shall explain very briefly to my English-speaking colleagues who may do me the honour of listening, in spite of their difficulty in understanding me, and in spite of their objection to my own case, a few of the reasons why I oppose the present motion.

My motives are remote and immediate: remote, because they are based on a primitive and constant opposition to military imperialism; immediate, because they are based on a great need for a more efficient home defence than we have at present, on the necessity of producing to the utmost what our Allies most need, on the necessity of taking into account our small population as compared with production requirements, and also on my lack of confidence in the actual administration of our war effort. Consequently, my opposition has nothing of historical hatred or race prejudice, but is entirely the result of a Canadian concept arising from facts, teaching and education. Therefore I shall not dig deep into our history, but shall speak of current events.

(Translation): Honourable senators, I also wish to take part in this debate, in order to co-operate in explaining the stand taken by my fellow-citizens on the issue which is dividing our country, victim of a European war that has turned into a world conflict. This stand is consistent with the one I have maintained since 1917. It is based on an unceasing opposition to military imperialism, as well as on the teachings and pledges responsible leaders have given to the people. In case the ensuing remarks should appear a bit personal, I shall make excuse for them in advance and beg honourable senators to believe that they contain not one whit of vanity. I desire to set forth most faithfully the mediate as well as the immediate motives of the logical opposition shown by the mass of my fellow-citizens to conscription for overseas service. The mediate motive may be found in their fundamental opposition to military imperialism, whereas the main immediate motive of their dissent is Canada's need to establish a more efficient defence of our coast-lines, and to ensure her security by supplying the Allies with the munitions and equipment they require. There is also a realization of the fact that our population is very small in relation to the urgent needs of production. Such opposition, honourable senators, is not therefore the result of political prejudice and hatred, nor of disloyalty; even less is it due to a criminal defeatism towards Britain and her Allies, with whom we share the common hope of crushing a

dangerous enemy. It stems rather from a concept which is the fruit of certain teachings and a certain popular education.

For over forty years, both as a journalist and as a representative of the people, I have taken part in national events, in the consideration of our problems and difficulties as a nation. I have seen Canada participate in three external wars. I witnessed the birth of military imperialism in 1889, as well as the controversy it engendered among men of great stature, in the forefront of whom stood Henri Bourassa, the most gifted popular representative of this generation, some of whose predictions as regards the Canadian problem would appear to be on the point of materializing. To realize this one has only to observe certain events which establish evolutionary trends, and to read over again his writings and speeches without attaching undue importance to the manner, method and temperament of the man. I am all the freer to say this since I was never publicly regarded as a follower of the Nationalist leader. Moreover, Lord Bennett could almost be said to share my opinion. To judge by his statements in the House of Lords last week, he blames England for a deceiving coldness towards the Dominions, believing the Canadians to be prouder of the British Empire than are the people of the United Kingdom, and foreseeing possible resentment and political changes during the post-war period. Whatever partisan opinion may be held against that eminent statesman, no one can gainsay that his frankness, if brutal at times, is always illuminating, and worthy of our attention. For my part, I am still loyal enough to the former Canadian leader to believe that the ex-Prime Minister of Canada still holds to his policy of "give and take" so soundly enunciated in London in 1930, and again at the Ottawa Conference in 1932. Living in the very heart of the Empire, Lord Bennett can perhaps all the better perceive the truth, first of all with regard to his native land.

It is axiomatic with us French Canadians that no one should be more Catholic than the Pope nor more English than England.

Since the beginning of civilization evolutionary movements have always been started by extremists and brought to fruition by moderate, middle-of-the-road men, despite the opposition of persistent reactionaries and uncompromising traditionalists.

As the honourable senator from Sorel (Hon. Mr. David) has so ably recalled, although I was an avowed opponent of the conscription measure introduced by federal Toryism in 1919, I voted—

Hon. ATHANASE DAVID (Translation): I beg your pardon. The honourable senator says 1919 when I think he means 1917.

Hon. ARTHUR SAUVE (Translation): Exactly, in 1917. I was then, as leader of the provincial Conservative party in Quebec, against the motion introduced by the Liberal member for Lotbinière, Mr. N. Francœur, with a view to separating our province from the body of Confederation. Together with Sir Lomer Gouin, the Liberal Premier, the honourable senator from Sorel and others, I did my best to defend Confederation, that is, the union of all the provinces for a greater Canada in North America. For I have always belonged to the moderate school of total Canadianism, favouring progress through order, and consequently being respectful of the rights of the majority of our people without ceasing for that reason to safeguard jealously the rights of the minorities, particularly the constitutional rights of the French Canadian minority descended from the founders and first settlers of this country. This school of thought has always professed loyalty to the Sovereign of the United Kingdom, the English King, who is also our own. It is a school which has reason to pin its faith to the efficacy of the right of petition and of submitting to the political power of the British Crown any grievances related to constitutional or treaty violations. It is through the British Crown that we have been able to safeguard our sacred and essential rights when unfortunately the executive power in Canada appeared hesitant, or unjustly persisted in either ignoring them or combating them even before the parliament in London. Let us honestly admit that this school comprised the "strongest defenders of order and the Constitution, the guardians of national tradition and of the legitimate freedom of the people." It was and still remains the protector of our King against extortion, excess, arbitrariness, the vexatiousness of the ultra-loyalists or the rabid separatists.

This liberal-conservative school attained its majority at the birth of Confederation, when it resolutely undertook the task of building this country, firmly supporting federal union against all prophets of evil. Imbued with the evolutionist spirit of the Fathers of Confederation, untiring defenders of the true autonomy of the provincial legislatures founded to ensure the maintenance, the safeguarding and the development of personal and essential property, without prejudice to the general interest as regards the national Parliament, the men of this school of the golden mean were and still are sincere protagonists, neither of legislative union nor of

separatist unity, but of Canadian Confederation, because it remains to their mind the constitutional form best fitted to the needs of the two main racial groups in this country, and of all others who loyally unite with them for the rational development of our immense and wealthy land.

If for a long time justice has not been rendered to whom justice is due, this is not because of the Constitution, but rather in spite of it. If certain destructive or weakening controversies, quite regrettable in themselves, persist in troubling Canada and impeding her progress as well as the attainment of a very desirable understanding, this is due to discrimination, to friction, to certain remarks that always wound true Canadians to the core.

We must reap where we have sown. The best of grain always suffers from the weeds that grow even in a good soil, if this is poorly cultivated. The exploitation of certain prejudices in order to further political or religious interests has warped the national mind, fatally divided us, complicated our problems and increased our difficulties, by perverting our sense of right, of power and of duty. It has turned out to be the greatest headache in our federative existence.

Need I recall here the opinion of Stuart Mill on the influence of education over the will and actions of the individual? Or this thought so well expressed by Jules Simon: "Education is a process whereby a mind or a heart shapes another mind or another heart."

Confederation, or rather our Constitution, it is true, has been unable to prevent every blunder or abuse or injustice. It remains susceptible of improvement according to the natural and inevitable evolution of the Canadian people. Consider Christianity. Is it not the very charter of truth and justice and virtue? Is it not the surest, the only means of salvation? Yet how many Christians violate its precepts and disdain its commandments, to commit the gravest sins and enjoy an illicit freedom? Does the parallel not hold true as regards our attitude toward Confederation? Every race has its model citizens. The two main ethnical groups who built this country may well be proud of having given birth to many great men and honest citizens. But, like the good grain, these men had to contend with the encroaching weeds of prejudice with its train of exploiters. For having preached the truth and practised error, too many leaders have created among our citizens a mutual distrust from which we are suffering more and more in these critical days of the war, and of responsibilities which weigh heavily upon our disillusioned people, who, at heart, feel themselves to have been deceived and exploited. In this war, as in most others, the people must reap the heresies their leaders have sown. Ours like any other. We think and act logically according to the education we have received. That is how division, divergent opinions on Canadianism, on militarism and on Canada's participation in external wars, are born. We must then consider such a split in opinion not as disloyalty, but rather as the result of a different conception of the higher interests of Canada.

For example, the people of Ontario show their loyalty according to the educational leadership they have received. These teachings and this education have endowed them with a certain mentality with certain beliefs which are revealed in their way of viewing national and even international problems. All this time the contrary viewpoint has been taught and permitted to be taught in the province of Quebec, with the result that we have there, with different beliefs, a body of opinion which nevertheless remains sincere and logical. The people responsible for this situation are the leaders, those who have sought to derive personal benefit therefrom.

Those who are acquainted with our contemporary history will understand that in saying this I do not intend to place the blame on one political party more than on the other, for, if the truth be told, both have erred considerably in this respect. However, even if I do not share their opinions on military imperialism, I place well above the political gamblers of every stripe these men whose firm beliefs lead them to risk their careers in the fulfilling of what they consider to be their duty. I can easily understand that a Canadian of pure English stock should have a very high regard for England and the British Empire. He has every reason to. Notwithstanding 300 years of separation, despite the disappointments and the cold indifference France showed us at times, I still feel the few drops of her blood that pulse through my veins quicken whenever her fortunes soar or decline. And that is why I can understand the even stronger ties that bind English Canadians to their Mother Country, whose power has ruled the world.

On the other hand, is it so difficult to understand that those who have learned to be Canadians before all else should wish to devote all their attention, all their strength and care to the defence of their country, while recognizing the majesty of England's century-old power, her claims and her rights?

"Canada before all!" "Canada first!" Has this not been, since Confederation, the political slogan of John A. Macdonald, of Charles

Tupper, of Bennett? Of Laurier and of Mercier? Why should the same national feeling be considered reprehensible when enthroned in the minds and hearts of present-day Canadians? We French Canadians have every reason to want to serve Canada first, and then our Allies according to the dictates of reason and not of sentimentality. In view of the mistakes, the errors, the lack of foresight, which have accumulated disastrously in the British Empire since the South African war, are we not justified in adopting an attitude of wariness? Without, however, yearning for separation and isolation. For, as Wladimir Dormesson has so ably put it, no nation is isolated in this world, and the national aims of a people cannot be permanently achieved save through compromise with the acceptable aims of other peoples. This principle we recognize in the field of political economics. But is it not one of the reasons for our limited participation in the present conflict? We have known ever since the signing of the reciprocity agreement by Britain, Canada and the United States, that President Roosevelt would eventually declare war on the Axis powers.

The French Canadians, I must confess, are not without their faults. The truth of this statement has never been dimmed by repetition. They pay for their own mistakes. Yet a close analysis of the causes that brought about this war and of the principal mistakes made prior to and since the opening of hostilities in no way points to the French Canadians as those responsible for the war, for the reverses suffered by the Allies, or for delaying a British victory. Let us be honest with each other. Are the criticisms voiced by the French Canadians as violent as those heard in England itself since the opening of the war? Not at all!

The French Canadian remains honestly attached to his conception of pure Canadianism, as well as to his beliefs based on the teachings that have shaped his mind. He remains, as in 1774 and in 1812, a true Canadian. He remains a Canadian because, in the first place, he deeply loves his country, and also because he still follows the advice given him before and after the American invasion. He stays opposed to military imperialism as he was under Macdonald, Tupper, Laurier, Mercier, Angers, Taillon, Monk, Chapais, Gouin and Tellier.

More than once after the Great War—as my honourable friend from Sorel may recall —I humbly suggested the formation of a board consisting of leaders from all provinces, great jurists and others, of men able to rise above political partisanship, to consider the true status of Canada, to define clearly the rights and duties of the Canadian citizen in the British Empire, in war as in peace. Once this definition were recognized, had become constitutional and legal, it could have been taught in every school in the nation. True, it was not to impede the natural and logical evolution of the country. The aim was to teach all the true meaning of Canadian responsibility and Canadian spirit. Coming from a rural district, my plea went unnoticed. If this suggestion had been acted upon, the Canadian people would now find themselves much better equipped to deal with the problem of our national interests, with which has been coupled that of the Empire. They would be much better prepared to consider wherein lie our national interests, commercial or economic. We should be spared the sight of political acrobatics which blur our vision and trouble our minds. We should not be labouring under the burden of thirty years of broken promises, pledges and commitments. We should not have to fear a dangerous distrust of the Government, so prevalent among the people. We should have been spared, in time of war, the sight of a fanatically partisan administration of incompetent budget-makers who have wasted billions of the savings of our small population, without seriously providing for our efficient defence. Why should the lessons, the examples, of the last war have served only to increase expenditures and internal division? Had we wisely expended for the defence of Canada the sums which the inexperience and inefficiency have cost us since the beginning of the war, would our unpreparedness be as great as it is to-day? Would our people be taxed to the limit? I do not believe so.

It has been found preferable in certain quarters to exploit the military problem in an opposite sense, and to give on either hand to Imperialism certain distorted, exaggerated and detestable meanings, which are dividing instead of uniting the nation. This has been the case with conscription, which has become odious not so much through its implications or its opponents as because of certain extremists who loudly clamour for it, to the point of having us believe it means sending all our youth to overseas battle-fields and emptying the country of men for military service overseas. Thus have Imperialism and conscription been given the least acceptable, the narrowest possible meaning, one which is diametrically opposed to the "Canada First" policy. Because of this distorted education for which our leaders are responsible, both sides have found it difficult or well-nigh impossible to approve this Government measure, the result of a deceiving, devious, trembling, uncertain and camouflaged policy. A Tower of Babel policy.

The present measure violates the solemn agreement of which Mr. King and Mr. Lapointe were the main authors, an agreement endorsed by all sections of the Government party and, to be honest, by the entire Canadian people in 1940; an agreement made public the day after the close of the provincial election campaign in Quebec, which had been directed by Mr. Lapointe and Mr. Cardin, strongly upheld by the Prime Minister and his colleagues and without regard for the autonomy of the Provincial Legislature, against the autonomous Government of that province. Mr. Ernest Lapointe stated everywhere: "If you vote for Duplessis I shall resign with my Quebec colleagues from the Cabinet, and that will mean conscription." Lapointe's voice prevailed and the Duplessis Government was evicted in favour of a Liberal administration. Ernest Lapointe is no more, and his voice is for ever stilled. Soon after his death, attempts were made to sully his memory and a great deal of disdain was shown for his pledges. The fact that all those who accepted Lapointe's word are not dead has apparently been overlooked. Yet for giving this pledge Lapointe had been proclaimed a great man and been covered with praise in British and Empire newspapers. During the 1940 federal election every province of Canada wished to hear and acclaim him as the "creator of national unity."

The French Canadians who believed in the pledge, in the solemn promise given them that there would be no conscription, a commitment made by men who could not have forgotten our bitter experience in that respect during the Great War, the French Canadians, I repeat, can no longer follow the leadership of politicians who have so thoroughly deceived them, and who should bear any blame attached to the people's opposition to this measure. For my part, I openly opposed conscription during the last war for the same reasons my fellow-citizens then advanced—a course of action I intend to follow at this juncture. My opposition is perhaps even stronger this time, owing to the fact that the present measure is far worse than that of 1917, as Messrs. Cardin, Raymond and others have publicly admitted. After the war of 1914-18, did not Sir Robert Borden declare that Canada could not repeat so strenuous an effort? Yet, although the present war is not over, we have already sustained an effort three times as great. Other English-speaking Canadians have opposed conscription in this House and elsewhere, have even opposed our participation in another war.

There can be no question of spreading defeatism and helping the enemy. The French Canadians are ready to do even more for King and country and to help the Allied cause. Since the Hong Kong disaster millions of Chinese are asking to be supplied, not with men, but with arms and munitions to fight the enemy. China has 400 million inhabitants and Canada 12 millions, of whom five only are engaged in production work.

It is wrong to assume and to repeat that the French Canadians are the only ones opposed to conscription as advocated by the extremist faction or as introduced by this half-explained Government measure. It is equally wrong to believe that the French Canadians alone object to the principle of conscription for service outside our territory. It is wrong to proclaim that they are not doing their share, while representatives of every province hold in Parliament that voluntary enlistments represent an effort surpassing all forecasts. Has not the scope of our war effort brought us praise from our Allies? It has brought us statements of appreciation, much too flattering perhaps, from Winston Churchill, Lord Halifax and Malcolm MacDonald, speaking on behalf of Britain.

Anyone interested in locating the essential faults in our military organization need not look at the voluntary system nor at the French Canadians. Let him search elsewhere, among the incompetent officials who hold down jobs they are not fitted for. Are there no French Canadians serving overseas? The 22nd Battalion, which won great distinction in the last war, was made up of volunteers, not conscripts.

Has not French Canada's share in the war effort been called admirable? Indeed, numerous and brave are our young men in the fighting ranks, numerous and efficient our workers in Canadian war plants, despite the discrimination and prejudice shown in army and factory pay lists. For them no sabotage nor strikes. If there occurs the beginning of a strike, it is simply because the workers demand higher wages, commensurate with their responsibilities, the risks they run and the provision to be made for their future. If there is an abortive strike, it is due to the fact that the authorities delay too long in granting the workers a fair treatment, a treatment in accordance with human dignity and interest. Intolerable injustices do occur, and those responsible should correct them before Canada and her Allies have to bear the consequences.

Our French Canadian farmer nobly responds to the appeal for a greater production effort. He only asks that his sons be left on the land in order to increase its yield and to produce more food-stuffs for England, her Allies and our own men overseas. That is why our farmers have demanded the setting up of

county courts to pass equitably on exemption or deferment requests. They simply want to submit their requests to conscientious men, well acquainted with conditions prevailing in the district. They are complaining at present of the lack of such understanding and of the fact that their help is being drafted away at the height of the harvest season.

I do not wish to be unfair to the Government nor to hinder in the least a decent war effort on our part, but it seems to me, and to many others no doubt, that a voluntary system organized in such a way as to make the best use of our man-power in every field of activity, both as regards our war and our post-war needs, remains the best solution of this problem. If there is waste and lack of co-ordination, it is not the soldier's fault, nor that of any group of workers.

Pressure in the most revolting form has been brought to bear on our young men to have them enlist for overseas service, without the introduction of a conscription measure. The object was to enforce a disguised and illegal form of conscription. All this has embittered our people to the point where they unhesitatingly prefer the Act of 1917, whose purpose was more clearly and frankly set forth.

Freedom of speech commanded more respect in 1917 than it does to-day. Contradiction and lack of balance, of judgment and of efficiency are everywhere noticeable. Parliament is deprived of information it should possess as the sovereign representative of the people, on the ground that such information might benefit the enemy. At the same time radio and newspaper dispatches stress the increasing development and importance of our war production. The enemy is practically invited over for bombing practice, while the employees demand protection.

As I have already said, I am opposed to the principle of conscription because I have always fought military imperialism, detesting the quarrels of the Old World and its military aspirations. I am even more opposed to this amendment, first because the Government fears to state clearly the purpose of this measure and the manner in which it will be applied once passed; then because the Minister of Agriculture (Hon. Mr. Gardiner) has said he fears that the present reduction in man-power will affect our essential production; lastly, because the Minister of Munitions foresees an increasing labour shortage in armament plants.

Even if I were in favour of conscription I would oppose this amendment because, lacking frankness and sincerity, it is dangerous; because the Government in violating its pledges, in multiplying its mistakes and in refusing to face our problems squarely, stands as an increasing source of danger and useless expense. Having been deceived once, we have cause to fear that it may happen again. The Prime Minister's attitude before, during and after the plebiscite is a sad spectacle. His treatment of a former colleague, Hon. Mr. Cardin, is another.

I feel that I must say this, although I have for the Prime Minister, as he is well aware, a high personal regard. I sympathize with him for the position in which he now finds himself, forced to reap in sadness the grain he sowed in the hey-day of power.

Here we have a Minister of the Crown who urges his fellow-citizens to vote in the affirmative on the plebiscite question, and gives them his word of honour that it does not entail conscription. Yet on the very next day after the vote the Government introduces a Bill requesting authority to enforce conscription. After hearing his leader explain the consequences of this measure in Cabinet Council, this Minister tenders his resignation, adding that the Bill means conscription and that he does not approve of it. A few days later we hear the Prime Minister state to the House: "My colleague did not understand this amendment." Not a very flattering remark to make about a member with thirty years of parliamentary experience behind him. The Prime Minister then added: "This Bill means, not necessarily conscription, but conscription only if it becomes necessary." How can we consider as serious and appropriate a declaration of this kind coming from a Prime Minister responsible to the people? The ruse is transparent. It is clear that the Prime Minister did not dare to explain the seriousness of his amendment. Why maintain this equivocal attitude?

I stand opposed to conscription because I do not wish to betray my fellow-citizens, because I have no desire to deceive them, and because the Government refuses to give us any assurances in the matter. I oppose this policy of conscription because conscription for the defence of Canada has given rise to a general discrimination against French Canadians. Many are the justified complaints the honourable Messrs. Lapointe, Cardin, Power and Ralston have received with growing alarm. I am opposed to conscription because in refusing to betray my compatriots I also refuse to betray this country. Far be it from me to abandon them to their fate because I no longer have any political axe to grind. I am opposed to conscription because I find it unfair that

fathers and mothers should be made to give up their sons, when the authorities have repeatedly told them, even since the opening of the conflict, that it would not be necessary.

These authorities who, even in the light of past experience, did not hesitate to foster among the people a hostile attitude towards military participation in external wars, towards every form of militarism and conscription, must bear their responsibilities. They are to be found, not in one racial group only, but in the two which form the Government, and the larger and more blameworthy element is not the French Canadian.

To my mind, a better organized voluntary system such as Australia boasts would furnish even more satisfactory results. I think that to push enlistment figures over and above a certain percentage limit would merely result in a labour shortage and endanger production facilities that our Allies are depending on now, and that our people will depend on after this war. I feel that before we go beyond such a limit our people should be better informed as to our present military organization for the defence (in Canada) of our territory. I am all the more opposed to this coercive measure because the Government refuses to be anything but a party organization, and to adopt anything like the national viewpoint that the need of national unity would command.

We are reminded to-day that Russia, China and even England are clamouring for munitions and more munitions, for guns, planes, ships, tanks and destroyers. Why should we be asked underhandedly to sacrifice our youth? Why not come out into the open? If no one dares to do this, why should we believe that the need is very urgent? As I said before, the French Canadians, like all others, are ready to work night and day to produce munitions and food-stuffs. Is that an example of defeatism? Is that a refusal to participate in the war? Let the Government continue, but with system, to give the French Canadians the task of increasing production, and they will undertake with a will to produce everything this country and its Allies need, provided of course that they are granted reasonable working conditions and a fair wage, and that their employers do not wait until the eve of a strike to give them their just due. It is not always labour that is responsible for strikes. The Government should see to it that justice is done to the employees as well as to the employer. The real saboteurs of our war effort are not always those whom the Government condemns.

The need of replacements for those of our troops who fall on overseas battle-fields has been stressed. Although I am particularly impressed by this consideration, and I have personal reasons for wishing to give the greatest possible protection to our troops overseas, I do not think the argument peremptory. This argument, to my mind, would be much stronger if it were demonstrated that the other Allied nations had already done more than their share in that respect—a share proportionate to their total population and to the importance of their position—and that their manpower reserves were consequently depleted.

Instead of sending soldiers to Hong Kong, it would have been much better for us to supply the Chinese with the munitions they so badly need. When any of our young men voluntarily agree to risk their lives, I can only bow before their determination and pray God to bless their courage and to grant victory to their arms. But our most efficient contribution as well as our best protection is, I repeat, the production of munitions and food-stuffs. There is the urgent need. We must dedicate ourselves to supplying the Allies with food and improved equipment and ammunition. To this end we must, as far as possible, keep our sons on the land and in the factory instead of turning upside down, of weakening these two production factors, and replacing experienced men with apprentices and inexperienced women who will ruin their health before the war is out. It is still on the land and in the factory that our youth can give the best account of themselves in the Allied cause.

Honourable senators, I have just expressed my opinion on this subject, an opinion which is shared, I believe, by my fellow-citizens. I think it is necessary, even urgent, in the interest of order in this country, that public men should show a great deal of care in their teachings and in the pledges they give to the people. The respect which a man in public life must have stems from his own respect for himself and for his fellow-citizens.

One of the greatest church orators in France, Massillon, said of the princes and the great of his country:

> Their very rank which singles them out presents them as models, and their morals will soon shape public morals: the crowd knows no other law than the example of those who command; their lives are reproduced, so to speak, in those of the masses, and if their vices find critics it is generally among those who foster them.

Hon. ELIE BEAUREGARD: Honourable senators, I should like to make a few very brief remarks to substantiate my opposition to this Bill. I shall not deal at any length with Conscription Bill No. 1, which was in operation during World War No. 1. We heard on that subject a very distinguished historian, a man who knew so much about it that he refused at that time a seat in the Senate in

order to avoid having anything to do with it. We heard also from some of the makers of that piece of legislation. They showed no repentance; they just said: "Come on in, the water is fine." While listening to the very sad story of that period I was reminded of the cunning fox of LaFontaine, who had lost his hairy tail in some fox-and-chicken war, and who nearly succeeded in convincing the younger members of his tribe that he was better off without it.

I shall deal only with Conscription Bill No. 2, of World War No. 2, which is more familiar to me. Bill 80 is said to be the logical consequence of the plebiscite, and nothing else. Both the Government and its die-hard opponents agree on that. They are the majority; therefore they must be right. The plebiscite obviously was offered as a compromise between the conscriptionists and the anti-conscriptionists. As such it displeased everybody. No bill ever had such a bad press.

The plebiscite was not to be confused with a referendum, the result of which would have been binding; nevertheless, the Government was not indifferent to the answer to the plebiscite, and called for a "Yes" vote. The Government's object was to be relieved of a solemn pledge not to impose conscription for overseas during the present war, and the question was drafted accordingly. The voters were repeatedly warned that they must not be influenced by what might follow an affirmative vote, and that a negative vote might well be taken as a vote of non-confidence and be acted upon as such. They were repeatedly warned not to confuse the issues, to wit, conscription—which was in everybody's mind—and the mere relieving of the Government of its pledge. One step at a time.

The proposal of such a plebiscite was branded by the conscriptionists as a farce. They were dead against consulting the electors. The fact that the word "conscription" was not inserted in the ballot appeared to them to be a manœuvre to delay consideration of the issue. On the other hand, up to the time when they were as sure as one can be that there would be no change in the wording of the ballot, they did not strongly press the point. Their only solace was to notice that the Government showed signs of weakness. Conscription, which up to then had been vetoed, at last appeared to be a possibility. This was a matter of satisfaction to conscriptionists, who do not shun politics in time of war.

As time went on it was noticed that a fair proportion of Liberals were likely to vote "Yes" through sheer confidence in the Premier. Then they rallied to the idea of a plebiscite and numbers of them under the command of conscriptionist No. 1 started to campaign alongside the Government for a "Yes" vote. The Government campaigners did not always agree as to the consequences of an affirmative vote, but the Left had unity of command and action.

As soon as the result of the ballot was known, long before the official returns were tabled, they—you know whom I mean—had forgotten all about the wording of the bulletin and the warnings of the Prime Minister. For all purposes the vote was treated as an affirmative vote on conscription. They had been unable to establish the necessity of conscription; past experience and the figures as to available man-power were against them; but it did not matter any more, since the will of the majority secured under such circumstances was manifest.

The plebiscite has become their only argument. The Crusaders had a motto: "It is the will of God." Modern Crusaders have changed it to this: "It is the will of the majority." "Vae victis!" They do not pray any more for conscription: they exact it as a right, and they succeed. Obviously the Government has heeded the pressure, since this Bill 80 was introduced with the shortest possible delay as the logical consequence of the plebiscite. The hand of the Government does not appear any freer than it was before the plebiscite was held. There is a change in the nature of the impediment. The latter one is, to say the least, just as strong as the former.

Conscriptionists have turned defeat into victory. Those who voted "No" have a solatium doloris. They may say, "We knew it." The only ones left in the dark are those who, like myself, voted "Yes" in all good faith, on the strength of the question. Those are the real losers. "In medio stat virtus" has failed to prove true. In medio stand the losers, their only solace the conviction that it is sheer folly to take another chance on this paramount question of conscription, and that this amendment should be accepted as verbal and insignificant.

Conscriptionists are now on the war path. They are not to be satisfied with this first success. True, as soon as Bill 80 receives the royal assent recruits for local defence may be sent abroad. Those already incorporated in regiments intended for service overseas will naturally follow their regiment. But it is not enough. This Government has practised conscription for local defence by instalments. It may be inclined, in order to save goat and cabbage, to follow the same process even after conscription for overseas service is the law of the land. What is needed, since the

majority so decreed, is a large-scale expedition on all continents in all latitudes.

The Government may have retreated on a line prepared in advance. New position calls for new tactics. The honourable leader on the opposite side (Hon. Mr. Ballantyne) and the honourable senator from Ottawa East (Hon. Mr. Coté) have already turned their guns on this new line. They dare the Prime Minister to come out of his position, saying in all candour: "What is the use of this Bill? The Government plays politics in time of war and dire stress. China, Russia, Asia, Africa, are waiting for our recruits, but he will not put this law into operation." That is the chip on the shoulder. They mean, "You don't dare do it."

We at least pay this compliment to the Prime Minister: we say that he is not playing comedy. He is proceeding step by step, but he is going somewhere—to some place where we cannot follow him. There may be some who believe they read his soul as an open book. If they really do, they have agreed to go where he is going.

Conscriptionists may know where he will land, but they want to hasten the pace. Protection is out of date. Conscription is no longer an object of exclusive ownership, but they will celebrate the twenty-fifth anniversary of Conscription No. 1 by having Conscription No. 2 executed by attorney. They value this tactical victory to such an extent that they are ready to seal the deal with a vote of confidence that will cover all the war policies of the Prime Minister. And you know how they love him, and how they approve of his war policies!

This is history waiting for an historian. What is the use of going into it all now? We already have and we already had conscription of man-power for service in Canada. It was enacted in 1940 and was proceeded with by instalments—training for one month, four months, the duration of the war.

Conscription for the defence of this country has always existed in Canada. It was the law of the land under French domination. No one has ever opposed it. It could have been extended to Canada's outposts on this continent, for all useful purposes. Canada thereby would have fully employed its man-power without any danger to its national unity.

Canada is not an empire. It has no world-wide possessions to protect. God knows that within a hemisphere it may play a role proportionate with its importance and power. And our men are not the salt of the earth that justice requires should be spread all over the world to make it better. For Canada to pretend to play the role of a first-class world power as it may suit giants like Great Britain, Germany or the United States is ridiculous. This reminds me of the competition between the frog and the bull, or that between Mussolini and Hitler. Both the frog and Mussolini succeeded only in blowing themselves into pieces.

The honourable senator from Montarville (Hon. Mr. Beaubien) has ridiculed that very sense of proportion so eloquently emphasized by the honourable senator from Grandville (Hon. Sir Thomas Chapais). How can we in this Chamber lose the sense of proportion? Let us look back on ourselves. What can we do for the winning of the war? No doubt we wish we could win the war all by ourselves. Age and weakness bring us back to a sense of proportion. We have to pass the task of fighting to younger men. Small population has its limits, just as old men have theirs.

Canada, a country on the American continent, is a member of the Commonwealth. Did you hear any reproach from any member of the Commonwealth because Canada had not ventured again into conscription? No member of the Commonwealth, even imperialistic Ulster, has resorted to this mode of recruiting man-power.

The people of the United States are fully aware of our war effort. They know that, all things being equal, one hundred thousand men under arms in Canada would compare with an armed force of one million three hundred thousand men in the United States, and that if we had six hundred thousand men in our forces we should be doing as well as if the United States had six times one million three hundred thousand men in uniform. But you cannot please everybody in the States; there are far too many for that. I heard from the other side of the House, not long ago, the suggestion that one might well consider American criticism of our war effort to be an echo of our own criticism. Let us be fair to ourselves, and the chances are that we shall not hear any echo.

In all fairness, who could pretend that our failure to adopt conscription has anything to do with the disquieting condition of our war venture? Had we now 200,000 conscripts in our camps, would these have saved Malaya, Hong Kong, Singapore, Java, the entire Far East, Asia and Africa, or any of them?

Admittedly our problem is primarily one of tonnage and transport. It is a question of transport to everywhere outside this continent, and it will become all the more difficult if we have a second front.

Official critics of the Government want us to regard conscription as a universal remedy. At the same time they confess, very candidly, that they do not know how many men voluntary enlistment has already secured and

is securing as time goes on. In order to induce the Government to release figures they go on repeating time and again that voluntary enlistment is a failure. They contend that to retard conscription for overseas is tantamount to reducing our effort, as if local draftees could not be prepared meanwhile just as well as if they had been at first intended for service abroad. Official critics, privately men of sense and good judgment, with tears in their voices charge that voluntary enlistment is draining the nation of its best blood while slackers enjoy a peaceful life. But conscription for local service might well take care of slackers and draw them out of their peaceful life while voluntary enlistment for abroad is being continued.

Unofficial critics abuse the province of Quebec, because they want to see more Quebeckers in khaki. Let us enforce conscription for Canada and American outposts, and there will be no more cause for complaints. Unofficial critics have gone so far as to characterize as traitors those who in Parliament have opposed the principle of this Bill. Such abuse against parliamentarians of English tradition should have raised vehement protest from both sides of the House. With two or three notable exceptions there was no protest.

Here may I digress to pay a compliment to the honourable senator from Wellington (Hon. Mr. Howard) on being an Englishman who knows Frenchmen.

To the best of my knowledge, even some papers in the province of Quebec have left such abuse inadequately answered. Almost mute during the plebiscite campaign, some of them have charged the majority of Quebec M.P's with having rendered bad service to their province and to themselves by not accepting the principle of this Bill. Publicity and silence are two equally powerful weapons. Wide publicity was given to the promoters and supporters of this Bill, while space and place were measured out to the opposition group. In the meantime readers are invited to believe that to support the Prime Minister on Bill 80 is the best way to evade or retard conscription. On this point, but, I am afraid, on this point alone, they agree with the honourable senator from Ottawa East (Hon. Mr. Coté).

I do not know of any case submitted to the consideration of a tribunal or a body of legislators that has been carried through with less evidence in support of it. A good half of the speeches of the most eminent supporters of this Bill in the other House would justify a negative verdict.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BEAUREGARD.

Hon. Mr. BEAUREGARD: This law is a concession to sentiment against logic. That is why it will be adopted without shadow of justification. Conscription is not necessary, but we may as well adopt it since it is likely to please the majority.

The Government has changed its slogan. The first was "No conscription." The new one is "Conscription if necessary." The words "if necessary," in my humble opinion, do not add much in the present case. Who has ever avowed that he would favour conscription that would not be necessary? "Conscription" in one word and "Conscription if necessary," in three words, are identical. If the solemn pledge was one binding the Government not to impose unnecessary conscription, it was no pledge at all, and therefore the pledge was no impediment to carrying on conversations with the heads of the Allied countries.

My regrets are futile, but how can a good Liberal of the minority race help regretting that the Liberal party may be instrumental in forging a law which may bring about disunion, thereby endangering not only the war effort, but also the very life of the country? A good French Canadian Liberal cannot escape a feeling of regret that the shadow of the defeated chief of the Left has overcome the great shadow of Laurier standing erect on the terrace of Parliament.

I am through. The principle of this Bill is bad because the least we can say is that the Bill is useless. It provides for nothing we cannot have by voluntary enlistment for service overseas coupled with conscription for service in Canada and American outposts. It is bad because it is liable to create friction and racial hatred. It is bad because past experience shows that it is costly and inefficient. It is ill-timed because it comes on the morrow of the plebiscite. Voters were warned not to be influenced by what might follow an affirmative vote. It looks as if the Government had not heeded its own warning. Rightly or wrongly, the plebiscite was heralded as a plebiscite on conscription. Just because the plebiscite was so heralded by powerful groups before the Bill was brought down, this Bill should not have been introduced on the sole ground of logical consequence. It may be the only logical thing in this whole scheme, but for once logic is out of place.

At six o'clock the Senate took recess.

At eight o'clock the sitting was resumed.

Hon. J. W. de B. FARRIS: Honourable senators, in continuing the debate at this time I do so with some hesitation. There has been a prolonged discussion of this question in an-

other place, followed by the speeches here. I am conscious of coming from the other end of Canada, where one finds himself a little out of touch with many of the cross-currents which seem to be involved in this question. Further, I find myself in the difficulty of being threatened with a long speech, because it is not easy for one whose mind is working as mine is on this question to say in a few sentences what he really thinks. In the next place, honourable senators, I cannot help being filled with a sense of the futility of words. When one follows the course of events—just read the headlines to-night—one feels how futile are the words which we utter here, and one cannot help wondering what it is all about, and why we are fretting and fussing about these things at all. However, we are here and we have duties to perform, and I do not know that we gain anything by shirking them, or by avoiding the ordinary problems with which we have to deal.

This question in its immediate aspect on second reading is a very simple one. If this were all we had to think or speak about, it would not take very long. The proposal is to eliminate one clause of the National Resources Mobilization Act. Honourable senators must keep in mind just this simple thing: rightly or wrongly, Parliament submitted to the people a plebiscite, on which it was voted that the Government—and that means Parliament—was to be freed from any commitments in connection with conscription. The commitments were two. The first commitment was made in the election. It was made by the Government, by the Liberal party, by the Conservative party, and by others. That was followed after the election by a second commitment, which was a natural, logical sequence of the first one. The second commitment was the insertion of clause 3, limiting conscription of man-power to service within Canada. If we are to regard the realities of things at all, if there is to be a logical sequence of events, and the voice of the majority is to be accepted, it seems to me it naturally and essentially follows that, having released ourselves—that is Parliament—from the first commitment by the sanction of the people, the second commitment equally should be removed from the statute, because unless that is done no significance, no importance, can be attached to the first release.

So I say that if that were all that was involved, what I have said would, so far as I am concerned, dispose of the question. But honourable senators all realize that that is a very limited view of the problem, which we must consider in its larger aspect.

I may say that the criticism of the Government in connection with the Bill comes from three quarters. First it comes from our friends and fellow-citizens of the province of Quebec; secondly, it comes from the group called the C.C.F.; and thirdly, it comes from the Conservative party.

So far as the criticisms coming from the province of Quebec are concerned, I do not intend to make any comments but those which may arise incidentally in considering the third heading I have enumerated. As one living in the province farthest removed from the province of Quebec, and—I say it with the deepest regret—not speaking the French language and never having been intimately identified with the problems of Quebec, I refrain from commenting on the phase relating to that province, for it would be presumption on my part to enter into a discussion of it.

Then we come to the C.C.F., and I am not sensible of any reluctance in that connection. We in British Columbia know something about the C.C.F., and I suspect that we shall know more about it in the future. That party has taken a position in regard to this question that I think should be brought to the attention of the Senate, although it has not been discussed here and although there are no members of that party here to take up the cudgels on its behalf. I call the attention of honourable senators to the fact that in the discussion of this question the C.C.F. has virtually said, both in the Press and generally throughout Canada: "Before we will vote to give the Government power to enforce conscription, if it is necessary, we stipulate that the Government must agree to our demands." And those demands, which are six, have been formulated. They are:

No. 1: The nationalization of financial institutions.

Just stop and think, honourable senators, what that would mean in the disruption of the financial organization of this country in these days of crisis, no matter how sound theoretically such an undertaking may be.

No. 2: Interest-free loans;

No. 3: Government ownership or complete control of all essential war industries, so that every plant can take its place as a unit in a comprehensive plan of war production.

If that means what I think it does, it means that the C.C.F., admittedly the Socialist party in this country, is demanding at this time that, before a single man can be sent overseas with the authority of the Government, we concede to it a step on the road to Socialism so irrevocable, I think, that if it were taken it could never be retraced.

No. 4: Replacing all dollar-a-year men by full-time national administrators paid only by

the State, and working in conjunction with war boards on which labour and farm organizations are properly represented.

No. 5: A 100 per cent tax on all profits in excess of 4 per cent on capital actually invested, as has been suggested in our sister Dominion of Australia.

No. 6: The establishment of a fair maximum-minimum income, a steeply graduated tax on incomes between the minimum and maximum, and a 100 per cent tax on all incomes above the maximum.

I call attention, honourable senators, to what the leader of that party said in June last in connection with this proposal:

Since the Government is seeking power for the final step in the conscription of man-power for overseas, now is the time to demand that these principles be put into effect.

And only the other day, after the presentation of the Budget, which contained probably the most drastic measures ever imposed on this side of the Atlantic for the conscription of wealth, as it is popularly understood, the leader of that party said:

We voted against the second reading of the Government's Bill on the ground I have stated. We supported the Budget, it is true, in spite of our dislike of some of its features. We supported that Budget because in this war we have never denied at any time the funds that the Government needed to carry on the war.

What does that mean, honourable senators? It simply means that these men have said: "So far as money is concerned, we will vote it to carry on the war; but if you need men to carry on the war we will not vote for that purpose unless you grant what we demand." I should not have any complaint as to the conduct of these honourable gentlemen if they had said, "We are opposing this Bill because we are against conscription." They have not said that. I should not have criticized their conduct if they had said, "We are against this Bill because conscription is not necessary." But they have not said that. I should not have criticized them if they had said, "Collaterally to this proposal we also bring forward other measures, which we think ought to be adopted." But what they say is: "No matter how essential this may be for the ultimate defence of the country, we will not grant it except on the condition that you pay our price and let us start on the road to Socialism." I think, honourable senators, that that should be considered at this time along with what this party said in the House of Commons on September 9, 1939, when war was declared. Mr. Coldwell, then the acting leader and now the leader of the Co-operative Commonwealth Federation, said this:

Nevertheless, the Co-operative Commonwealth Federation recognizes that Canada is now implicated in a struggle which may involve the survival of democratic institutions.

I emphasize that, honourable senators, to show that this party cannot plead to-day, "We did not realize what we were faced with when our then acting leader made this further statement."

In view of these considerations, the Co-operative Commonwealth Federation believes that Canada's policy should be based first on the fundamental national interests of the Canadian people, as well as on their interest in the outcome of war. Canada should be prepared to defend her own shores, but her assistance overseas should be limited to economic aid and must not include conscription of man-power or the sending of any expeditionary force.

He enumerated four propositions, the third and fourth of which I will now read:

3. No military participation overseas: Any attempt to send a force abroad would rob us of the man-power necessary for the defence of our shores and for home production, would gravely endanger national unity, would threaten our civil liberties and democratic institutions, and would ultimately lead to conscription.

4. Preservation of democracy at home: The Co-operative Commonwealth Federation protests against the encroachments on our civil liberties which the Government has already introduced—

You will recall what that encroachment was, honourable senators, in September nearly three years ago.

—and insists that democracy at home must be preserved unimpaired during the war.

It was worrying about democracy at home, so far as our Government's orders were concerned, but utterly inconsiderate of the survival of democracy, for which the people of this country would have to fight with their man-power.

I noticed in the papers to-day that this party is having a convention and is sending an organizer into the province of Quebec. This party, which stands for Socialism, is to make an appeal in the province of Quebec for what? I believe it will not get much of a reception if it tells the people of that province, "Our policy was that not a single Canadian soldier, volunteer or conscript, should go abroad, and to-day our policy is that no matter how badly our country may need men for overseas service in its hour of greatest peril, our price for our support of the Government's action in supplying this need is the adoption of our Socialistic doctrine." I call attention to this, honourable senators, because I consider it to be one of the serious situations that ought to be recognized in this country.

Now we come to the attitude of the Conservative party. As I follow it, partly from what has been said in this House and partly from what has been said elsewhere, the criticism is directed, not against the Bill as such, for most honourable members of the party will support the Bill, but against the

Government's policy, and particularly against the Prime Minister. It is contended that our total war effort requires conscription for overseas now, or required it sooner. The criticism that has been made is, first, that action should have been taken without a plebiscite, and, secondly, that since a plebiscite was taken, with the result that we all know, a Bill for conscription, rather than the present measure, should have been introduced in Parliament; and, in the third place, the criticism takes the form of prediction of delay in the future.

So, as I see it, the controversy boils down to this question: Is conscription necessary? At this stage, honourable senators, I want to say that I have felt a great sense of satisfaction at the temper and high tone of the discussions on this Bill in the Senate.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. FARRIS: If I should get a little warm to-night, please blame it on the hot weather and not on my attitude in regard to anything that has been said in this House, for I feel that the discussion here might well be an example to other places and parts of Canada.

I would ask consideration of this question of conscription from two standpoints. I see no other way of approaching it in my own process of reasoning. The first is this, that as an abstract principle it is the correct way to select men for national service. If I do not appear somewhat egotistical, I should like to submit my own view in that regard. Many honourable members in this House, including a number on this side, do not hold this view. It is this, that when we are in a war in which the existence of the State is threatened and the freedom and safety of our citizens are in danger, conscription is the proper method of selecting people for service at home and abroad.

Hon. C. P. BEAUBIEN: Hear, hear.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. FARRIS: Perhaps honourable senators will not altogether approve of my attitude when I have fully explained it. I say, other things being equal, that is in my conception the sound principle on which to approach this question. In my opinion, the thing being examined in an abstract way, voluntary enlistment is very much like voluntary taxation. In this country to-day we have compulsory taxation. When we pay our share of taxes we are satisfied, in one sense at least, for we know that no matter how much it hurts us to do so, the money is needed, and that, so far as is humanly possible, all pay alike. But if we had voluntary taxation what would be the feeling? Some people would do their duty, some would do more than their duty, and some would do nothing at all. The result would be inefficiency, dissatisfaction and resentment.

What I am about to say now I have pasted on my notes from a statement I made in a broadcast during the plebiscite. There is about this word "conscription" a prejudice which is not justified. The literal meaning of the word is, "The act of writing down on paper—an enrolment." Conscription of men, in short, therefore is the orderly system of writing down the list of men who are available for war service and other services, and then after the enrolment is complete it involves proceeding in an intelligent way to select those who from age, physical qualifications and freedom from family ties should be the first to go, and to decide, on the same basis, the time when each man's turn should come. This should be done, not by guess-work, but intelligently, according to established rules set up by competent public authority in the interest of the State and according to the ordinary principles of fair play. It should be regarded, not as compulsion, but as intelligent and practical selection. The theory is based on the assumption that every man who is a worthy citizen is willing to serve, but that the State should say who should serve, and when and where he should serve. It is logical, it is fair, it is democratic and it is efficient.

But when I say that, honourable senators, I have not said all there is to be said about conscription in the Dominion of Canada in the year 1942. As every honourable senator knows, what we are confronted with in this country is not a theory, but a practical condition. If it was merely a case of theory, we should have had, from the very day the war began, conscription based on this principle of selective service imposed by the State. But no one, certainly no one who was vocal, was in favour of conscription when war was declared.

Hon. Mr. HORNER: Yes; W. D. Herridge was.

Hon. Mr. FARRIS: I was going to quote a maxim that lawyers sometimes cite, "De minimis," and so on. But the gentleman referred to is not here, and it would not be fair to make comments of that kind.

Broadly speaking, at the time of the election in 1940 the leaders of the major parties in Canada, no matter what their private views as to the theory of conscription may have been, felt that we should not have conscription in Canada.

Hon. C. P. BEAUBIEN: That is right.

Hon. Mr. FARRIS: There was a reason for that. And I ask of honourable senators and others who have changed their position, "Why is conscription demanded now by those who were against it a short time ago?" The answer is an obvious one, namely, that we did not consider it necessary then, but we do consider it necessary now. I think that would be accepted as the answer. To my mind it is a fair answer, if it is correct.

So the whole issue in these circumstances, as I see it, comes down to this question: "When is conscription necessary?" My answer to that is this. In Canada, conscription is necessary when thereby our total war effort is better served. Think that over, honourable senators, and see if it does not meet the test. Conscription is necessary in Canada when thereby our total war effort is better served. That is not confined to the question: "Will you get more men to-morrow by conscription than you will by voluntary enlistment?" That extends to a survey of the entire field. Are we prepared to ask, as a government must: "Will the war effort be better served?" When that question is asked, and is answered affirmatively, I can see no course other than that conscription must be introduced.

I would ask you to consider the question I have formulated in the light of three things: first, experience; second, present conditions; third, our immediate future.

I do not intend to speak at length about the past, and I shall not refer to it in any spirit of recrimination. There were stronger differences between some of us who were here in 1917, and enough time has gone by for every one of us to respect and honour the views which others had at that time. Let me recall the situation in the early spring of 1917, when Sir Robert Borden returned from England. He reported to his colleagues and to Canada that replacements necessary for our men overseas, who had been in the thick of the fighting for some time, were not being secured by the voluntary system. It was estimated that there must as soon as possible be at least 70,000 men sent overseas. I have before me Sir Robert Borden's Memoirs. There are many things Sir Robert could have said, and some he did say. Here is a passage I think it worth while to bring to the attention of honourable members:

> In all my experience I never encountered so extraordinary a political atmosphere as that which prevailed during that summer and autumn. The varying phases of patriotic sentiment and fervour, of racial prejudice and animosity, the rumours and counter-rumours often finding credence although wholly absurd, the alternation of hesitation and distrust with frankness and confidence, the advances and recessions in the loosening or rending of party affiliations, the lack of balance and comprehension and the fluctuating moods affecting the attitude of outstanding figures, created a political kaleidoscope which even one who was in the midst of all the turmoil finds it difficult to recall in some of its constantly changing features.

That comes from the man who was at the head of the Government which brought in conscription. He never writes, so far as I have noticed, in extravagant terms. He makes a moderate statement of the very serious condition which existed in this country at that time. My colleague from Vancouver (Hon. Mr. McRae) said this afternoon: "There are no yesterdays to-day." But he will agree with me that there would be no to-days if there were no yesterdays, and there would be no progress or advancement if to-day we did not learn from our yesterdays. Sir Robert Borden is one authority I desired to quote simply to refresh honourable senators' minds. There are members here who could stand up and make a much stronger statement than that and be well within bounds in describing the conditions which then existed.

Then I call attention to what the honourable gentleman from Grandville (Hon. Sir Thomas Chapais) yesterday afternoon quoted, in part, from Dr. Skelton's book. I think it will bear citing again, with some comments. He spoke of what had been predicted and expected, and then he continued:

> Yet the legions promised did not appear. The first shock of the sanguine supporters of the Act came when it was found that of the 404,000 of the first class, unmarried men from twenty to thirty-four, who had registered by the end of 1917, 380,000 had claimed exemption; the next, with the announcement that there were 118,000 claims for exemption from Ontario as against 115,000 from Quebec (out of 125,000 and 117,000 registrants). Local tribunals, particularly in Quebec, were charged with being farcically lax; on the other hand, the military representatives appealed nearly every exemption in Quebec, but allowed 90,000 in Ontario to go unopposed. Exemptions were reviewed by the appeal judges and later by Justice Duff; by the end of March,—

—that is 1918—

> —some 364,000 out of 372,000 cases had been decided. In Quebec 108,000 exemptions had been finally approved, and in Ontario 104,000. Sir Robert Borden had insisted in June—

—that is June of 1917—

> —that it was absolutely essential to have 70,000 men by December 31, 1917. By March 31, 1918, the number ordered to report for duty was only 31,000 of whom 5,000 defaulted, the net yield being less than 26,000. Supporters of conscription were slow to admit its failure, but in the face of this breakdown criticism could

not be wholly suppressed. "The spectacle offered by the operation of the draft system has not been encouraging," the Montreal Gazette declared in March; "the Government appears to have established a system which if it gets the men at all, will get them so slowly that whatever military advantage depends upon expeditious reinforcement will be lost." The Toronto Globe—

It had not yet achieved hyphenation.

—referred to the "wide-spread feeling of disappointment,"—

It seems to be a chronic condition of that paper.

—while Mayor Church of Toronto stated: "The Military Service Act will cost the country millions and is getting very little results. If the Government had spent one-quarter of the money in voluntary recruiting, they would have got more men."

For the benefit of any honourable senators who are interested I should like to give them a further reference at page 549 of Dr. Skelton's book, but I will not take time to read it.

I have simply recalled to honourable senators the situation which we all have some recollection of. I am not doing it for any purpose except to ask them to keep these things in mind when we are considering the question of necessity in the way I have formulated, namely, that conscription is not necessary nor desirable unless as a result our war effort will be furthered. That is the issue.

I listened yesterday with great admiration to the speech of the honourable senator from Montarville (Hon. C. P. Beaubien). It was, I thought, if he will permit me to say so, a brilliant speech, and obviously much of it must have been made without preparation, for it was to some extent in reply to the speech of the honourable senator immediately preceding him (Hon. Sir Thomas Chapais). I regret that that fine speech was somewhat marred by his suggestion that these conditions, which he described more graphically than I can, must be visited on the Liberal party. I regret that, because it is not essential to our discussion to decide who was responsible. But may I call attention to something that occurred to me as a rank outsider in this connection?

Hon. C. P. BEAUBIEN: Will my honourable friend allow me? I may have been very obscure in my remarks, but my whole effort was to show that from 1917 to date the constant policy of the Liberal party in the province of Quebec has been against conscription, and that is why we find the present political mentality in my province. That is all. If I went beyond that, certainly I overshot the mark which I had set up for myself.

Hon. Mr. FARRIS: I think the honourable senator will be glad I mentioned this subject, since my remark has drawn that observation from him.

Hon. C. P. BEAUBIEN: That is all.

Hon. Mr. FARRIS: Though I accept what he says in the very fair way in which the honourable gentleman now puts it, I submit, in view of what happened here yesterday, that that could not possibly be the whole picture. The honourable senator who preceded him (Hon. Sir Thomas Chapais), and who as scholar, historian and patriot is so much admired by my honourable friend—and we share his admiration—declared that as far as he was concerned the leaders of the Liberal party did not have any influence over him; and I have no doubt, after listening to the profound and eloquent speech he made yesterday, that mighty few Liberal leaders could have influenced his fellow-countrymen more than the honourable professor from Laval.

Then I do not think it is fair to suggest, even in the most moderate terms, that the Liberal party was a contributing factor to the situation which has developed. I had intended to follow that up further, to mention a former premier of the province of Quebec and others in my discussion along that line, but I think it is probably better just to leave it where it is, except to add that there is a background to conscription in this country which must be taken into account, no matter how a man's convictions may be in favour of conscription as a principle.

I recall again that virtually nobody mentioned conscription in the last election except to disavow it. Nor was it mentioned when war was declared. That, I think we can all agree, was a contributing factor in bringing Canada into this war a united country. It was with this background that the election was fought in 1940, and that the leader of the Conservative party in the House of Commons, Mr. Hanson, said only last October:

> Conscription is bound to come to the front more and more insistently, but it must come from the people themselves. To make it a political move would defeat the very purpose of those who have it in view. Our sense of citizenship must be such that we will come out and tell the people what the situation is, but if you make conscription a political issue you will retard its adoption.

I think every honourable member of this House will agree with those sentiments.

So I come back to the question of necessity and take the next step, which is to consider the present condition in the light of our yesterdays. I draw from the situation certain fundamentals, one of which is that in deciding

how far our war effort is to be advanced we must consider as essential the unity of Canada. I proceed on this with some hesitation, not because of any lack in my own belief, but because it is so easy for anyone who makes a statement in a situation of this kind to be misunderstood. I say it will be very unfortunate if the French Canadian minority in this country are made to feel that they have been forced into overseas conscription unnecessarily or unfairly. I for one am a firm believer in the proposition that every reasonable effort ought to be made to avert any such situation, and I say, still sticking to my text of the advancement of our war effort, that I for my part am prepared to give the Prime Minister credit for being prompted by that purpose and not by mere political manœuvering.

I call attention to the speech which Mr. Cardin made in another place only the other day. I heard that speech, and I think there were some fine things in it. In many particulars I did not agree with it. That is not to be wondered at. He said:

> The minority cannot rule; but let me say in all kindness to the majority of this country, which according to the honourable member for Trinity should rule—and he asked that we should recognize the sovereignty of the majority —I do recognize the sovereignty of the majority in Canada, and the province of Quebec will submit to the legislation that is going to be passed. But if the minority cannot dictate its view to the majority, that majority should hesitate, should pause, before setting its iron heel upon a minority in the country.

I do not agree with that expression. I should prefer to put it this way: "before the majority should give the appearance of setting its iron heel upon the minority."

I continue:

> Exercise your authority, you members of the majority, but with kindness, not in Hitler's or Mussolini's way. Exercise it in such a way that the feelings of those upon whom you exercise it by the force of numbers are not hurt too deeply.

That statement, which I have read from Hansard, is quoted in the Montreal Gazette of a day or so ago. After quoting it, the Gazette concludes as follows:

> The Gazette has been severely critical of Mr. Cardin in the past, notably of his withdrawal from the Cabinet at a moment and under circumstances that seemed to make the "Yes" campaign in this province a mockery. But we pay tribute, nonetheless, to the dignity of the appeal above quoted, which spokesmen of the majority may well take to heart.

Now, having said that, honourable senators, I have not yet said enough. I have declared for a principle that I believed in. I have pointed out how necessary it may be under certain conditions to be practical and sensible and fair. I should not want to force my opinions down the throat of any other person. But there may come a situation where, as Mr. Ralston, I think it was, said—I am speaking from memory—"There may be too big a price to pay for unity."

Hon. Mr. LACASSE: What is that?

Hon. Mr. FARRIS: "There may be too big a price to pay for unity." We must agree that that may be so. I would go further and would put it this way: it is possible to pay a price for unity which will defeat the purpose desired. I have already said that it will be a blow to unity if the French Canadian minority are made to feel that they have been forced into overseas conscription unnecessarily and unfairly. But I add a counterpart of that statement. I say it will be an even more disastrous blow to Canadian unity if the majority in Canada are led to believe that their will has been thwarted by the French Canadian minority and that this has been detrimental to our war effort. Now, honourable senators, do not misunderstand that statement. I have made it very carefully. If they were led to believe that, and consequences followed, I think it would be the most serious situation that could happen in Canada, and I think our French Canadian friends would be the first to agree that that is so.

We are talking of necessity. There is such a thing, honourable senators, as an emotional necessity. It may be brought about by too much irresponsible talk on the part of extremists on either side, or on both sides. You and I know, honourable senators, that in some part of Canada—not in this House—that is true. The appearance in a newspaper in the province of Quebec of an irresponsible statement by some man in my province who would not be listened to out there, will do untold harm. We know also that someone in the province of Quebec may make statements which, if quoted in other parts of Canada, would have the same result. In such conditions you are heading towards what I have termed an emotional necessity.

This will never happen if we can keep the discussion of this question on the plane that it has occupied in this House. So I would say to honourable members of this House who come from the province of Quebec: use your influence to the utmost to see that no false colour is given to the suggestion that the majority are being thwarted by the demand of the minority. And I would say to my fellow-citizens in the other parts of Canada that they, too, must deal with this question with tolerance and understanding.

The other day the Hon. Mr. Justice Harrison, distinguished Chairman of the Board of Referees under the Excess Profits Tax Act, a former Conservative Attorney-General of New Brunswick, and now a member of the highest court in that province, spoke in Vancouver to the citizens of that city. And some of them needed it. He said that what we need in Canada is a better understanding of one another, and that it would have been a good thing for a lot of us if we had learned to speak French.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: This idea of running a country with a dual language can never succeed unless the educated men of the country are capable of understanding one another.

For my part—and I said this long before this controversy ever came up—as a professional man who went through two universities, and who has a string of degrees to his name, some earned and some unearned, I feel that it is a reflection on myself that I do not understand both official languages of my country. I think there is a wholesome truth in what was said by Mr. Justice Harrison.

Every man in this Chamber or outside of it who is pondering over the question, which in the last analysis must be left to this Govment, "Is conscription necessary?" must make sure that the demand of military necessity is made in the light of all the facts, and not from a feeling of resentment arising from something that has been said by some extremist in another part of the country. Furthermore, the demand must not come from a desire to force conscription upon anybody. If you think that someone in your town or province, or even in another province, is not doing his duty, that is a good reason for resentment; but it is not a sound reason for demanding conscription unless you can see that thereby our war effort will be better served.

In approaching this question of how far there is a present necessity for conscription, I may say that the statement is made—and at first blush there is logic in it—that the fact that the Government called the plebiscite last winter was of itself an admission by the Government that there was an immediate necessity for conscription. All you have to do to see that that is not so is to read the speech of the Prime Minister. The plebisicite was called in anticipation of what threatened and what might happen. Those who were on the platform and at the radio urging conscription allowed themselves, I think, to dwell very strongly on the necessity. They were seeking to persuade the voters to vote "Yes." The people responded to that appeal, and in the result, I think, because of the sort of appeal that was made, many people felt a kind of let-down when something did not happen immediately. They experienced an anti-climax, not necessarily because it was justified, but because of the incidents that had developed.

Let us look at this question. I followed with great interest and much respect the figures given by the honourable senator from Vancouver (Hon. Mr. McRae) this afternoon. But I am sure he must agree with me that in the last analysis he is speculating somewhat on this question. It was with difficulty that he worked out his figures, and when they were worked out he told us of 100,000 men to be conscripted and sent overseas.

Hon. Mr. McRAE: Pardon me. I said 100,000 men, but I do not think I said anything about conscription with respect to them. I was quoting the Minister of National Defence.

Hon. Mr. FARRIS: My honourable friend is quite right, and I am glad to be corrected. My statement with regard to these men is that whether they go as volunteers or as conscripts the problem is the same. It is a mighty difficult thing to get them over there.

Hon. Mr. McRAE: Agreed.

Hon. Mr. FARRIS: Now, honourable senators, it seems to me there is one thing overlooked by all the critics who say that conscription is not being brought into effect soon enough. Sufficient consideration is not being given to the fact that we have conscription in Canada to-day. One of Mr. Cardin's complaints was that this Bill will make conscription for overseas retroactive. Just think about that, honourable senators. What is meant by retroactive conscription? It does not mean that advantage is being taken of any man who has volunteered. The complaint is with respect to men who have been drafted for training. And when that complaint is analysed what do we find? We find that when the Government does declare for conscription for overseas service the men taken will be more or less trained instead of being absolutely raw recruits. Let me read what the Prime Minister said the other night:

> Suppose we had conscription for service overseas in force at this hour. I think I am right when I say that not an additional man would be called out, not one more man would be receiving training at the present time, not one man more would be sent overseas at the present time, for the simple reason that we have more men ready to go overseas to-day than it would have been necessary to raise by conscription to meet the situation at the present time.
>
> If the supply of volunteers fails there will be no question of starting a new system.

I pause there to ask honourable members to note how much more advantageous the present situation is than that which confronted Sir Robert Borden in 1917.

Hon. Mr. BALLANTYNE: May I ask the honourable senator one question? I suppose he recognizes, as I do, that the voluntary system has failed now?

Hon. Mr. FARRIS: No. How can I recognize it? How can any man recognize it until he knows the facts? And we have that statement from the Prime Minister, which so far as I know has not been challenged on authoritative grounds. May I continue with the Prime Minister's statement?

> If the supply of volunteers fails there will be no question of starting a new system; all that will be required will be to extend the scope of service of men already called up and trained. That is the answer to the question as to the effect of delay in putting this system into force.

My honourable friend the leader opposite (Hon. Mr. Ballantyne) said you could not have an army composed half of draftees and half of volunteers. That is not an accurate report of his statement, but I think it contains the substance. I say to my honourable friend that there is nothing to stop training men, half of whom are draftees and half volunteers, and if after they had been trained it became necessary to pass an Order in Council under the authority of this Bill, there would be nothing to prevent conversion of those draftees into men ready and available for overseas service.

Hon. Mr. McRAE: Will my honourable friend allow me a question? As I listened to the speech of Hon. Mr. Cardin, I understood his objection to be this, that trainees or draftees, whatever you may call them, were signed up for home service, and it did not seem to be fair to pass an Order in Council making them subject to overseas service. At least, if Mr. Cardin did not make that objection, others did. They did not think it was fair to treat in that way men who had been drafted for home service.

Hon. Mr. FARRIS: My honourable friend is perfectly right. But, with all deference to him, may I say his question is side-tracking the issue I am now discussing. I already discussed the fairness or unfairness of the complaint when I said that the measure was not retroactive in the sense of taking advantage of a man who had volunteered. You do not take advantage of a drafted man if you change his duties. That is the answer to Mr. Cardin's objection. Some honourable senators may not agree with me, but to my mind it is a logical answer. If you said to a man who had volunteered for home service, "We asked you to volunteer for home service, but now that we have got you we intend to send you overseas," that would be taking an unfair retroactive action. But there would be nothing unfair in saying to a draftee, "We called you into the army without consulting you as to whether or not you wished to become a soldier, and now we have decided it is necessary to send you overseas." Legislation under the Order in Council could be said to be retroactive in that it applied to trained draftees rather than raw recruits.

That leads back to the reply I was making to the honourable leader opposite (Hon. Mr. Ballantyne). As far as a group of men standing before the sergeant-major are concerned, they will take their training just the same whether they are told their ultimate destination is the Yukon or Great Britain.

Hon. Mr. BALLANTYNE: May I put in one word there?

Hon. Mr. FARRIS: Certainly.

Hon. Mr. BALLANTYNE: When half the men are to go overseas and the other half are not, there will not be the same esprit de corps as if they all were training for overseas.

Hon. Mr. FARRIS: I do not know. I think it would be very unwise for my honourable friend, in advocating conscription, to talk about esprit de corps, because if conscription affects esprit de corps, my honourable friend must want the effect to be one hundred per cent.

Hon. Mr. BALLANTYNE: No.

Hon. Mr. FARRIS: Conscription either affects or it does not affect esprit de corps. My impression is that if men have the proper appreciation of their citizenship, as I think they have in Canada, there will be a good esprit de corps whether they are selected under the voluntary system or under the other. But I say to my honourable friend that if there is anything in his argument it is an answer to his own contention.

Hon. Mr. BALLANTYNE: Oh, no. I do not like to interrupt my honourable friend so often.

Hon. Mr. FARRIS: I do not mind.

Hon. Mr. BALLANTYNE: He does not get my point. I know that undue coercion is applied by men who have volunteered for overseas against men who have not, and there is a certain amount of strain or ill-feeling between the two groups. That is the point I was endeavouring to make.

Hon. Mr. FARRIS: That may or may not be so. It must depend a great deal on the commanding officer.

Hon. Mr. BALLANTYNE: I know it is true.

Hon. Mr. FARRIS: I have been told of officers who have entirely succeeded in correcting a situation of that kind. I do not think it is a thing of real substance on which we should spend much time. It seems to me we had better get a little closer to the essentials.

Now, honourable senators, I do not know whether I have made myslf clear or not. May I just briefly review the situation as I see it? First, it is my belief that conscription is sound in principle. Let me illustrate it in this way. I believe in prohibition, although I may not practise it. And although a majority of the people of Canada may honestly believe in prohibition as a principle, they found that principle and practice do not always work out the same. Now, having found conscription to be sound in principle, what is the next step? I say the next step is to consider the principle in the light of our past, present and future conditions. And I say further that in taking that step the authorities should look at it as a practical matter in relation to the unity of Canada. And in doing so they should not overlook this fact: that unity requires not only that minorities in this country be satisfied, but that the majority also be satisfied, in order that there may not be brought about in Canada what I have termed an emotional necessity. And when we have gone thus far, I say the next logical step, in considering the criticism of possible future delay, is to recognize the policy of the Government and the situation as it exists to-day, with the form of conscription we now have, which is accepted by everybody, and to keep these matters in mind when dealing with proposals for the future.

Honourable senators, I want to say a word on another aspect of this case that seems to me mighty important. That is the relation of Parliament and the people to our Prime Minister. After all, he is our Prime Minister, and he is the leader, not of the Liberal party alone, but of the people of Canada. It has been said against him—not in this House, but eleswhere—that he is more concerned with the unity of the Liberal party than with the unity of the country. I am referring to these things because they are vitally related to what we are now considering. It has been repeatedly charged against him that his methods are devious. Even my honourable friend from Ottawa East (Hon. Mr. Coté), in his moderately tempered speech, mentioned the allegation of political adroitness, and recalled, seemingly with approval, a statement in the "Time" magazine about the Prime Minister having looped the loop three times. The sum total of the attacks on and criticisms of the Prime Minister of Canada seems to be the charge that he is putting party and opportunism above country. I say that if charges of this kind carried to their logical conclusion are proved, not only should Mackenzie King not be Prime Minister to-day, but he should never have been regarded as fit to occupy that position. I for one am here to say that I believe those charges are not true, and though I sometimes disagree with Mackenzie King, yet when I look at his record in perspective I am proud to be a supporter of his.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: This is a time when our country is in such deadly peril, and all human ambitions are so trifling, that no patriotic citizen should give such charges even passing thought. The Prime Minister of Canada has led us in this war for three years, and I submit he does not merit the attacks made against him. I have been out in the West and I am conscious of them. They are repeated to me by close friends of mine, who express themselves very strongly. It disturbs me greatly. I cannot help, honourable senators, going back again for a moment to Laurier in the last war, to refer to some things that were said about him. I am reading from Skelton's book at page 537:

> But there were other motives not so commendable concerned: the racial hatred against Quebec, the arrogant assumption of exclusive patriotism; the twisting and suppression of Laurier's statements; the weak swimming with the tide of prejudice. The Toronto "News" criticizing Laurier as "a demagogue, a charlatan and a mountebank," a Montreal Scotch-Canadian declaration that "if Laurier were to win he would win leading the cockroaches of the kitchen of Canada to victory," advertisements of a Toronto Citizens' Union Committee appealing for "a solid Ontario to prevent the domination of a solid Quebec," asserting that "a Laurier victory will be the first Canadian defeat," that "Laurier is the tool of Bourassa," that "our Victory Loan must not be handed over to Quebec to spend," the posters declaring that "a vote for Laurier is a vote for the Kaiser."

Honourable senators, I was in Ottawa the week Union Government was formed—and I was not looking for a position in that Government either.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: I was at that time Attorney-General of British Columbia, and was attending sittings of the Supreme Court.

In company with the present leader of this House (Hon. Mr. King), I had the great privilege of calling on Sir Wilfrid Laurier. He was not well. He was suffering what a man of his sensitive nature must have suffered that week, for some of his oldest and most tried friends found it necessary to disagree with him. But he had a poise, a peace of soul, that I did not observe in any other man in Ottawa. He never suggested to us that he could win this election; but that did not disturb him. His message to us at that time was this: "My life work has been to preserve the unity of Canada, and I do not intend to sacrifice that for any present political advantage. It is my belief that if I took any other course than I am taking I should be surrendering my province into the hands of extremists."

That interview had much to do with my course in that election, and I was proud to be a supporter of Sir Wilfrid Laurier. Looking back over the years that intervene, I am prouder to-day than I was in 1917.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: I mentioned that I had in my notes a reminder to quote some of the things that Sir Robert Borden in his book says about Laurier and the honesty of his convictions. I commend Sir Robert's Memoirs to honourable senators, particularly pages 726 and 727, but probably most of you have already read his work.

I mention these things now, not to stir up rancour. Oh, no. On the contrary, I do so in the hope that as we look back over those twenty-five years we may, no matter how close we are to that period, get a little better perspective of the present. I believe that when this war is over and the record of Mackenzie King is seen in its true proportions over the years, he will rank with Laurier and Borden as one of Canada's greatest statesmen.

If there is one contribution I should wish to make at this time it would be to help restore confidence in the public mind. That confidence has been greatly disturbed. I believe that Mackenzie King is leading Canada with vision and courage. Look at his conscription record, his war record in that connection, in perspective, if it is possible for us to do so at this time. As I have already said, he led Canada into this war a united people. I still have a great admiration for Right Hon. Mr. Meighen, though he used to stimulate my opposition and very often I found I could not agree with him. I heard him suggest, standing where my honourable friend the present leader (Hon. Mr. Ballantyne) is to-night,—this happened three years ago, but I think I can recall it with fair accuracy—that if Mackenzie King had only taken a stand before Germany moved against Czechoslovakia, it might have stayed Hitler's hand. Honourable senators, suppose he had done what the then leader opposite suggested, and Mayor Houde had made the statements that he did make after we entered the war. There was no restrictive wartime law in force in Canada at that time. Suppose that Mr. Coldwell, leader of the C.C.F., had, because of some militant statement by the Prime Minister, been prompted to declare what he did declare after the war started—and I quoted it to-night. I wonder how much those protests would have helped to stay the hand of Hitler. No, honourable members, the Prime Minister of Canada, with pressure on him before the war started, kept his head and guided the Ship of State safely into port. We were a united country entering the war, and his stand on conscription was a contribution to the unanimous position then taken. We all know that.

Now, there was nothing devious about that. It was a simple and direct action in the light of three years' perspective. Then we had an election. Of course, again he was charged with devious political action. But the trouble was not its deviousness; it was direct action, a direct appeal to the people. If he had not taken that action, honourable senators, what would have been the situation? Either we should have had an election later, when war conditions were much worse, or we should to-day have a moribund House of Commons, in no way whatever representative of the people of Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: After that election we had the Mobilization Act, section 3 of which it is sought to repeal by this Bill. Does any honourable senator contend there was anything devious in that action? Why, the Act was passed by a unanimous Parliament. Then came the plebiscite. Oh! what allegations were made about the machinations of the subtle mind when that question was submitted to the country! Yet what do we find? He had one of three positions to take. First, to continue as he was. The majority opinion in Canada to-day would not say that he should have so continued regardless of future possibilities. The next alternative was another election; which was unthinkable. The other alternative would have been to throw his promise to the winds and bring in conscription without consulting the people. I might ask honourable senators to go back again to history, but you do not need to do that. Turn

rather to the present. Do you think that if the Prime Minister of Canada had taken that course you would have had the temperate speech from Mr. Cardin which we heard in the House of Commons last week, and from which I have read to you? It may be that he would have broken up his party. It may be that if he had ambitions only for leadership he could have headed a Union Government which would have said, "We will defy Quebec." And undoubtedly he could have got a majority vote. But no man with the vision I believe the Prime Minister has, and with the sense of patriotism which I think we ought to give him credit for, as we give it to ourselves, could ever wish anything so disastrous to Canada as that kind of racial cleavage would have been. So I say that even in short perspective the alleged deviousness disappears.

Then we have Bill 80, which, as I have already said, is the logical sequence of the plebiscite.

Lastly we have the future to look to. There is nothing I need say about that. I have already pointed out how men are being trained. Do you think the Prime Minister is concerned with party advantage in that? Really, honourable senators, what has the future to offer a man in Mackenzie King's position at his age, except the laudable ambition which ought to be any man's, that when his life's history is written it will be declared of him that he did his duty by his country as he saw his duty. No other tribute would be worth seeking.

Again, I think of Laurier as he spoke to my honourable friend from Kootenay East (Hon. Mr. King) and myself. His life work was the unity of Canada and the British connection. But Mackenzie King has entered on a wider field. He has a scope of responsibilities greater than any in Laurier's time. He has, as Laurier had in his day, Canadian unity to think of and to achieve. He has had a vision of unity with Britain, as Laurier had—and in that we are behind him. He had a vision of neighbourly unity with the United States of America at a time when that neighbourly unity was the most vital necessity in the life of our Empire.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: He had a vision of a new unity—and he has it to-day—a unity between Britain and the United States of America.

Then, honourable senators, in his position as Prime Minister of this country he has had a vision of unity in Canada in regard to material things, such as production based on the co-operation of capital and labour and the consumer. He has had a vision of the unity of our forces in the air, on the land and on the sea.

Honourable senators, I shall not take time to analyse that group of unities in detail. I have already spoken about them so far as Canada is concerned. But let me group the unity of Canada with Britain and with the United States, and the unity of Britain with the United States, and recall to your minds that before this war started there were laid by the present Prime Minister some foundations which, I think, are more vital to our present welfare than the question of just how the next hundred thousand men are to be secured in Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: I go back to the month of August in the year 1938. There was an opening of the Thousand Islands bridge, and Franklin Roosevelt made his famous declaration on unity and a revived Monroe Doctrine. Mackenzie King responded. I do not say that Mackenzie King is entirely responsible for what happened, but I do say that what happened was in line with the vision of the things that he was trying to achieve.

Then I go back—oh, with what pleasure!—to the spring of 1939, when Their Majesties were here. They travelled across Canada and into the United States. Mackenzie King was the Prime Minister on whose advice, under our new constitution, that trip was taken; and he, as the constitutional adviser, accompanied Their Majesties on that trip. We know what that did even for us in Canada, and what it did in the United States. It was such beginnings as these that led to things which mean so much to Canada as time goes on.

Then there was the Ogdensburg Agreement in August of 1940, when the Joint Defence Council was provided for. Remember, the United States was not yet in the war. And there was the Hyde Park Agreement, when Mackenzie King sat in the home of the President of the United States, and the two of them worked out their common problems in regard to supplies in the two countries and for Great Britain.

I ask honourable members to look at the broadcast which Lord Beaverbrook made in March of 1941, and which is to be found in the London Free Press. His statement was as follows:

> The Aircraft Production Minister said close collaboration between the United States and Britain was the "crowning good" made possible by the war.
>
> "And how has it come about?" he asked, answering: "Through the leadership of (Prime Minister) Churchill, through the vision of the President (Roosevelt), through the foresight of

my own countryman, Mackenzie King, Prime Minister of Canada, through the heroic resistance of the British people and through the wave of comradeship and resistance they have awakened in the American nation."

I have many more quotations that I might recite to you to show what has gone on. The honourable senator from Wellington (Hon. Mr. Howard) this afternoon detailed some things in connection with our war production.

I ask honourable members when they go home from this session to try to look at this question of conscription, not as closely as we have been following it last winter and spring and this summer, but as only one of the incidents in this great policy of unification which is at the very basis of a really successful war effort.

Honourable senators, we are about to commit the responsibility arising from this legislation to Mackenzie King, but not to him alone. We commit it to his Government as a whole, and in particular to the Ministers at the head of the Army, the Navy and the Air Service. These are the Ministers who, along with the Prime Minister, will have the immediate responsibility of saying what men are needed in our fighting forces, and they are conscious of no obligation save the performance of the trust which their fellow Canadians have reposed in them. We know that our cause is in good hands. It is in the hands of men who are honest, capable and fearless. To them we commit this Bill, confident that they will not fail us, and that they will not fail the men in the fighting services. When our task is done and this Bill is law, let us all forget our controversies, let us suppress our hysterics, and let us remember the sentiment expressed the other day by Churchill in the British House of Commons, that leaders do their best when they know that they can rely on the loyalty and support of those for whom they lead.

Some Hon. SENATORS: Hear, hear.

Hon. JULES EDOUARD PREVOST (Translation): Honourable senators, I think it is my duty to say a few words before casting my vote on the Bill before this House.

With slight differences and sometimes with aggravating circumstances, history often repeats itself.

From 1914 to 1918, along with our civil and religious leaders, I was in favour of Canada's participation in the war, but I was opposed to military conscription for service overseas, because I thought it was worthless, harmful, unjustified and unnecessary for national defence.

In the present war, since 1939, along with our civil and religious leaders, I have been in favour of Canada's participation in this conflict, in which her best interests are at stake, but again I am opposed to conscription for overseas service until such a step is proven to be necessary to save Canada from defeat.

The Bill before us is not in itself a measure of conscription.

It is intended to give the Government, responsible to Parliament, the freedom to act according to the needs of national interest.

I have been and I still am an anti-conscriptionist. I shall remain so until I am convinced that compulsion is necessary to save Canada from defeat, to safeguard her most precious liberties and her very existence as a free and Christian nation.

For the present, voluntary enlistments are more than adequate according to the Minister of National Defence himself. The Prime Minister has often made the statement, which he repeated only a few days ago in the House of Commons, that conscription is not now and may never become necessary. Is it likely that it will become necessary?

Since 1939 and 1940 conditions have changed greatly. The dangers which threaten us have increased and daily become more formidable; the upheaval is universal; Germany and Japan are engaged in securing universal domination. Should the United Nations be defeated, Canada would become the prey of the Germans and of the Japanese.

In such terrible circumstances, if Mr. Mackenzie King asks that Parliament and his Government be released from certain promises made in 1940 and before, it does not mean that he is neglecting the defence of his country first and always.

When he asks to be given a free hand like the other political leaders of the United Nations, so as to be guided solely by the necessities which may arise and by the vital interests of the nation, and when he promises to submit his decisions to the approval of Parliament, it would be an insult to say that he is not aware of Canada's needs or that he does not understand the necessity of providing for the defence of Canadian territory.

I have not yet met a red-blooded Canadian who is opposed to conscription for the defence of Canada on Canadian soil. I hope I shall never meet a well-informed Canadian opposed to conscription even for overseas service if it should be really needed to win the war.

Conscription is a ticklish matter. Such a means of raising troops has become for the Imperialists an objective which must be realized at once, whether necessary or not. Conscription so madly insisted upon is the death-rattle of Imperialism in Canada.

For some, conscription is a disturbing and alarming word. It awakens in them the

memory of the nightmare of 1917, when conscription was resorted to without reason, and unnecessarily, and was brutally imposed. It was then a great mistake. Hon. Mr. Manion, who was in favour of conscription in 1917, admitted in the House of Commons, after becoming leader of his party in 1939, that the conscription measure of 1917 had been a mistake.

I cannot admit that the principle of conscription, involved in the present Bill, is something new. The principle of the levée en masse for the defence of Canada, inside or outside of Canada, is to be found in the Militia Act (section 77), which was passed in Cartier's time.

Section 3 of the Mobilization Act of 1940 suspended the application of that principle. By removing that suspension, the amendment before us enacts no new principle. It simply changes the Act to comply with the plebiscite vote that released the Government from its commitments of 1939 and 1940. Through the present Bill the Government is asking only for the same powers that were granted to it by the plebiscite. I had confidence in the Government and I voted "Yes" on the plebiscite. I see no reason why I should withdraw my confidence and refuse to-day what I accepted yesterday. The Prime Minister of Canada asks for full power to govern in the interests of the nation, just as Churchill in Great Britain and Roosevelt in the United States have done. The future actions of the Government, which may result from this Act, will have to be assented to by Parliament. The members of the House of Commons and of the Senate give their assent by casting a vote. I reserve the right to give or to refuse my assent according to the use which the Government intends to make of the freedom of action it desires and I am ready to grant. It is said that we should not give such powers to the Government because Mackenzie King is not eternal and another Government might abuse them and enact a different policy. It matters little what the legislation of yesterday and of to-day may enact if another Government should succeed to the present Government. It would be free to act and amend that legislation, provided it had the support of Parliament and of the people. Laws are made by governments, but the governments are made by the people.

What will happen to-morrow? God alone knows. But we know that Canada is at war, and we want to win that war. In accordance with the noblest Canadian and French Canadian traditions, I am ready for all sacrifices in order that Canada may escape defeat. God knows the sadness that assails my heart when I speak these words as father of a family. But the Motherland is entitled to our best.

In these tragic days, I think, I am making no mistake in placing my confidence in the present leader of the Government, Mackenzie King, whom I recognize as a safe, sincere, courageous, clear-sighted, and loyal guide, and whose Canadianism has often been tested and found true.

Hon. EUGENE PAQUET (Translation): Honourable senators, ever since Canada declared war on Germany I have refrained from taking part in the discussion and I have tried to help the Government in every way to secure victory. Canada has entered this war of her own free will for the defence of her liberty, of democracy and civilization. Never before has humanity witnessed such a duel between the barbarism of the attackers and the heroism of her defenders.

We fight at the side of Great Britain and the United States to repel the invaders and to ensure the triumph of democratic ideals. At the beginning of the war our political leaders declared that Canada's participation was absolutely voluntary. "Voluntary participation, voluntary enlistments, conscription only for the defence of Canadian territory."

These are the words that were heard all over Canada. Came the call to arms and the most authoritative voices among the clergy, the Press, and the political associations of the country were united for the defence of the Allied cause against an enemy who believes in force only, who shamelessly makes light of his atrocities, who tramples on the most sacred promises, who pitilessly kills children, women and the aged, who violates the principles of humanity, flouts international law and has no respect for the pledged word.

Odious doctrines have perverted the moral sense of the German race. After Canada's sublime sacrifices it would be unjust to conscript her sons by violent methods and to collect the blood tax by compulsion. In accelerating farm desertion through compulsory recruitment we should be guilty of an error which would react on our economic life. I have always thought that Canada must defend her soil and her freedom. From the very beginning of this war the soil of our country and the freedom of our people have been threatened.

Germany could not find a more fertile land to feed her immense population, to expand her trade and her barbarous domination. In presence of the danger America is awakening. The distances which divide the New World from the Old no longer guarantee

our security. With the advent of modern progress, the seas have become narrower and airplanes wing their way across the ocean. From the first hours of the war Canada has seen the danger signal and her sons have rushed across the seas, to the first line of defence. Now that German barbarism is unleashed in all its fury, we know that we are fighting for what we hold most sacred. We know that we are not fighting for England only, but are fighting at her side, for Canada, our country, for the safeguard of our freedom, for the free exercise of our religion, for the right to speak and to think in French, for our own way of living in our own country, which is our Motherland.

I think that the Bill before the House is an unfortunate legislative measure, because it might destroy national unity, which is essential if we wish to be victorious. I have faith in the results of the voluntary system. I am convinced that it will answer our needs, provided recruiting is well directed and supported by the people of goodwill.

We have entered this war voluntarily and we want to continue voluntarily. The ministers have been telling us over and over again that the voluntary system was adequate. Have all necessary efforts been made to ensure its success? Or has the voluntary system suddenly failed? Have not certain Imperialist quarters tried to impede its functioning? Have they not been purposely negligent in recruiting so as to force the Government to apply the final remedy? It has been said: "Raise the dependents' allowances and the number of commissions; make the voluntary system attractive and it will be adequate. Why not spend a few millions more in the form of allowances if we can maintain the voluntary system, which is the corner-stone of national unity and of our war effort?"

Conscriptionists undoubtedly wish our country to make the greatest war effort possible. I am protesting, not against Canada's war effort. but against a political doctrine which I repudiate to-day as I did in 1917.

Conscription for overseas service is repugnant to the people of Quebec. I am willing that we should contribute money, food-stuffs, munitions, volunteers for the triumph of Canada, of Great Britain and of the Allies. In this grave hour, I believe I am serving Canada most sincerely in refusing to vote for a law which might divide the country and destroy national unity.

The Canadian Government asks us to increase our war effort. They want more planes, more ships, more munitions, more men. How can that objective be attained if our factories are emptied of the men who could achieve the greatest production?

"Give us the tools," said Churchill. We have made a greater effort than was expected of us. Voluntary enlistments for overseas must have reached the 500,000 mark by now.

After the declaration of war in September, 1939, Hon. Mr. Lapointe, wishing to prevent disunity, suggested a compromise agreement, which was accepted by the province of Quebec: "Participation without conscription." Under its terms, accepted by Parliament and ratified at the general election of March, 1940, I supported Hon. Mr. Lapointe's policy, by which the Government, Parliament and all political parties were bound. Mr. Lapointe had clearly specified: "Never will the province of Quebec accept conscription for service outside of Canada."

The Mobilization Act of 1940, which enforced conscription for home defence only, is now to become a conscription measure for service in any theatre of war. This amendment to the Mobilization Act of 1940 is a violation of the agreement reached in September, 1939.

In this gigantic struggle the province of Quebec has refused to free the Government from its anti-conscription pledges; categorically so. The Government remains bound by its word. Yet once section 3 of the Act is stricken out, our Statute Book will contain a conscription law for overseas service. We shall then be forced to fight outside of Canada. Now I say it is impossible to change in a few weeks' time a state of mind fostered in a people for three centuries.

As a physician of fifty years' experience and a representative of the people, I believe I know something about the population of our province. Though they are ready for any sacrifice in order to win the war, they detest coercion and will never willingly accept such a measure.

The winning of the war must be our main preoccupation, for defeat would have the most tragic consequences for Canada as well as the whole British Empire. The survival of our democratic institutions demands that we prepare our defence in the most efficient manner possible. The enemy spares no effort to maintain his fighting strength at the highest pitch. If the democracies are to survive, we must prepare for even heavier sacrifices. Instead of discouraging us, the critical and painful hours through which we are now living should make us ponder the situation and impel us to react energetically.

The Action Catholique of March 6, 1942, contained an editorial which ran in part as follows:

Is it worth endangering the success of the present voluntary enlistment system throughout the country, the excellent understanding which exists in the Army, the enthusiasm in our war plants, peace on our farms, which are expected to yield more and more produce, and the defence of our territory, for which we have less than a half million men left, merely in order to gratify the whim of a conscriptionist minority? We do not think so.

In this struggle to the death in defence of high principles our first duty is to put everything we have into the pursuit of our war effort.

The present conflict demands heavy sacrifices of us, and the French Canadians are contributing magnificently to our war effort. We are now weathering the full fury of the storm, and the enemy is extremely powerful.

While defending their rights, the French Canadians have always striven for unity in Canada. In their opinion, the maintenance of the voluntary system is an essential factor in the preservation of that unity. As in 1917, conscription would engender ill-feeling more than it would raise men for the Army. It would weaken our defence both in Canada and overseas.

As the Prime Minister of Canada has said, "The tragic fate of France bequeaths to French Canada the duty of bearing high the French traditions of culture and civilization, and her burning love of freedom."

This duty we intend to fulfil with all the ardour of our French souls. The conflict in which we are taking part demands heavy sacrifices of us, and the French Canadians are contributing magnificently to the war effort. We are now weathering the full fury of the storm and the enemy is extremely powerful. Our very existence perhaps is at stake, and the French Canadian people in this emergency step forth unanimously to do their share.

I am proud to belong to a race that has written the most glorious pages of Canadian history by its loyalty, its strength of purpose and its indomitable courage. With a superb sense of loyalty and devotion, the overseas Dominions have vied with one another as regards full co-operation with the Mother Country to achieve a high purpose. The present war is a severe test, the hardest the British Empire has ever had to bear.

Confederation has never been in greater peril than during this period following the plebiscite. God alone knows what may result from such commotion, but I am convinced that the province of Quebec strongly desires the victory of Canada and her Allies, as well as the unity and prosperity of the Canadian people.

The Bill now under consideration establishes the principle of compulsory service enforced by Order in Council whenever it is deemed necessary.

The French Canadians are willing to do their part in the war effort, and, despite the insinuations of certain conscriptionists, we are as desirous of victory as any other province.

Canada is more deeply divided on this issue than it has ever been, and we believe that conscription will bring disunity with all its fateful consequences. Moreover, neither the need nor the efficiency of compulsory service has ever been demonstrated. Nothing in the political history of Canada since Confederation has caused more bitterness and resentment, or has contributed more to setting one race against the other in this country. Is it necessary to repeat our unfortunate experiences of the past? To-day we are united. Let us therefore endeavour to preserve this unity, instead of sowing the germ of disunity in the soil of a war effort of which Canada has every reason to be proud.

Consider the case of the other Dominions. Neither Australia nor South Africa nor Northern Ireland has conscription. These countries have all rejected such a measure, yet no one charges them with treason or cowardice, an insult specially reserved for the French Canadians in Quebec. We are ready to defend this country. We are also ready to assist in the war being waged overseas, but it must be of our own free will, because the Government has told us time and again that our war effort was to be voluntary as regards the sending of men overseas.

Throughout our history the French Canadians have always voluntarily responded to the appeals made to them. And since the voluntary system is adequate for our needs, why cast it overboard and widen the gulf that divides our two races?

The historical events of 1776 and 1812, of 1914 and 1939, clearly illustrate that the French Canadians have always voluntarily responded to the Mother Country's appeal. They intend to develop French civilization in America. "When evil men unite, good men must band themselves together. Otherwise they will fall one by one, sacrificed without pity in a struggle without glory."

These nations now occupying the posts of honour and duty will spare neither energy nor

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sacrifice. They intend, as Pitt once said, to save themselves by their labours, and to save the world by their example. What would Canada's future be like in a German-dominated world? Why has Canada entered this conflict? Because Canada is a part of the British Empire and the Empire is under attack. There can be in Canada but one aim and one spirit. Canadians are proud of the Mother Country, proud to see that she has entered this war, not with aims of territorial aggrandizement, but simply to defend her honour, fulfil her obligations to her Allies, keep her pledged word and save civilization from an adversary mad with the desire for conquest and domination. The defeat of democracy would unloose upon us a wave of destruction and slavery which would engulf and destroy the traditions, rights and privileges acquired by our forefathers at the price of their lives. Does such a picture not strike terror into our hearts? Let us never forget that Canada, by the size of her habitable areas, the abundance of her natural resources and the excellence of her economic equipment, would be a rich prize for a victorious enemy. For an over-populated country what better demographic estuary could be found, and for an enemy who dreams of domination by the force of arms what stronger bastion in North America? In the final settlement of accounts, the former German colonies in Africa would soon be overlooked in favour of a young country with a temperate climate, where the victor would find the essential raw materials he needs to operate his industries. If we consider the terrifying prospect of enemy conquest, we cannot fail to realize that we must sacrifice everything for an Allied victory. It must be a very powerful reason that brings the people of the United Kingdom, Poland, France, South Africa, Australia, New Zealand and Canada to fight side by side in this war. No other empire or country in history has ever shown such determination. Why are these peoples of different races, religions, and climates ready to lay down their lives to defeat the enemy? Because they live under the British flag, which flies at this very moment above our heads, and because they know that wherever the British flag flies, every citizen's freedom is safeguarded, his life and property are secure. In its folds we find freedom of thought and speech, freedom of the Press and of religion, and lastly the greatest measure of freedom consistent with the security of the State, based on the eternal principles of tolerance and justice. This war is for our very survival.

The forces of aggression have united together and those of freedom must do the same if they wish to survive. The very existence of world freedom is at stake and there can be no compromise with an enemy who has decided to dominate the world by force. More than ever do we understand that the world cannot continue to live in a state of half-freedom and half-slavery.

In 1917 I opposed conscription for service overseas. In 1939, an agreement was reached by the two main Canadian elements: the conscriptionist and the anti-conscriptionist. On March 26, 1940, this agreement was ratified by both groups for the duration of the war.

Canada entered this war of her own free will, because she believed her vital interests were seriously threatened. The conflict in which our country is engaged has become so widespread that we cannot hope to secure victory save at the price of the heaviest sacrifices. The pursuit of this war requires constant and ever-increasing efforts on the part of our citizens.

For us Canadians, these efforts must be devoted to the establishment and maintenance of an Army, an Air Force and a Navy of sufficient strength to defend our territory and help our Allies. Our country can play a vital part in this conflict by continuing to supply men through the voluntary enlistment system. We all know the grave disunity which resulted from the enforcement of conscription during the last war. Coercion was admittedly the wrong method to choose, and absolutely useless, both as regards the furthering of the war effort and the development of our national life.

I have always opposed conscription for overseas service and I shall continue to do so, because the reasons that motivated such a stand on my part in the past still exist. This is an unfair and useless measure, bound to prove as disastrous in the future as it was in the past. It is useless to want to force upon the people an effort so great that they will be unable to sustain it if the war lasts a few years longer.

For us French Canadians Canada is the only Mother Country, our true and sole Motherland. It is here that we wish to live as our forefathers have done before us. Russian soldiers are fighting for Russia, the English for England, the Americans for the United States, and in the province of Quebec our fellow-citizens will fight only for Canada. In the defence of Canada, you will find none more devoted, more eager and more enthusiastic in this land than the people of the province of Quebec.

Hon. L. M. GOUIN: Honourable senators, on the great question which we are now discussing it is very clearly the duty of every one of us to adopt, consciously, the attitude inspired by the patriotism which is in him. I say this even though it may inspire in others a course absolutely opposed to my own.

May I remark that although I have participated in almost every election in the province of Quebec for the past twenty-five years, I have never made any promise concerning conscription. I think it would be a grave error to exaggerate the important part played by that question during the electoral campaigns in my province. In any event, I was not bound by any pledge; and during the campaign on the plebiscite I felt perfectly free to speak, as I did several times, urging my fellow-countrymen to answer affirmatively. The vast majority of the population to which I have the honour to belong did not listen to my voice; they rejected the views which I had already expressed in this House on January 27 last, when speaking on the Address in Reply to the Speech from the Throne.

On that occasion I stated very clearly my opinion that our Government should be given authority to enforce military service outside of Canada, if it deems that necessary. For this statement I was severely criticized during the plebiscite campaign, by some in my own province who were then organizing the "No" vote.

Such personal attacks, or any attack on our party or our race, or even on our religious convictions, should not distract our attention from the real merit of the very serious question which we are now considering. Here we are, all in perfect agreement that we want to win this war. But when we ask ourselves how we want to win this war we realize that we have among us the same divisions which are to be found in the country. We are divided when it comes to adopting the best means of achieving victory and of thus securing a peace honourable for us and just for all.

We are terribly divided on this conscription issue. Our Canadian democracy is now undergoing the most severe test in our national history. Our enemies are literally at our gates on the Pacific, as well as on our Eastern coast. At this grave hour of peril our internal unity is lost because of the present crisis. Despite the verdict of April 27 last, a very large majority of my people look on the present amendment with great disfavour and much dissatisfaction. Yet Quebec is perfectly loyal. On this point I wish to corroborate all the honourable senators from my province who have spoken before me. Yes, Quebec is as eager as any other province to win this war, and Quebec fully realizes what would be the consequence of defeat upon the preservation of our ideal of freedom, the safeguarding of our most sacred traditions, the faith and the culture which is dear to each of us. But the majority of my race have become convinced, and remain convinced, that the present Bill means virtually the putting into force of conscription for overseas, and in their opinion there is no necessity for such a policy.

I cannot fail to take into account very seriously the stand so clearly taken by the great mass of my own people, a stand which was reflected by the vote of our representatives in another place. I have very seriously considered all those facts. I have weighed very carefully all the arguments which have been presented against the Bill before us.

First of all, I believe that it is not accurate to state that the purpose of Bill 80 is to impose the will of the majority upon the dissenting minority. This amendment, in my opinion, is the necessary and logical consequence of the result of the plebiscite. Is it not true that the majority of the Canadian people should have absolute freedom of action for the recruiting of our forces? Well, the Bill purely and simply gives a free hand to the Government in accordance with the verdict of the electors. I trust that the discretionary powers given to the Government, in which I have confidence, will not be abused. I still hope very sincerely that it will not become necessary to impose coercive military service for overseas.

But, honourable senators, this is a lightning war, a war of movement and of great surprises. And every one of us has to ask himself very seriously and earnestly: Is it not possible that sooner or later a day may unexpectedly come when compulsory service outside Canada will be necessary for the protection of our country? The Government states that such a contingency may arise—and the Ministers have in their possession confidential information to which I have not access. It is true that in a case of emergency the provisions of the War Measures Act could be invoked and an Order in Council passed to provide in any manner for any expeditionary force required. But the Government does not want to apply the War Measures Act to those who have been called under the Mobilization Act. Therefore, the salvation of our country, victory or defeat, might depend one day in the more or less distant future upon the powers given to the Government by our Mobilization Act.

It is not with a light heart, but out of a sense of duty to my country and to my fellow-country-men, that I consider myself

obliged, before God and my conscience, to allow the Government to take any military measures which may be required to assure the defence of Canada. I am confident that under the patriotic leadership of our Prime Minister the Ministers of the Crown will fulfil conscientiously and in the best interest of our nation the grave mission entrusted to them as representatives of all the Canadian people.

This vital question, the most acute of our national problems, should be approached from a broad national point of view by all of us. I wish to join in the eloquent plea made by the honourable senator from Wellington (Hon. Mr. Howard) for more co-operation between the two main elements in this country. To the English-speaking majority I appeal for a better understanding of the French Canadian. I ask the majority to show to our minority such a spirit of fair play, such a truly Canadian patriotism, as to make possible again the fullest degree of co-operation and that spiritual unanimity which must unite all classes, all parties, all creeds and all races for the successful prosecution of the mighty and almost superhuman task now ahead of us. It is only in this way and with the help of God that we can still avoid the worst disasters and finally secure peace and victory.

Hon. ANTOINE J. LEGER: Honourable senators, I do not intend to go over the ground already covered by honourable senators who have preceded me. Like some of these honourable members, I am very critical of the Bill now under consideration, for its proponents have not satisfied me that the voluntary system of enlistment for overseas service has failed, that the necessity for conscription exists or that its adoption would promote the cause of the Allies. On the contrary, it has been stressed that the Allies' chief difficulty arises from the lack of machines, not the lack of man-power. "Give us the tools and we will finish the job."

Should the necessity of conscription for overseas service arise, a bill should be presented to Parliament setting forth the several principles of the Government's plan, so that honourable members might know and appreciate the country's obligation. I am not in favour of delegating to any government, however good and non-partisan it may profess to be, such authority as is proposed in this measure, to be later made use of through Order in Council.

There are those who claim that the plebiscite has settled the question. Well, I do not view it that way. In my humble opinion, to say that the "Yes" vote on the plebiscite was a vote in favour of conscription is perhaps to misread and misinterpret what was said and printed in the advocacy of such a vote. Canadians were never asked whether or not they wanted conscription for overseas service. If the intention was that conscription should be imposed, or that a "Yes" vote would be a vote in favour of conscription, the fair way would have been to tell the electors so. But the contrary idea prevailed. The electors were told that the supremacy of Parliament would be preserved and that the representatives of the people would be consulted before any conscription policy was adopted.

If the proposed Bill is meant as a consultation of Parliament, then, in my opinion, it seems unfair to us, inasmuch as it gives no details as to how, when and where conscription is to be imposed. On the other hand, if the Bill is not intended as a means of consulting Parliament, then the pledge given to the electors that the plebiscite was not a vote on conscription should be held as morally binding as that pledge which the plebiscite sought to get rid of.

I may say that the Acadians in many sections of my province voted "No" on the plebiscite. Yet, although we represent but one-third of the population of the province, our ratio of enlistments is between forty and fifty per cent of the provincial total. The Acadians voted "No" on the plebiscite because it was not explicit enough. And I myself criticize this measure, not so much for what it says as what it does not say. I am not in favour of making conscription possible by Order in Council.

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

ADJOURNMENT

Hon. Mr. KING: Honourable senators, with leave of the Senate I would move that when the House adjourns this evening it stand adjourned until eleven o'clock to-morrow morning.

Hon. Mr. HAIG: With the consent of the Senate.

The motion was agreed to.

The Senate adjourned until to-morrow at 11 a.m.

THE SENATE

Wednesday, July 29, 1942.

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine procedings.

NATIONAL RESOURCES MOBILIZATION ACT—FARMERS' SONS IN QUEBEC

RETURN

Hon. Mr. SAUVE inquired of the Government:

1. How many farmers' sons in the province of Quebec have been called for military service under the National Resources Mobilization Act?

2. How many were granted postponements?

3. How many in the following counties: (a) Nicolet-Yamaska; (b) Beauharnois-Laprairie; (c) Chambly-Rouville; (d) Richelieu-Verchères; (e) Saint-Jean-Iberville-Napierville; (f) Laval-Deux-Montagnes; (g) Labelle; (h) Shefford?

4. How many farmers' sons were granted postponements?

5. How many applications for postponements, made by farmers' sons or by their fathers, were refused?

Hon. Mr. KING: I would ask the honourable senator to change this to a motion for a return, and I table the return forthwith.

POOLING OF BRITISH AND AMERICAN PRODUCTION

INQUIRY AND DISCUSSION

Hon. A. D. McRAE rose in accordance with the following notice:

That he will call the attention of the Senate to the reported arrangement between Great Britain and the United States, whereby the United States will have charge of all production on the North American Continent, which will include Canada.

He said: Honourable senators, I assure you that at this late hour of the session I will take a very short time in speaking to this notice. I would not presume at this time to present this question simply on a press report, but, as I stated a few days ago, I have what I believe to be very reliable information that the arrangement referred to is now in effect and is being acted upon.

I think all honourable senators realize the great effort which has been made by Canada in the last two generations, and particularly since the last war, to develop our markets in Great Britain. On the whole, this effort has been very successful. Prior to this war our economic situation was principally dependent on our business with the Motherland, which business I am sure we all hope will be resumed when peace is restored. The magnitude of that business is exemplified in several lines of our production, particularly in agriculture.

It happens that at the moment I have at hand the latest weekly report of the Commercial Intelligence Bureau, published under the authority of the Minister of Trade and Commerce, and on page 85 is a report of Mr. G. R. Paterson, Animal Products Trade Commissioner in Great Britain. This shows the bacon and hog products which we shipped to England in pre-war times, as well as last year, and I trust the House will bear with me while I quote a few figures to show the large exports we made last year. At this point it is only fair to say that our success with bacon is the result of a policy that we have been following ever since the last war, with the object of establishing this product on the British market. Mr. Paterson's report, which is dated June 12 of this year, states that prior to the outbreak of the war we supplied fifteen per cent of the bacon requirements of Great Britain. That is, out of a total consumption of 10,500,000 hundredweight we supplied 1,500,000 hundredweight. I am speaking in round figures. I am sure honourable members will be surprised to note how that business grew last year. We shipped to Great Britain in 1941 no less than 5,375,143 hundredweight. That is an increase of 356 per cent and represents the product from five million hogs. So it is easy to see how important the continuation of that market is to the Canadian farmer. While no statistics are available as to the percentage which we have been supplying to the British market in the past year, Mr. Paterson said a conservative estimate would be 67 per cent of all the British requirements.

Mr. Paterson in his report says:

The British do not favour overly fat bacon. They regard it as neither desirable nor economic to purchase.

That raises a question as to whether under this arrangement, whereby the United States will control the bacon production on this continent, we are going to maintain our favourable position in the British market.

I know a little about the hog business. In our country, under the direction of the Government department which has been building up our bacon market in Great Britain, we have come almost entirely to producing the British type of large Yorkshire hog—the best bacon type in the world, the hog that supplies the Wiltshire sides. In the United States the only bacon hog is the Tamworth. Most of their hogs, as farmer members well know, are Poland, China, Berkshire, Hampshire and several other breeds of what are known as the shop or block hog. That hog

produces too much fat to make bacon such as is produced in Great Britain and now in Canada. As Mr. Paterson correctly points out, the fat hog is not considered desirable in Great Britain, although of course it can be, and is, used in the United States.

You might well ask me how the United States could produce so much bacon, because the Tamworth hog is not a large percentage of their hog production. They do it by a careful selection from the other breeds for their domestic requirements. When, however, they come to export bacon it is an entirely different matter. I can speak with some knowledge of the American-cured smoked sides which were supplied to us during the last war. They were brought into Chicago, processed in Toronto, and shipped to us overseas. The bacon from those hogs, because of excess fat, did not cure sufficiently. Parts around the joints were tainted and had to be cut away as waste.

I mention these details to show you the great care we have taken to build up our own hog industry, which has resulted in our having such a satisfactory place in the British market, supplying, as I have said, 67 per cent of its bacon requirements; also to justify the feeling that the excellence of our commodity cannot be appreciated in Washington, because Americans do not produce any quantity of that kind of bacon; and, furthermore, to stress the fear that the arrangement as now in effect is likely to interfere with our successful effort to supply the British market from this Dominion, particularly in the post-war period.

Mr. Paterson in the closing sentence of his report gives emphasis to this fear. He says:

> Aside from this point, the war potentialities of this market as an outlet for a substantial volume of Canadian bacon must remain uppermost in the minds of all concerned.

I think I have given sufficient attention to bacon. But there are other commodities, including, for instance, wheat—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. McRAE: —cheese, lumber, and so on. The position of lumber is not at the moment pertinent, but it may become so in the post-war period. All these things are of serious concern to Canadian producers. So far as these items go, there are honourable members present much better able to speak on them than I am. The point I raise is this: What will be the effect on our farmers producing these commodities controlled in Washington under this new arrangement?

I am not unaware that there may be circumstances which justify such an arrangement. What it may be I do not know. However, I suggest to the Government that it should make a statement to the country as to just what this arrangement is, so that producers will know the situation, and why this change from dealing direct with Britain has been necessary. Because of the uncertainty and the lack of information as to the facts, there is an uneasiness prevailing. This, I think, can be avoided, and that is why I have brought the matter before the House.

There is just one other point to which I wish to refer. On the committee in Washington which is handling this matter there is not one Canadian member. It seems to me only reasonable that, if we are to forgo our direct sales to Great Britain of these various commodities, we should at least have a member on the committee which is dealing with the subject.

Hon. W. M. ASELTINE: Honourable senators, I think that perhaps everyone in this Chamber is aware of the fact that I come from a part of Saskatchewan in which there is a great area in wheat, oats, barley, flax and other field crops, and I know that the people of the Prairies are very desirous of learning what effect this arrangement will have so far as wheat is concerned.

At the present moment there is an enormous quantity of wheat grown in the United States. There is also an enormous crop of corn, in addition to the big surplus which has already been piled up from former years. In Western Canada this year, despite the reduced acreage, the wheat crop is probably the greatest ever grown there; possibly between 500,000,000 and 600,000,000 bushels. The acreage of oats is larger than ever before, and the yield is heavy. The same thing applies to barley, and in flax, I believe, we have probably 100 per cent more acreage than we have had for many years. I am worried as to what effect this agreement will have on the sale of these products.

In the past, and particularly since the war, we have sold most of our wheat to Great Britain. Will the United States now have access to the British market? Will they expect under this arrangement to sell, say, half of their surplus wheat on the British market, and will Canada sell the other half? Will the people of Western Canada get the same price as the people of the United States are getting under this arrangement?

I may be pardoned if at this stage I mention to honourable members of the Senate, and particularly to the leader of the Government in this Chamber, the very acute storage problem which exists on the Prairies at the present time. I think I can do this

best by reading a brief article which appeared in the Saskatoon Star last week. This article is as follows:

Grain terminals at many points in the West are nearing capacity as harvest approaches, and with visible stocks of grain totalling 418,000,000 bushels of all grains, Canada is faced with the most acute storage problem in history, it was indicated to-day in figures released by the Board of Grain Commissioners.

Stocks of all grains at the Lakehead are reported at 130,809,000 bushels, with the licensed capacity of elevators and annexes at 144,500,000 bushels, the board reports.

(A Fort William report yesterday said more than 5,000 cars of grain are standing in Lakehead yards, and that more cars continue to enter the yards, while less than 550 cars are moving east daily.)

Grain in storage in principal elevators in Canada was reported officially to be 373,105,000 bushels, not including stocks in transit in the Dominion, and some 15,000,000 bushels stored in the United States. Canada has a total storage capacity of 601,191,319 bushels.

Grain sources said it is expected about 400,000,000 bushels will remain in Canadian elevators as a carryover by the end of July, leaving room for perhaps less than 200,000,000 bushels' storage space to handle new crop grain.

How much of this crop, which has been forecast in grain circles at more than 1,000,000,000 bushels, would be available for delivery is not known. Producers are limited to 280,000,000 bushels of wheat for delivery and it is expected much of Western Canada's coarse grains will be used on the farms as feed.

Present indications are that much of the crop may have to be stored on farms. A recent statement made in Ottawa by Trade Minister MacKinnon placed this figure at about 200,000,000 bushels.

I think, honourable members, that the farmers of the West will be required to store on their farms much more than 200,000,000 bushels. In many cases storage space is not available. Lumber is very difficult to obtain, and many farmers who are not able to pay the high prices for building materials will be unable to store the grain and keep it from spoiling. I think the Government should immediately provide some assistance to the farmer in order that this acute storage problem may be avoided. It will be only about three weeks before harvesting and threshing commence; therefore, in my opinion, it is very important that something be done without delay.

As I have stated previously, I am eager to be able to tell the farmers upon my return home after the adjournment just exactly what this agreement means, and what effect it will have on the sale of the enormous crop of wheat that is now growing in Western Canada.

Hon. J. H. KING: Honourable senators, if there are no other members who wish to speak, I would express my appreciation of the patience of my honourable friend from Vancouver (Hon. Mr. McRae). He made his inquiry in regard to this matter, I think, some time early in June. It is a matter that covers a wide area and involves many departments of government. I have been pressing for a reply for my honourable friend for some time. I do not care to speak as to that this morning, but I will undertake to give my honourable friend and the Senate an answer to this question before the House adjourns, or before we leave here. I will also try to get some information in regard to the matter referred to by the honourable senator who has just spoken.

I move the adjournment of the debate.

The motion was agreed to.

SPECIAL WAR REVENUE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 114, an Act to amend the Special War Revenue Act.

He said: Honourable senators, I move the second reading of this Bill. The honourable senator from Toronto (Hon. Mr. Hayden) has kindly consented to explain it. I am satisfied that he will do it in a way which will be more satisfactory to the Senate than if I had done it.

Hon. SALTER A. HAYDEN: Honourable senators, before the motion for the second reading of this Bill is put, may I give just a brief explanation of what the Bill accomplishes? I am sure that most honourable senators have read in the daily newspapers the effect of the various changes in the Special War Revenue Act, because these changes increase taxes on items with which we come into almost daily contact. I do not intend, therefore, to labour the taxes which are levied or increased by the Bill, but I shall state in very summary form where there have been increases and where the imposts are in the nature of new taxes.

May I recall that earlier in the year, with the introduction of sugar rationing and the increased cost of the movement of sugar from the areas of production into uneconomic areas, the Government made a reduction in the excise tax of from 2 to 1½ cents a pound, to assist in the financing of that movement and to make more effective the principle of sugar rationing. This Bill confirms the reduction in that tax.

Then with respect to a large variety of things there is an increase—a substantial increase. For instance, there is an increased tax on insurance premiums, telegraph messages

and long distance telephone calls. There is a tax on telephone extensions. That is in the nature of a new tax. There has been some discussion of that. There is an increase in the tax on cigarette papers, cigarette tubes and manufactured tobacco. This increase is substantial. The tax on soft drinks has also been increased a cent a bottle. The excise tax on the dressing and dyeing of furs represents an increase. It is also a change. Heretofore the tax was a sales tax of 12 per cent; now it is in the nature of an excise tax at the rate of 25 per cent. There is an increase in the tax on playing cards, domestic wines, chocolates, candy, confectionery, chewing gum, cigars and carbonic acid gas. There was introduced also a new type of tax, which the Minister of Finance chose to call a retail purchase tax, but which I think may be popularly regarded as a luxury tax. Its purpose is to curtail unnecessary expenditures and to bring about a greater saving for the purchase of war savings certificates, etc. That proposed tax has subsequently been changed to some extent. Some of the items enumerated in the schedule as being subject to that tax have been taken out of it and made subject to a manufacturer's tax instead, at a higher amount. In some instances, I think, the items lifted out of the retail purchase tax were regarded as not strictly in the nature of luxuries, but, as they would furnish considerable revenue, the Minister felt that the change was justified. One tax which hits probably every person who travels is the tax on Pullman and parlour car tickets. This has been increased, as has also the tax on berths on sleeping cars. There is a new tax on photographic films and projectors.

All these taxes, with the exception of the transportion tax I have referred to, came into effect on the 24th of June. The tax on tickets for Pullman and sleeping car berths became effective on the 29th of June.

On the 1st of July a tax on certain places of entertainment came into force. The provisions for this tax form a new part of the Special War Revenue Act. The tax is imposed not only on the cost of admission to places of entertainment, but, as honourable senators may have noticed here in Ottawa, on the price of meals at places where facilities are provided for dancing. So the scope of application of this entertainment tax has been very considerably increased by this measure.

With respect to chocolate, candy and confectionery, on which the Bill originally imposed a tax of 30 per cent, a variation was made during the progress of the Bill through the other House, so that, effective as of July 14, the tax on units of candy regularly retailing at five cents, ten cents and fifteen cents will be one cent, two cents and three cents, respectively.

Honourable senators will also find in the Bill an extension of the procedural sections, the purpose of which is to take in the new parts; and it will also be noticed that certain sections are repealed because they no longer have application.

In this summary way, without going into actual percentages of increases, I have stated the effect of the provision of this Bill 114.

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

THIRD READING

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

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

NATIONAL RESOURCES MOBILIZATION BILL

SECOND READING—DEBATE CONTINUED

The Senate resumed from yesterday the debate on the motion of Hon. Mr. King for the second reading of Bill 80, an Act to amend the National Resources Mobilization Act, 1940.

Hon. GUSTAVE LACASSE: Honourable members of the Senate, most of you have heard of the preacher who said no souls are saved after the sermon has lasted for twenty minutes. I could add that in a debate like this no minds are convinced or opinions changed after twenty minutes. That is why I do not intend to speak at very great length this morning. But even after two long days of debate, there still are certain things that have not been said about the very contentious matter now facing us—things that must be said and that I shall say.

I shall endeavour not to repeat what other honourable members have said, though I realize it would be quite a feat if I entirely succeeded in that respect. I do not wish to imply that matter contained in previous speeches was not interesting enough to justify repetition. All the speeches were most interesting. And I think that the debate we are having on this issue is a good thing for all concerned, not only for those who have the privilege of listening to it, but for the country at large. Nobody can say now that the Senate of Canada is subservient to and only a faint echo of another place. I emphasize that point for a particular reason. We have many times been called just a rubber stamp office, and it would seem that events have

often justified that term, because ever since I have belonged to this Chamber new legislation, some of it tremendously important, has been dumped on us in the last days of the session and we have been asked to deal with it in a hurry. The request to us has repeatedly been to this effect: "Place the stamp of your approval on this legislation, because we must adjourn or prorogue at such and such a date, or such and such an hour. Whether you have done anything throughout the session or not, you must not put too much time on the measures that remain to be dealt with. Hurry up, because we want to go home." Well, I object to that, and I am glad that we have had this debate on what happens to be one of the most controversial issues that have ever crept into Canadian politics.

I feel most strongly about this because of what I have just read in a paper dated the 25th of July. The article in question is headed: "Conscription in force by autumn. Earlier if second front, is forecast." I do not object to that, if it is the view of the writer, for it is his own business what he thinks. But what follows should be very interesting to honourable members. The writer says:

Now that Bill 80 has given the power to bring conscription if or when necessary . . .

This honourable House is still debating Bill 80, but a newspaper published a few days ago speaks of the Bill as if it had already been passed. That is, the Senate is ignored altogether. I believe every honourable member will take as strong exception as I do to such lack of respect for what is, after all, the higher parliamentary Chamber of Canada, a legislative branch set up by the Fathers of Confederation for some purpose. This Bill 80 is not law yet, and it will not become law until the Senate of Canada decides that it should.

But is conscription really the issue? Of course it is, despite what we have repeatedly heard in the recent past. I refer, first, to what was said in speeches made during the plebiscite campaign and since. That the people might be induced to vote "Yes," they were told that by so doing they would not be voting in favour of conscription. It happens that the majority "Yes" does mean conscription after all. Why discuss this now, if it is a foregone conclusion that the Bill is already the law, as Mr. Grattan O'Leary stated in the Toronto Star Weekly, on July 25, in the article to which I have already referred? Why discuss the question at all, since it has already been decided by the Press? Well, there is a very important reason why we are justified in having this discussion here to-day. On the 23rd of July this year the Prime Minister stated in another place, as reported at page 4987 of House of Commons Hansard:

I cannot make it too plain that when this Bill passes both Houses—

Here is a man who remembers there is a Senate in Canada, after all.

I cannot make it too plain that when this Bill passes both Houses, as I believe it will pass, and is assented to, the Government will have been given by Parliament power to conscript men for service overseas. That power will rest in the Government. It will be there. The policy of the Government is to exercise that power when it believes it necessary to do so, when it is necessary to resort to conscription to make Canada's war effort more effective. When the decision is made by the Government —if and when it is made—that settles the matter as far as conscription is concerned. Conscription will have been enacted; the Government will have declared that it is necessary for the carrying on of the war. There will be no question of referring that matter to Parliament at all. And may I add this, that if that should happen between now and the end of this year there could not be a debate on it, even if some honourable members might wish to have one.

That is one important reason why we are justified in discussing this matter now. It is now or never.

May I say, at the very beginning of my remarks, that I deplore the political and partisan turn or trend that has been given to this discussion by one or two honourable members. I do not intend to follow them on that ground. The situation is too grave for one to indulge in thundering one's resentment against a party which, for a great many years, has been luckier at the polls than one's own party, in Quebec or elsewhere in Canada. I may refer to that later, however, from a more serious point of view.

Now let us come to the issue of the day. No man—not even my honourable friend from Vancouver South (Hon. Mr. Farris) or my honourable friend from Mille Iles (Hon. Mr. Prévost)—has a greater admiration for the present Prime Minister of Canada than I myself have. I concur without any reservation in what was said about him last night by these two honourable gentlemen, and I repeat, with the same sincerity as when I first uttered the words, what I said about the Prime Minister in this Chamber on the 27th of January last:

To be perfectly candid, I fully believe that had we not had a man of the prudence of the present Prime Minister in skilfully choosing a middle course policy, we should have seen civil war. I am absolutely frank about it. That is a danger which is still existing and challenging the men who have the responsibility of administering our national affairs at the present time.

I go further. I say Mackenzie King will serve the best interests of Canada at the conference which will settle the terms of peace when this war is over.

But in spite of these views and with all respect for the Prime Minister, I must state that I am opposed to the Bill mainly for two reasons: first, because it carries with it an acknowledgment of the principle of conscription; second, because the fact which is invoked to justify the Bill is wrongly and unfairly interpreted. I refer to the plebiscite, which I shall deal with in a moment.

I am fully aware, of course, that my province replied emphatically in the affirmative to the question submitted in the plebiscite, but, taking my inspiration from a statement which has been given a good deal of publicity in the conscription Press of Canada, I solemnly declare: I am an Ontarian, but I am a Canadian first. And I claim to understand as well as anybody else the duties of a true citizen of Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. LACASSE: There is no doubt that irrespective of whatever may have been said to the contrary, this Bill carries on its one and single page the most controversial principle ever embodied in any measure submitted to this Parliament, the principle of conscription for military service overseas. It is as pregnant with painful possibilities as was the conscription measure of twenty-five years ago. In case any doubt be entertained on this point, I desire to quote this short and most emphatic statement which a member of the Government uttered recently:

> The people of the country as a whole have pronounced themselves by an overwhelming vote clearly—

I will come to that word "clearly" in a moment or two. I think it is a clear exaggeration.

> —and unequivocally in favour of action, of which this legislation is possibly the least expression.

That was stated by the honourable Minister of Defence for Air.

I think one of the best cases made against conscription from a truly Canadian standpoint is to be found in the speech delivered by my honourable friend from Grandville (Hon. Sir Thomas Chapais) two days ago. I share all his views on conscription. I sincerely believe that conscription is not needed, that it will, if and when adopted, be as ineffective as it was in the last war, and that it is detrimental to the national interest.

I need not repeat my honourable friend's arguments. Let me simply emphasize the two following facts. The unlimited drafting of man-power for military service will eventually cripple agriculture and war industry itself, and it will more and more aggravate the already very serious problem of disunity in Canada. I venture to say that in both instances it will destroy the very purpose which it is intended to serve.

The chickens are already coming home to roost. Only a few weeks ago the Leader of the Opposition in another place complained that industry throughout the country was experiencing difficulty in securing enough help. Honourable members from the West, one from British Columbia and the other from Saskatchewan, have told us of the bumper crops out there, and said that the farmers do not know what to do with their grain, not being able to get the materials for storage accommodation. It may be that they will have just as much difficulty in getting men to build those storages.

The Ottawa Journal seldom gives us any argument against conscription, but in the issue of July 17 I find at page 8 a short dispatch to the effect that 1,000 more men are needed in the British Columbia coal mines. This is just another illustration of the growing man-power shortage in this country.

A few days ago I read a news item in the Western Ontario Press pointing out and protesting against the diminution of beet sugar acreage in the counties of Kent and Lambton and the closing of the Wallaceburg Sugar Refinery, which has been in operation without interruption for forty years. That sounds a little strange, does it not, at a time when there is sugar rationing? There again there must be a shortage of hands to handle the crop. A link to reconcile these contradictory facts is missing.

Evidently the man-power shortage is acute and general.

Now, on the ground of national disunity I wish to refer to an instance which may be added to the documentation already presented to this House by my honourable friend from Wellington (Hon. Mr. Howard). He made a very strong point when he took issue with the Press in Canada, and although I am ticklish about anything that affects the freedom of the Press—and everybody understands why—I think his point was well taken. I have before me a newspaper whose former chief editor, if my memory serves me aright, was one of the most distinguished statesmen of Canada and was for a long time the right-hand man of Laurier and his Minister of Finance.

I refer to the Financial Times of Montreal. Its issue of the 3rd of this month contains the following:

It is the belief of many more sound-thinking people here—

meaning Ottawa, for the dispatch is written by its correspondent in the Capital—

—that there is no use sending good Canadian troops into Quebec to round up any deserters. Those who do not accept the conscription call when it comes—

Again taking a lot for granted.

—will be apprehended if available, but if they take to the bush they can stay there. In other words, it is not worth while sending a good soldier after a bad one. This is of course all hypothetical, but it will be recalled that the sylvan trail was a popular one in the last war.

This is the kind of stuff fed to our people to consolidate Canadian unity. I challenge any honourable member to refer me to anything as sordid as that in the whole French Press of Canada, whether Nationalist or not.

To those who may challenge my loyalty to the Empire because of my opposition to conscription, I would respectfully suggest they examine the brand of their own loyalty to Canada—their country and mine.

In taking my present stand I feel I am in fairly good company, for it is not so long ago that it seemed to be a free-for-all race among the leaders of all political parties in Canada to declare themselves against conscription. The most spectacular change of front was that of our friend Bob Manion. He felt the sentiment of the country as a good doctor will feel the pulse of a patient. So he decided in 1940 that conscription was not popular, and arranged his election campaign accordingly. I do not blame him for his course of action. Unfortunately for him and his party, the results were quite disappointing. Then along came his successor, Mr. Hanson, who, if I remember correctly, in the late fall of 1941 was not so enthusiastic for conscription, judging from what he said both in the House of Commons and outside. He too admitted that conscription was not popular throughout the Dominion—although it remained so, I suppose, in some hot spots, such as Toronto. Honourable senators may retort, "But conditions have changed." Indeed, conditions have changed. In 1939 and 1940 the foe was three thousand miles away; now he is hammering at our shores. That is why I am firmly convinced it is wrong to send young men abroad when this country needs to be protected.

More than that, I feel that I am in very interesting company when I observe that four officers in uniform, four full-fledged members of our Canadian Army, fearlessly took the same stand, either by their votes or their speeches, in another place. Will anybody in this House be ungenerous or ungrateful enough to go so far as to challenge the loyalty of those four officers, three of whom were veterans of the last war, and the fourth of whom was the son of the man who gave his life to consolidate Canada's unity—Ernest Lapointe.

Now let us listen, honourable members, to the voice of someone who will speak to us from the grave. Who will question the patriotism of the great Canadian who for many years was the respected and beloved leader of this House, and whose memory we all revere? Here is what Senator Dandurand once told his distinguished friend, Mr. Gabriel Hanotaux, one of the greatest writers and statesmen of France, some time after the war of 1914-1918. Here is what our dear old friend said, as I had it from his own lips: "Never again shall the boot-soles of our Canadian soldiers kiss the pavements of Paris." "Never" means a long time, honourable senators, and nobody can say that the lips which uttered that solemn warning were not those of a true son of Canada, one who was probably more conversant with international affairs than anybody else on this side of the Atlantic.

I have noticed that not one single argument advanced by honourable members who take the same stand as I do in this House has been answered. Not one single argument! Other arguments have been made; dozens of affirmations, most of them gratuitous, have been made; but I am at a loss to find one single instance in which one direct response was made to one direct argument.

There is one point on which I want to dwell for a few minutes, because I have thought that, on the face of it, it is one of the most captious arguments presented in favour of conscription. It was an argument advanced by the honourable senator from Montarville (Hon. Mr. Beaubien), which was based on the ground of justice. The honourable gentleman has a way of dramatizing his views which makes them very impressive. He asks: "Why should a man enjoy the pleasures of his home in serenity and security when his neighbour goes abroad and sacrifices his life for the rights and privileges which the man at home enjoys?" I think that is the argument briefly put. Well, it is an argument of some merit. But can that argument not be applied to men in all callings of life? Is it not unjust and unfair, for instance, that I should enjoy all the benefits and comforts of the Senate of Canada, and the sympathy and interest of such a wonderful audience, while other men

who are just as worthy as I am of such a privilege should be excluded because they have chosen to be confined in the cloisters of far-away missions, or to lead a dog's life in pursuit of an ideal which we cannot fully appreciate? It is for anyone a matter of choice and free will. That is where the true merit lies. It may be that I am prejudiced—if so, I admit it—but I happen to belong to a profession which during the last war faced all kinds of incidents which were challenging from the standpoint of charity and justice. It may be that because of that I am liable to exaggerate in certain directions and to have a very strong feeling against conscription.

Hon. Mr. HORNER: Will the honourable senator permit me to ask him a question? To whom was he referring when he spoke of a "dog's life"? What life was that?

Hon. Mr. LACASSE: I was referring, not to any particular person, but to men in general.

Hon. Mr. BALLANTYNE: To the Army?

Hon. Mr. LACASSE: Oh, no. I am sorry if my remarks were interpreted in that way. I hope my honourable friends opposite did not think I meant that.

Hon. Mr. BALLANTYNE: I did.

Hon. Mr. LACASSE: Then I will try to make it abundantly clear, as Mr. Bennett used to say. I was alluding to men who, of their own choice, turned their backs on the legitimate pleasures of life and, for instance, became missionaries, Catholic or Protestant, and were predestined to lead a dog's life in some far-distant country, for the love of God and the salvation of souls. Is that clear now? I never had in mind the members of our Army, and I hope my honourable friend from Saskatchewan North (Hon. Mr. Horner) believes what I say.

Now I come back to the incident which I was about to cite, and which may be responsible for the very strong feelings I have about conscription. As I have said, it may be that because of it I am prejudiced; but I am referring to the same justice spoken of by the honourable senator from Montarville.

During the war of 1914-1918 conscription became law, and the officers of the Government began to search the country and line up the boys. In those days, if I remember well—I was a doctor then, as I am to-day—I was not called upon, as I am to-day, to examine the prospective recruits. That was done by semi-medical-semi-military boards; so the family doctor had no say in the matter. Here was a boy of my own town who was picked up by the "black-and-tans" of those days, if I may call them that, and rushed to the barracks. He was examined by a semi-medical-semi-military board—I emphasize that—and was declared A-1. Of course he was! The record of some high officer had to be improved. That boy was transferred from one camp to another, and kicked from one hospital to another, until in some hospital in Halifax he reached the shores of the Atlantic. He was called a slacker from beginning to end. Then he died. He just died! His death was just an incident, was it not? He just died! But the medical officer who was called upon to sign the death certificate had to find something to put into it, for never to my knowledge has it been discovered anywhere in medicine that being a slacker is a disease. So he had to find something. He thoroughly examined the case, and he performed a post-mortem, and then, but only then, he discovered a tumour on that boy's brain. I do not know of any tumour which is called "slackeritis" or anything of that kind. But that man had been branded as a slacker, as a coward, and he had suffered the consequences of being mistreated.

That is the kind of justice one finds in this improved system of recruiting that is called conscription. If I had not been the family doctor of this young man, nobody would have known anything about this case. And when the body was brought home and I removed that man's military cap, I discovered by feeling his scalp through his hair that an autopsy had been performed. I am fairly familiar, of course, with what a body looks like after an autopsy. I found where the incision had been made. That is how I discovered the whole story.

That possibly is one instance out of a thousand, possibly one out of a hundred, possibly one out of five, possibly the only instance of its kind; but even if it be the only instance, I cannot call it justice.

Let me say to the honourable senator from Montarville (Hon. Mr. Beaubien), and to all honourable members, so far as that is concerned, that I take off my hat to our gallant lads who are fighting overseas after enlisting voluntarily—which adds to their glory. I take off my hat also to the brave boys who, with an equally cheerful patriotism, have bidden farewell to their folks and have gone to train in distant camps, in order that they may protect all that is dear to them against a menacing foe. In the ranks of both groups stand our own sons. They are entitled to the eternal gratitude of the nation of which they are worthy children and heroes.

I know that what I have said is enough to prove that the continuous preaching of many

Canadians, including myself, at election time as well as between elections, against the conscription of man-power for overseas service, should not be regarded by anyone as political expediency, but rather as a national doctrine in which its protagonists have believed during all those years, and in which they still believe more than ever to-day. I was not a non-participationist yesterday, and I am not an isolationist to-day. I am dead against that isolationism which my honourable friends have in mind. But I am speaking right now of another brand of isolationism which they have not in mind, the isolationism of those who are viciously trying to isolate one province from the body of Confederation. Those are the most dangerous isolationists of the day, and I shall refer to them in a moment or two.

I have stated that I am also opposed to this Bill because the fact which is invoked to justify it has been and still is wrongly and unfairly interpreted. I come to that point now. Long before the plebiscite vote was taken some persons connected with the Press began to cultivate a certain public opinion to the effect that a "Yes" vote would be given in all provinces except Quebec. Those persons did their best to create that impression from the start, and they succeeded, if you want to look at it that way, for Quebec voted "No" and the other eight provinces voted "Yes." After the vote these writers declared proudly that their prophecies had been right. They almost rejoiced over it. It was bad for Canada, but it was good for them. Well, did those people draw a correct inference? I admit that Quebec is, constitutionally, only one-ninth of Canada. But it also happens that all French Canadians are not living within the confines of that one province. When the expression "French Canada" is applied exclusively to Quebec it is a misnomer. It may be all right for tourist propaganda purposes, but it does not express the true fact. The point I want to make is that French Canada is not merely one province out of nine, but one-third of the total population of the country. It is precisely because more than 650,000 "No" votes were registered by persons residing outside the province of Quebec, French Canadians and others, that I am speaking on this Bill to-day, for I believe that such a large number of people should, in a democratic nation like Canada, have a voice in this Chamber to express their views and explain their stand. I am the first one to mention this standpoint in the Senate, and I think I am perfectly justified in doing so. If I am not, Canada is no longer a democracy, and we might as well admit it now.

Some honourable members might remind me that I did not oppose the plebiscite in this House last January. Indeed I did not. But no one can say I was over-enthusiastic about it. To refresh the memory of honourable senators, may I just repeat what I said on the 27th of January in connection with it. This will be found on page 34 of Senate Hansard:

> What is Mr. King doing to-day? Realizing to the full the situation in Canada, he does one thing: he makes a most generous concession—much more generous, in fact, than I would have made were I Prime Minister of Canada.

And further:

> I think that is the honest way to go about it, and I repeat that I do not think I would have gone so far myself.

And I want to draw the attention of honourable members to this particular statement:

> I think the Government should make an effort to place the matter before the public in the most impartial way in order that the people may decide intelligently. There should be no intimidation or terrorism.

But there was.

Hon. Mr. HAIG: May I ask the honourable gentleman a question right there? Did the Government do that?

Hon. Mr. LACASSE: What?

Hon. Mr. HAIG: What you said it should do?

Hon. Mr. LACASSE: No. That is why I voted "No." And I will explain why I did so.

I had just about made up my mind to trust Mr. Mackenzie King once more, to support him even as far as the plebiscite, although his stand was antagonistic to my own personal views. What happened? My honourable friend from Vancouver South (Hon. Mr. Farris) mentioned last night the bitterness of the opposition that was met by Sir Wilfrid Laurier under similar circumstances, and mentioned an article or poster which proclaimed: "A vote for Laurier is a vote for the Kaiser." Well, will honourable members believe this, that during the plebiscite campaign a Minister of the Crown said that in his opinion whoever voted "No" was siding with Hitler? Is there much difference between the two?

Hon. Mr. ASELTINE: Yes; a lot.

Hon. Mr. LACASSE: Well, that is a question of personal opinion, and I do not feel the same way as my friend about it. I contend it was the same brand of terrorism in order to intimidate the electors of Canada.

That was what turned me and caused me to vote "No." And I am not ashamed to

say so here. But because of personal deference to the man whom I still consider as a great Canadian and worthy to administer the public affairs of this country, I decided not to take any active part in the campaign. I left the people to decide for themselves. I wish honourable members opposite and their friends had done the same thing. Then I should have called it a free and independent vote.

Hon. Mr. BALLANTYNE: May I ask my honourable friend why he should not have taken part? The Prime Minister said the plebiscite did not mean anything. It was not a vote for conscription, neither was it a vote against conscription. It was a very simple proposition made to the public with a view to releasing the Prime Minister from a pledge.

Hon. Mr. LACASSE: I do not hesitate to say to my honourable friend that it was so simple that no one understood it and many refrained from voting. That is my own candid view about it.

Hon. C. P. BEAUBIEN: May I ask my honourable friend a question? He speaks with much conviction about the campaign outside the province of Quebec. Does he know what kind of campaign was waged in that province against conscription? Has he any idea about that?

Hon. Mr. LACASSE: I am fully aware of what occurred in Quebec. But perhaps my honourable friend would be interested to know about the campaign in the opposite direction that was waged outside Quebec.

In my opinion Quebec's attitude was only a natural and logical reaction to what was taking place elsewhere. The people were told repeatedly that if they did not vote "Yes" they would be traitors to the country. That was done in the plebiscite campaign, which was called a free appeal to the free people of a free country. And it was too bad for many people when it became known they had voted "No." I know of cases where persons were fired from certain offices when it was discovered they had voted "No"; even in Quebec. So I am perfectly justified in saying that terrorism—at least, terrorism of an intellectual kind—existed in Canada at the time.

Are honourable senators aware that the majority whose vote is said to justify this measure is a most artificial one? Are they aware, for instance, that 39 per cent of the people of voting age failed to vote at all, and that a full third of the other 61 per cent voted "No"? In such circumstances, is it safe to rely upon such a vote to justify such a drastic course as conscription, which has been a subject of controversy for thirty years?

Hon. Mr. HORNER: We have conscription now.

Hon. Mr. LACASSE: Absolutely. I am afraid I have not made myself clear to my honourable friend. At the outset I should have defined my terms, as we usually do in the first section of a Bill. I should have made it clear that whenever I use the term "conscription" I mean conscription for overseas service.

Do my honourable friends know that from 20,000 to 50,000 men in uniform, whose loyalty should not be challenged, voted "No" on the plebiscite? Who can say that my figures are wrong? I expected to be called to account when I said "from 20,000 to 50,000."

Hon. Mr. ASELTINE: Where do you get your figures?

Hon. Mr. LACASSE: That is the question I expected, and I am glad my honourable friend asked it. Well, the correct number of soldiers voting "No" was 20,000. I suppose my honourable friend will accept that. But it also happens that thousands of young men in training also voted "No," and nobody seems to know anything about it. I say approximately 20,000 to 30,000, for I do not know the exact figures, and neither does anybody else.

Hon. Mr. ASELTINE: How do you know?

Hon. Mr. LACASSE: I have no definite figures. I have admitted this from the outset of my remarks.

Hon. Mr. ASELTINE: You are just guessing.

Hon. Mr. LACASSE: Absolutely. It may be 60,000 or 150,000. But the fact is there are more than 20,000. I did not say soldiers. I said men in uniform—potential soldiers, soldiers in the making.

I do sincerely believe that if, at this very moment, a vote were taken on the straight issue of conscription, the majority would be against it.

Hon. Mr. BALLANTYNE: Oh, no.

Hon. Mr. LACASSE: Why do I say that? Because I know for a fact that a great many of those who replied in the affirmative to the plebiscite did so on the understanding that it did not mean conscription.

I hope the people of Canada are still looking up with confidence to this higher Chamber of Parliament, the Senate, to pacify their minds and give them new confidence towards a better understanding between the two races in this country and a calmer discussion of the problems of the nation. As for myself, I hope I have not hurt the feelings of anybody in

the course of this speech. I believe the facts I have set forth are accurate, and I can vouch for the authenticity of my quotations. In order that I might not annoy my colleagues by mere repetitions, I have tried to bring to the attention of the Senate facts which so far have not been mentioned in this debate.

My honourable friend the leader opposite (Hon. Mr. Ballantyne), when concluding his speech, made two suggestions by way of constructive criticism. That encourages me to make what I hope may also be considered as a constructive suggestion. We have been told that this war against the Axis powers is a crusade against neo-paganism and barbarism, and has now overflowed the boundaries of Eastern continents to become a struggle to the death between the two hemispheres. I do not say that it is not true. But if this war is a crusade, why do not all the nations which claim to be the last defenders of true Christianity and modern civilization unite in a common effort to stem the tide of material and spiritual vandalism? Some honourable senators might reply that the United Nations intend to do that very thing. Of course they do, and they keep on intending to. But to what extent have they unified their military forces?

Last January, as honourable senators are aware, representatives of twenty-four countries of this hemisphere met in Washington and signed a collective pact, binding each and all not to make separate peace agreements with the enemy.

Honourable members also are aware that shortly after the Pan-American conference last year all the South American nations, with the exception of one or two, decided to sever diplomatic relations with the Axis powers. That was a positive step in the right direction. What action has followed? I do not know; I can only guess. We have just been told that a new flag has been designed, which will serve as a common standard and symbolize the unity of all the nations of this western hemisphere in this great struggle against a common foe. What an accomplishment! Why is there not a continental army raised, according to a uniform plan, to lick Hitler and Tojo? Canada and the United States alone cannot win the war in Europe, in Asia, in Africa, in Australia, and at the same time successfully defend the three Americas. Canada has done a lot already, but she cannot do much more—even if conscription is adopted—except in the field of war supplies and food production, where her potentialities are still very considerable. Our official participation in the Pan-American conference would have helped a lot towards creating the complete union—for war purposes—of all the democracies of the new world, but, for some reason or other, we kept aloof. Events have proven that our so-called "catering" to the United States has now assumed its proper significance, and had we taken the same course towards South America, I am sure it would have helped considerably towards the consolidation of a western hemisphere defence. In the light of those facts, I will make a suggestion, and I will make it as one of the youngest and most humble members of the Senate of Canada. My suggestion is this. After having achieved, in the diplomatic field, political union among all the nations of this western hemisphere, after having solemnly decided to face the common enemy as a well-organized unit, why not take the next effective step and organize, as already hinted, an American army composed of forces from South America as well as from North and Central America, and apportion the contribution of each of the different countries according to their respective resources, both human and material? Then, and then only, we could call it a real continental effort and a real crusade.

I was going to conclude my remarks by quoting a slogan with which most honourable members are familiar, and which might tend to remove any uneasy feeling that might arise in the minds of some of my honourable friends after listening to what I have said. It is the motto, "Honi soit qui mal y pense." But, fearing that it might sound as an indirect provocation in the present case, I will borrow instead the device which appears on the crest of the present Governor General.

Hon. Mr. BALLANTYNE: My honourable friend is out of order. The representative of the King can never be discussed in Parliament.

Hon. Mr. LACASSE: I am not speaking of the distinguished representative of the King himself, but of the motto on his crest. I think I am in order, as long as I do not refer to the person of His Excellency.

Hon. Mr. BALLANTYNE: I do not think so.

Hon. Mr. LACASSE: I shall have to appeal to His Honour the Speaker for a ruling. I do not think the point is well taken. I am not alluding to His Excellency, but to the motto on his crest.

Hon. Mr. BALLANTYNE: I do not think the honourable member can even go as far as that.

Hon. Mr. QUINN: The honourable member's remarks have nothing to do with the Bill.

Hon. Mr. LACASSE: I have heard the motto "Dieu et mon Droit," which is the motto of the King himself, often quoted in this Chamber, and nobody ever took any exception to it. I think we may find in that motto a solution of all our problems in just two words: "Fearless and Faithful." Is it such a calamity to quote those two words here? What is derogatory in that quotation? Whatever may happen, let us all be fearless of the foe and fearless of the future, because we are confident that we are on the side of right and justice, and that sooner or later justice will prevail. Let us also be faithful to the traditions of our country, to all that is dear to our hearts, faithful to the extent of defending those traditions and those human, spiritual and material resources by shedding our blood if need be.

I may be permitted to quote from another source without, I hope, any danger of being called to order. In fact I intend to read one of my own short poems. To anticipate the raising of a point of order, I may add that I have the permission of the author to make this quotation! The poem was written for another occasion, but I think it forms a most fitting conclusion to my speech. Unfortunately for those who do not understand my mother tongue, they will have to be satisfied with a translation of it. I believe the few following verses express in a few words the sentiments which have inspired all the speeches delivered in the course of this debate. We are all patriots. We may think differently as to how the national interest may best be served, but we are all conscientiously trying to do our duty. In this spirit I give you the following verses:

Il est encore au monde
Un pays merveilleux,
Dont la terre féconde
A nourri mes aïeux.

Terre par Dieu bénie,
O pays de chrétiens,
Toi seul es ma Patrie,
A toi seul j'appartiens.

Fidèle à ton histoire,
Je suis prêt à souffrir,
Et jusqu'à la victoire
J'exige de servir...

A côté de mes frères,
Dans l'air pur de ton ciel,
Pour rejoindre mes pères
Dans ton sein maternel.

Que ta glèbe amoureuse
Protège mon sommeil
Jusqu'à l'aurore heureuse
De l'éternel réveil!

On motion of Mr. Hayden, the debate was adjourned.

At 1 o'clock the Senate took recess.

The Senate resumed at 3 p.m.

Hon. SALTER A. HAYDEN: Honourable senators, I am supporting this Bill. There was much that I might have said and that I had intended to say in support of the measure, but as it has already been said, and well said, I do not intend to indulge in any repetition. I think I may say, however, that the Bill is timely and necessary. I think it rounds out a plan of compulsory service, and in the circumstances in which we find ourselves at the present time, I believe it is necessary that the Government should possess full and complete power for the defence of Canada. It should be possible for the armed forces of Canada to be sent wherever, in the opinion of our leaders, they are required to ensure safety, proper defence, and an efficient prosecution of the war. The national interest demands that there should be no restriction or limitation at this time.

I am not much concerned now over the issue of conscription or no conscription. I think that question was settled—certainly the principle was settled—over two years ago, when the National Resources Mobilization Act became the law of Canada. The only restriction contained in that legislation was what I describe as a geographic limitation which was imposed upon the Government of the day, as to where the forces that were called up for service might be sent. That restriction or limitation was inserted in the Act in order to meet the pledge which the Government had given, together with the leaders of other parties, in 1940. But once the plebiscite vote was taken and the majority of the people of Canada had expressed themselves that the Government should possess full and complete power, in my opinion there was no further justification for maintaining that limitation or restriction in the National Resources Mobilization Act.

While there has been some discussion here as to whether the people of Canada understood what they were voting on when they voted on the plebiscite question, I have to say that that gives me little concern at this time, because, whether the people in Canada, in part, thought they were voting to release or not to release the Government or on the issue of conscription or no conscription, the result obtained is exactly the same. Those whose conception was that they were voting on the issue of conscription or no conscription were, in my opinion, realists; and certainly as a result of that vote we know where they stood on this extension of the Mobilization Act to make it possible to send men overseas.

We recognize as part of our law that the will of the majority prevails. Therefore it seems to me that whether, in consequence of

the plebiscite vote, you give the Government full and complete power to send men overseas whenever in its opinion the necessity arises, or whether you enact substantively some form of Military Service Act to conscript for overseas service, the effect is the same. We are not sending men overseas simply because we want to send them. We shall send men overseas to wherever they may be required to go, once it has been decided by those charged with that duty that it is in the interest of an efficient prosecution of the war to send them; and the order for their going would be exactly the same kind of order whether it had been substantively enacted that men must be conscripted for overseas service or whether the Government had the power, unhampered and unfettered, to send them overseas whenever the need should arise.

I think that the leaders of the Government of Canada, which is a member of the United Nations, are in a position to know when and where the need may arise, and we have to trust some persons to take the responsibility for making such a decision. I am not prepared to assume that responsibility. Frankly, I do not know enough about the situation. I do know, however, that our enemies are active in every part of the world, and I realize that if we are to overcome them we must work in co-operation and harmony with the other nations, and must distribute our forces in such a way as to make for the greatest progress towards the end which we are all trying to reach, namely, the defeat of the enemy. Whatever that may involve, however great the sacrifice, we must be prepared to face it, because we are engaged in a war to a finish.

As far as I am concerned, these discussions assume a sort of academic significance, because of the larger and the real issue which faces us to-day. I say that we must be prepared to arm our leaders with full and ample authority to do whatever may be needed, whenever needed, even if it involves the disposition of our forces in various parts of the world.

Something has been said in the course of this debate, and also, from time to time, in the newspapers and by representatives of various organizations, to the effect that only a total effort for total war can assure victory to our side, and that a total effort for total war will be of no avail unless we have what has been described as conscription for overseas service. Well, with the passage of this Bill we shall, in effect, be in a position to send our forces anywhere in the world for service in the best interests of an efficient prosecution of the war. That surely includes conscription for overseas.

But in my opinion it is not enough to say that once you have conscription for overseas, or once the restriction or limitation in the National Resources Mobilization Act has been removed, you thereby and at once have a total effort for total war. Those very people who have been agitating pro or con—for both sides of the question have been discussed, at times with harsh and violent language—can show their sincerity when this Bill becomes law by joining one hundred per cent in support of our total effort and thus making it a real total effort for total war. It has been well said that along the road of total effort for total war lies the only sure means of gaining eventual victory and peace. I think it can equally well be said that along that very same road there must be sacrifice and understanding, co-operation and trust.

During the course of this debate, particularly, I think, in the utterances of the leader of the Government and the leader of the other side of the House, there has been a high standard of calm and temperate discussion. The debate has been highly non-provocative. I think we have reached a stage in the prosecution of this war where the seriousness of the situation is so apparent that we should all firmly resolve that for the duration of the war we will lay aside, even if we cannot entirely obliterate them from our minds, the political arts of peace-time and attempt to be as constructive and co-operative as we can to restore confidence among all the people, to the end that we may make a total effort for total war.

In ordinary times I might feel disposed to take strong objection to some things that were said in this debate, and particularly to the manner in which they were said. However, I am firmly convinced at this time nothing can be gained by throwing in a few sticks to feed the flame. Nothing can be gained by talking about particular cases, for you cannot argue anything properly in that way. By discussing particular cases you can inflame passion and prejudice and stir up resentment, but that would not be helpful to our country just now. I must admit that in the province of Ontario, from which I come and of which I am very proud, we have not been entirely guiltless in the matter of violent discussion on certain issues. And in all the provinces we have seen the spectacle of distrust stirring up the people and to some degree estranging race from race and class from class. We have even heard it whispered: "Why should we be concerned about any person else? We are not

our brothers' keepers." The problem of how to overcome this situation is the one that gives me the greatest concern, because so long as we have divisions and dissensions, so long as there is a possibility of increased sectionalism in Canada, we cannot have a real total effort for total war.

I think that in the course of this debate the Senate has set a style that might well be followed from this day on, not only by honourable members in another place, but also by newspaper editors and all who from time to time find occasion to discuss public issues from the platform and over the air. I am concerned at this time when I find that some people are so critical of their fellow Canadians as to suggest even the terminating of our scheme of Confederation. After all, we should never forget that Canadians, whether of French, English, Irish or Scotch origin, once upon a time joined hands when they caught the vision of what the future might hold for a united people in a united Canada. They worked together to surmount great difficulties and obstacles. And while that scheme may not have ripened as quickly as they hoped, yet we have gone a long way.

It is unfortunate, to say the least, after all these years of co-operation in the development of our Canadian nationality, to find such marked differences of opinion between different sections of the country that some people are prepared, in order to bring their fellow-citizens into line with their own views, to suggest the abandonment of what we have so earnestly built up. I am sure, as sure as that I am standing here now, that the Canadians of French origin love Canada, freedom and British justice as much as do Canadians of English, Scotch and Irish origin. We cannot hold all Canadians of French origin responsible for certain utterances that in the last year have appeared in the Press or been made over the air and on the public platform, any more than we can hold all the English, Scotch and Irish Canadians responsible for certain utterances made in the same period.

I think we have reached a stage in the affairs of Canada when we should do everything possible to restore harmony among our people. For that reason I have deliberately followed a policy of saying nothing that could be construed in any way as provocative. No person enjoys a political contest more than I do; no one gets more enjoyment out of the repartee that goes with political campaigning. That kind of thing is a real thrill and pleasure to me. Why, the other day when my honourable friend from Ottawa East (Hon. Mr. Coté) was speaking, I felt rising up within me an impulse to make a few remarks which, now that I have gone this far, I may as well express.

Hon. Mr. COTE: The honourable gentleman is slipping.

Hon. Mr. HAYDEN: My honourable friend said he had been manœuvred into supporting this Bill. Well, I know he will appreciate how deeply I was grieved to hear that. And I know he will appreciate that the grief of honourable members who smiled when he made use of that expression was equal to mine. A little later on, when he termed the Bill an affront to Parliament, I found difficulty in reconciling that with his previous statement and drawing a conclusion as to what he meant. Finally, however, I was able to evolve this, which I think must be the answer: that my honourable friend would not submit to the crowning indignity and embarrassment of being manœuvred into voting for a Bill which he regarded as an affront to Parliament, unless the reasonableness and purpose of the Bill had a very impelling effect upon him.

But I ask you, honourable senators, in all seriousness, is it an affront to Parliament to be requested to give the Government unlimited and unrestricted power to dispose the armed forces of Canada wherever the need arises, as and when the Government interprets that need? If it is, then my sensitivities to affront are not as keen as my honourable friend's. I am prepared to trust the Government. And I say this Senate was prepared to trust the Government two years ago, when the Mobilization Act was passed, for that Act provided by section 2:

> Subject to the provisions of section three hereof,—

That is the provision which will be repealed when this Bill is passed.

> —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.

In 1940 we were prepared to leave the matter to the Government for such determination as it might make from time to time in the light of the knowledge and information it possessed. I am still prepared to trust the Government and I think Parliament must be prepared to do so or some amendment would have been made to this Bill. I wonder who among us would venture to say where the defence of Canada lies to-day. All I

can say is that it certainly lies beyond Canada and its territorial waters. If that be so, then, once this Bill is passed, the Government will have power to make such disposition of our armed forces as it may see fit, with a view to the safeguarding of Canada and the efficient prosecution of the war in which we are engaged.

My main purpose in speaking to-day, honourable senators, is to ask of you, and through you the people of Canada, that we throw aside the spirit of dissension, quarrelling, and bitter disagreement and try to cloak ourselves in a spirit of co-operation and trust. The cause in which we are engaged at the present time is too great to be endangered. The stakes at issue in this conflict are the preservation of our way of life, of our freedom and of our conception of Christian morality. The outcome of this struggle will determine whether in the future we shall be slaves or free men. These stakes are so important that we cannot afford to dissipate our energies and strength on anything that will detract from a concentrated total effort for total war.

I cannot think of any better way to close my remarks than by quoting some words that were used by Thomas D'Arcy McGee prior to the passage of Confederation. He was appealing to the people of Canada, as it then was, to unite in the interest of the greater Canada, and he outlined a course for them to follow. Among other things he said:

> All we have to do is each for himself to keep down dissensions which can only weaken, impoverish and keep back the country, each for himself to do all he can to increase the wealth of the country and its strength and reputation.

I echo those words to-day. The present duty of every one of us is, each for himself in his own way and to the full extent of his power, to attempt to restore confidence, trust, understanding and co-operation, to the end that we may be able to harness all our talents and devote them to a total effort for a total war.

Hon. J. FERNAND FAFARD: Honourable senators, I shall not take more than a few minutes of the House's time to explain my stand on Bill 80, now before us—the National Resources Mobilization Bill.

For the last quarter of a century I have taken an active part in the political life of the province of Quebec, and I am glad to say that my views on Bill 80 are identical with those I held in 1917, and my reasons are the same. I shall not repeat the arguments in favour of my stand, because they have been expounded more eloquently than I could do it myself by the honourable member from Grandville (Hon. Sir Thomas Chapais).

I have no confidence in the conscription measure submitted to us, especially since the voluntary system has given splendid results, and since military experts themselves say that they would prefer a single enlisted man in the Army to ten conscripts.

In all spheres Canada has contributed her share, in the Army as well as in the Air Force. The people understand that we must be ready to defend Canada, and that is the reason why voluntary enlistments have been so numerous. Conscription at the present time would impede our war effort, because it would create bitterness between the different provinces of Canada and also undermine the confidence of the people in their governments.

During the last two years, like many others, I have advised those who came to me for counsel to enlist because it was for the defence of Canada only. If I were to accept the Bill at present before the House, I should approve of the Government sending overseas the men who have joined the Army for the defence of Canada only. I have not the least hesitation in saying that I cannot accept this Bill, because it would mean betraying those I have represented for a quarter of a century.

I regret that so many speeches have been made criticizing Canada's war effort. The criticism voiced by our opponents is unjustified. It is a political manœuvre, but it does us much harm in the other countries. Let us try rather to publicize our war effort outside of Canada. The manufacture of munitions has attained a level which I did not think possible before the war. Our shipyards are producing at an astonishing rate. Canada has become the air training centre of the Empire. Such facts and many others should be known, not only by the British and American governments, but also by the British and American peoples. A certain class of people in this country have apparently chosen criticism as their maximum war effort. The first object of their criticism is the province of Quebec. They also criticized the Hong Kong expedition, but what would they have said if the Government had refused to send any troops? Then they criticize the Admiralty on account of the torpedoings in the St. Lawrence. They even praise the skill and the courage of our enemies. They criticize France, poor France, and they already forget that in 1917 France was the shield of civilization. Read our papers, all the papers published in the Dominion. You will seldom find a condemnation of German barbarity and treaty violations. It is obvious that they are more interested in embarrassing the Government than in waging total war.

Canada has done her share in this war, and every province deserves to be congratulated.

Quebec also has done her share, and a generous share at that. Quebec desires victory for the Allied armies. Quebec is opposed to conscription for overseas service, because Quebec knows only one Motherland, Canada. The blood ties which once bound us to Europe have almost completely disappeared; we are left with the lone British tie, which unites us all. After the battle of the Plains of Abraham, 60,000 Frenchmen were left in this country. They were so poor that they did not have the money to pay their fare back to France. They armed themselves with courage, stood around our missionaries, and cleared the beautiful farms that you now see along the shores of the St. Lawrence. During the war of 1914-18 we had our share of the 60,000 Canadians who now sleep on the European battle-fields. Nevertheless the original population of 60,000 has grown to 5,000,000, two millions of whom have migrated to the United States.

It is easy to understand why we have so much love for a country which has been so generous to us. When the numerous other races of this country shall have learned to know Canada as well as we know it, they will agree with our feeling that Canada is the only country where we want to live and die. If ever this patriotic feeling is shared throughout Canada, from ocean to ocean, we shall no longer have to deal with problems of race and religion, because all difficulties will have been levelled and we shall be ready to strive hand in hand for the development of the finest country in the world, Canada.

Hon. ARISTIDE BLAIS: Honourable senators, at the outset of my remarks I wish to congratulate my honourable friend from Wellington (Hon. Mr. Howard) upon his very fine speech, and to thank him for his kindly sentiments towards my compatriots in Quebec. I know his were not just empty compliments, but rather the sincere expression of goodwill. How could my honourable friend feel otherwise? A kindly gentleman, he speaks our language, which he acquired as a boy through daily contact with French Canadians, and he has learned to love them for their friendliness, their tolerance, and their loyalty to tradition. I am sure his sentiments are reciprocated by my compatriots, with whom he is at ease everywhere.

May I say, honourable senators, that my experience has been similar to that of my honourable friend. It has been my privilege to live in Edmonton for the last forty-two years. When I went there in 1901 I was made very welcome by my English compatriots. The French Canadian population was then very small, and my practice soon began to develop amongst my English-speaking fellow-citizens. At that time, to my great sorrow, I could hardly speak English, but I knew enough of the language to appreciate their hospitality and their great qualities of mind and heart. I have learned a lot from them in many ways, but first of all I have learned to love them. To-day some of my best friends are English-speaking citizens, with whom I can discuss in complete frankness all problems confronting Canada. I have always lived in harmony with them without surrendering any of the principles which underlie our faith and our traditions. I often feel that if most of my compatriots in Quebec were given a similar opportunity a better understanding would prevail among us.

What is dividing us? It is the lack of a common medium of exchange—language. That is why I have always advocated, indeed urged, that English language and literature should be made compulsory subjects in our universities, especially for those who will be our leaders in the future. I am confident that if we knew each other better, all obstacles would soon disappear. We could benefit enormously by a knowledge of our respective cultures. Mutual esteem would unite two great forces, and these forces pulling together would accomplish a miracle and make this Canada of ours a veritable Promised Land.

This debate on conscription for overseas has been exhaustive. The passage of this Bill will give the Government full power to impose conscription for overseas service, if necessary. Several honourable senators have expressed their views on the subject with eloquence and sincerity. I was much impressed by Mr. Cardin's speech before the House of Commons in which he pleaded for moderation and a better understanding between the two races, and assured us that the province of Quebec would bow to the will of the majority. It was the speech of an honest man who knows that the law should be obeyed and respected. I am quite sure this will be the attitude of all sections in the province of Quebec, and that my compatriots will put all their heart into the fulfilment of their duty.

I have accepted the principle laid down by the Prime Minister in regard to this Bill: not necessarily conscription, but conscription if necessary. I have implicit confidence in the man who is at the head of our nation, and who has proved to be a great statesman and patriot, with the same breadth of mind as Roosevelt and Churchill. I am confident that posterity will put him on the same pedestal with those two great men. I have confidence in his Government and am ready

to give it carte blanche to ensure the security of our country and to do the utmost to achieve victory.

Let me quote from a speech I made in Edmonton on the plebiscite, of which this Bill is the logical sequence. I said:

As far as I am concerned, I am so conscious of the immediate danger menacing our country that I am most emphatic about it, and think it is the duty of every good Canadian to answer by an overwhelming affirmative on April 27 for the following reasons:

To give the Government complete freedom of action in the best interests of our country. Everyone knows it is not the time, when the storm is raging on the sea and the boat in the process of sinking, for the captain to ask from the shore whether he should push the bar to the right or to the left to save it.

At the present time, the storm is raging with fury everywhere, abroad as well as on our own coasts, and very soon it will no doubt be in the Gulf of St. Lawrence. Therefore, it is of the utmost urgency that the great Canadian who is in charge of Canada's destinies should have complete mastery of the situation, and we in return should have absolute confidence in his Government.

There has been, among some people, considerable confusion about the plebiscite. It does not implicitly mean conscription for overseas service. It is up to Parliament to decide on this later if it is deemed necessary for our safeguarding. It means, before all else, unity —unity of purpose, unity of action, freedom to act according to circumstances, freedom to act anywhere.

Canada actually is making a tremendous war effort—an effort which, according to our population, is equal to that of any nation now at war, and one has to be blind not to see it. Surely it is not necessary to add conscription for overseas service to that effort in order to make it more evident or to convince the other nations. Still, if things were becoming so bad that our Government deemed conscription for overseas necessary as the sole means of avoiding defeat and ensuring our survival, I am sure there is no one who would not esteem it an honour to take a share in our defence. I for one would gladly endorse it, for the simple reason that I have always believed and said that it is preferable for us to win this war on European soil than to wait for it on our shores. It would then be too late.

I spoke again later, and I should like to be permitted for a very few minutes to repeat part of what I then said. It was this:

As a representative in the Senate, allow me to appeal to your loyalty, and to request you to vote "Yes" on April 27. We are going through very tragic days—

Those days were very tragic, but I think the present is still more tragic.

We are going through very tragic days, through moments of anxiety. We must get together; each of us has a determined part to play in this conflict, and we must resolve to win or die. You may be assured that our fate is at stake at this moment, and we should be wrong if we closed our eyes to the danger which threatens us. This is not a time to equivocate or to debate upon the merits of conscription for overseas service. These debates are useless and are painful to hear in times like the ones through which we are passing, and they throw a discredit which will not soon disappear.

At present there is no question about conscription for overseas service; what we want is to give Parliament a free hand to act according to its judgment in the light of actual or future events. We must give it a free hand to take whatever steps are necessary to secure victory.

Then I painted a little word picture of the war, after which I continued:

In the Atlantic, German submarines are near our shores, and every day sink our ships. The mastery of the Atlantic is at stake. The enemy is drawing closer to us; everywhere he is asserting his superiority; and you wonder, my dear compatriots, that the Government, which is aware of this threatening situation, is now asking you to release it from its pledge not to impose conscription for overseas service. You are wondering why the change of opinion. There is nothing surprising in that. A promise is not a dogma. Have not circumstances altered? Is not the whole world upset? Are we not assisting in a universal revolution? Are there not contradictions in everything which surrounds us? One would think that Providence was actually laughing at human weakness, and wished to test humanity to its extreme limits.

There is an old proverb which says: "God helps those who help themselves." The Government is asking you to help yourselves by voting "Yes," in order that all discussions and misunderstandings may cease, and that national unity may be re-established and our own preservation secured. Do not doubt that if Germany wins the war in Europe we shall be the next victim. And what a victim! Read Colin Ross's book on Canada. It will be a revelation to you of German ambitions in regard to our country.

The Government could make use of its legal right to have overseas service imposed by vote of the House. Everyone has been requesting it to do so. The Government is empowered to take all means to guarantee the security of Canada. But our Prime Minister is honest; he is conscious of his duty as head of the country, and respectful of his pledges, and so did not want to use these powers. He is so honest that he asks us to free him from his pledges in order that he may be given a free hand to take the steps necessary to secure victory.

This does not mean that conscription for overseas service will necessarily be applied. It does not mean that because conscription for overseas was not on the programme Canada's war effort has been negligible. One would be blind who did not see the transformation which has occurred in Canada's war production. We are the arsenal of the Empire. Before a very grave threat, common to all, the Allies have pooled, without any restrictions, all their resources, their man-power and their determination to win. Would the French Canadians be the only ones to ask exemption from the law? Would we be the only ones to hide behind out-of-date pledges in order to avoid fulfilling our duty, which consists just as much in fighting overseas as in being prepared against the destruction and invasion of our country? If,

in a very serious situation, conscription should become our only salvation, who among us would not willingly defend his own country, either here or elsewhere, if he could in this way contribute to victory?

Personally, I wish to state once more that I sincerely believe that the victory of our armies will materialize only in Europe. All veterans share this opinion. Do not let us believe that, even if we were defeated overseas, we could still win a victory on our own soil. It is very foolish to think this.

Let us not be over-optimistic, but let us be optimistic with bravery. Let us be ready to undergo all sacrifices. Let us obtain victory by our faith in God, Who is the only strength, and Who is putting us to a severe test. We French Canadians should not be misled by the Nationalist propagandists who at present are campaigning—and incidentally, making a very poor show—in Quebec. Let these easy-going people glory in their wonderful isolation. We prefer action, and we are ready to assume our responsibilities and make all sacrifices. We want our sons to hold their heads high after the war. Already our compatriots have done their duty in the way of voluntary enlistment for overseas service. If we register a negative decision on the plebiscite, we shall counteract the result of such noble and generous action.

We should be the first to take the initiative for victory, for, since we are the pioneers of this country, what I might call the aristocracy, it is a case of "Noblesse oblige." It is not enough for us, on St. Jean-Baptiste Day to claim as our ancestors the heroes of the Canadian epic; we must imitate them. We must prove that we are valiant and are ready to make all necessary sacrifices.

Some Hon. SENATORS: Hear, hear.

Hon. A. MARCOTTE: Honourable senators, at the outset of my remarks I would ask your indulgence, not for what I have to say, but for the manner in which I shall say it. I still feel the effects of an operation that I had some little time ago, and it is difficult and painful for me to speak. I know of your patience, and I shall try to be concise and clear.

It has often been stated, and I believe it to be so, that this Chamber is the bulwark of the minorities; that this is the place where rights are preserved and will be preserved at all times. As a representative of a minority I feel it my duty to defend the rights of that minority and to protest against the abuses, calumnies, lies and even threats which are thrown at it.

We are living through terrible days. Wars have at all times engendered hatred. This may be understood as between belligerents, but not between citizens of the same country at a time when they are fighting in a common cause against the same enemies, and praying for the same victory.

Canada is not used to war. She never had any on her own account except this one. After having enjoyed peace for over a century, Canada went to war in 1914 as a part of the British Empire and very nobly did her share. That, for Canada, was not a war of conquest; it was a contribution towards what was hoped would be a lasting peace for the world at large, and more especially for the British Empire.

During the last years of that war a bitter controversy arose between the two main elements of our people as to the ways of raising men for our armies, and the word "conscription" became a word meaning hate, distrust, vengeance. The story is repeating itself now, under circumstances which in some ways are vastly different, but the results will be the same in the end if a study is not made of the problem and a solution is not found.

During the years I have been in this Chamber I have on several occasions affirmed my sincere belief in British institutions, and my absolute conviction that under the British flag, under British institutions, we French Canadians have enjoyed, and are still enjoying, liberties unknown by a conquered people anywhere else in the world.

Not only here in the Senate, but elsewhere as well, in times of peace as in times of war, I have preached that conviction, have written on it, and have advocated it in my public and private life. I have always been in earnest when I have asked my compatriots to study conditions here and elsewhere and to compare our fate with the fate of minorities in other countries. I am satisfied that French Canadians, with few exceptions, will believe as I do, if that study is made seriously.

What, then, is the cause of the present controversy? So much has been written and published on this problem, so many speeches have been made on it during the last few months, that it seems unnecessary to cover the field. I shall confine myself, therefore, to some historical facts, well known and undisputed, on which I base my own point of view.

The loyalty of the French Canadians to Canada has never been doubted at any time, nor by anyone. Canada is the only country the French Canadian knows as his own. Canada is his homeland, and has been since 1763. The French Canadian is not French; he is not English; he is a Canadian and a British subject who speaks French.

Just a few years after they became English subjects, in 1776, the French Canadians gave the first proof of their loyalty to England. It was the sort of proof which has been recognized throughout the history of the world as a true test—the test of blood. The same proof was given in 1812 and in 1914, and it is being given now.

England has been at war several times since Canada became English, and for well over a century Canada was never called upon or forced to contribute men to these wars, except for the protection of Canadian soil.

During the Sudan war in Central Africa, Sir John A. Macdonald refused to send men as a contribution by Canada. Most honourable gentlemen will remember that during the war with the Boers in South Africa protests were made by Quebec against the sending of the first Canadian contingent. The Government stated that it was not a precedent. The same is true as to the second, the third the fourth and the other contingents. It was always promised—or pledged, since this word is in favour now—that the sending of these contingents would not create a precedent. Honourable senators will remember also the bitter controversies on the navy question and the elections of 1911.

I come to the war in 1914. The statement was made by Sir Wilfrid Laurier that we should be in that war, alongside England and France, to the last man, the last dollar. But it was to be a voluntary contribution. Sir Robert Borden had promised the same thing.

The conscription issue was created in 1917. Sir Wilfrid Laurier opposed conscription—fought it all over the country. It became law and was accepted with reluctance. But it was accepted.

Ever since the war conscription has been used by the Liberal party at every election, especially in the province of Quebec, where we had what is called a "bloc solide." There was an exception in 1930, not in the use of conscription as an argument, but in the result.

Came the war in 1939, and the election in 1940. All the parties seeking election declared they were opposed to conscription for overseas service. The Liberal party was returned to power with the largest majority ever recorded. Everyone knows that although every leader had stated that he was against conscription, in Quebec the people were convinced they would be safer on that ground with the Liberals in power than with the Conservatives. In the Quebec provincial election of 1939 that sentiment had prevailed, regardless of the Duplessis programme.

Even after the fall of France in June, 1940, even after Dunkirk, and the mastering of practically the whole of Europe by the Axis, the same pledge was given by our Government. The mere pronunciation of the word "conscription" was regarded as a crime against unity in Canada, a detriment to our war effort. The Mobilization Act was passed, but section 3 was a renewal of the pledge of no change in policy.

Then came Pearl Harbour and our declaration of war against Japan, and we had the plebiscite. Let us pass over the wording of the question asked and consider the meaning of it.

Just a few days ago the Prime Minister was complaining that he had been accused of having misled the public on the plebiscite. Well, let us take the Prime Minister at his own words, giving to them their true meaning. We shall also believe the leaders of the other parties. What did they say? I shall quote from a copy of the House of Commons Debates which was sent out by the Bureau of Public Information and no doubt received by all honourable members. On June 10, 1942, the Prime Minister quoted from a speech he broadcast on April 7, when he said:

> The Government is not asking you to say whether or not conscription should be adopted. That responsibility the Government is asking you to leave to itself, and to Parliament, with entire freedom to decide the question on its merits.

He added later on:

> Let me emphasize that fact. Those who tell you that conscription is the issue are misleading you. The sole purpose of the plebiscite is to obtain for the Government, and for Parliament, a perfectly free hand in dealing with this, as with all other questions.

The Prime Minister also quoted Hon. Mr. Hanson, Leader of the Opposition, as saying:

> That, primarily, is the only issue involved. Emphatically, it is not, in this specific vote, an issue for or against compulsory service for overseas. It is merely a vote to release or refuse to release, Mr. King from a pre-election pledge.

And finally the Prime Minister quoted the leader of the Canadian Co-operative Federation, as follows:

> It is a vote to release members of Parliament from their pledge not even to consider such conscription.

Honourable senators will remember the solemn pledge given by Mr. Lapointe in his own name and in the name of his Quebec colleagues, with the acquiescence of the Government, that conscription would never be made law by a Government of which he was a member.

Why this plebiscite? Why put a question if we are not free to answer as we think fit and proper? Under our institutions the vote is a sacred privilege and right. A minority has the right to express its views and to vote the way it wishes to. Then why the thunder against Quebec and the French Canadians

because they said "No" when they had the right to say "No," and had been urged to say "No" for so many years by the same people who now wanted "Yes" for answer?

These people, who for years had put their trust in Laurier, his lieutenant Lapointe, and the present Minister, the people who followed their leaders blindly, but faithfully, and who were told up to the last minute that no conscription would be imposed, could not comprehend the stand of the Prime Minister and lost confidence in him. If even an astute man like Mr. Cardin found out too late what the real meaning of the proposal was, how could the average man find out, except by instinct?

Why single out French Canadians for attack when there is no conscription in the other Dominions? Why call them traitors because they used the right to express their opinions?

If you want co-operation you should at least state clearly what you want. The honourable senator from Vancouver South (Hon. Mr. Farris) stated last night that he was pleased with the calmness of the discussion in this Chamber. I agree with him. But is it as calm elsewhere, in certain sections of the Press, or in certain pulpits? For your edification I will read from an article by Mr. Grattan O'Leary in the magazine "Liberty" for August 28, 1941. The article is a year old now, but it seems to me it applies with even more force to-day than it did when it was written.

Why this eternal harping on Quebec? Harping that has been—and is to-day—the curse of Canadian politics? Why at this time, above all, this implied proclamation to the world—and to Hitler—that if Canada adopted the "all out" war method of conscription, the people of Quebec, a fourth of our population, would resist?

Isn't it about time that Canadians who live in Quebec should be treated as other Canadians? That they shouldn't be constantly held up and dealt with as a race apart—as a nation within a nation? Why should we have Mr. Ernest Lapointe thanking Quebec, as Quebec, for its contribution to the war loan? Isn't the implication that in some way Quebec's contribution was extraordinary or unexpected? That the people there aren't as other Canadians?

No Ontario Minister goes on the radio to thank Ontario. No Nova Scotia Minister to thank Nova Scotia. Why different treatment for Quebec? Why should Mr. Lapointe harp constantly on "my race" and "my province" and "my people"? Isn't Quebec Canadian? A part of the whole of Canada?

Yet year after year, and through this war, this mischievous thing goes on. Talk of Quebec. Talk of French Canadians. Maintained on the one hand by politicians in Quebec who imagine it politically profitable, on the other hand by a few politicians who hate Quebec and think it politically profitable. The whole sordid business is un-Canadian, un-British, treasonable to Canada's life.

I now come to the Bill. The Prime Minister states:

A release from the moral obligation not to resort to conscription for overseas service was a necessary first step before Canada's war effort could be placed in its true light.

What kind of light had we before? Who was holding the candle?

Again, the Prime Minister says:

To claim that what had been sought or obtained by the plebiscite was a mandate for conscription is to assert that the plebiscite was a mere subterfuge. Such a claim goes further than that: it is equivalent to saying that those who stated that the issue was not conscription, did not mean what they said; that they were deliberately seeking to deceive the electorate.

And again:

To-day, despite the magnificence of Canada's war effort, the impression is being fostered among other nations that because of a restriction on the powers of the Government, Canada's war effort is not an all-out effort.

A restriction on the powers of the Government? Let us see what the Prime Minister has to say on that:

Up to the present, I have said nothing of the powers which, under the War Measures Act, the Governor in Council already possesses. Under that Act, as interpreted by judicial decision and by the legal advisers of the Government, the Governor in Council has authority, notwithstanding section 3, to send men enlisted under the National Resources Mobilization Act to points outside the boundaries of Canada and the territorial waters thereof. In other words, if, to-day, in the opinion of the Government, the war situation demanded the dispatch overseas of men already called up under compulsion for military service, the Government has the necessary legal power to order their dispatch.

The Prime Minister says that the plebiscite was not a mandate. But what did he say on the 25th of February and the 10th of June?

With reference to the specific question of enlistment for service overseas, I said, on February 25:

"When we find that we cannot raise the required numbers of men for enlistment overseas by the voluntary method, and it is absolutely necessary to raise more men by other methods, then we will make our decision, present it to Parliament and have it discussed on its merits."

Unless the question of conscription for overseas service is to be twice debated, that, as I see it, is the stage we have now reached.

If that stage has been reached, it is because the voluntary method has failed. Still we are assured that the voluntary method is at present sufficient—that conscription may never be needed. Where is the truth?

The honourable senator from Rougemont (Hon. Mr. Beauregard) stated yesterday that the Militia Act could have been used. Personally I never could understand why it was

not used in 1917. The Act has been in force since Confederation and was amended by Laurier in 1904. It was the accepted law. It is still in existence. I will read two of its sections:

8: All the male inhabitants of Canada, of the age of eighteen years and upwards, and under sixty, not exempt or disqualified by law, and being British subjects, shall be liable to service in the Militia: Provided that the Governor General may require all the male inhabitants of Canada, capable of bearing arms, to serve in the case of a levée en masse.

64: The Governor in Council may place the Militia, or any part thereof, on active service anywhere in Canada, and also beyond Canada, for the defence thereof, at any time when it appears advisable so to do by reason of emergency.

Have we at present a case of emergency or not? The answer is obvious.

The meaning of the words just quoted is clear. "Levée en masse": that is conscription. "Beyond Canada": that is service anywhere when needed. To my mind the present Bill does not give any new power to the Government. It simply cancels a moral obligation, a pledge given by the Prime Minister to his followers and to the country.

My main objection is that the Government will act by Order in Council instead of bringing before Parliament not only the principle of the measure, but also the details surrounding it. I cannot understand why the Prime Minister, a declared champion of the supreme rights of Parliament, is discarding Parliament on such an issue.

But the Government is in charge of the war effort of Canada. That is its responsibility to the country. It is in possession of all facts and circumstances. We want to defend Canada first. If for the needs of that defence it becomes necessary to have a "levée en masse" and to have more men beyond Canada, to join our Allies and assure victory, it is the duty of every Canadian not to hamper that war effort. Sacrifices must be made, politics forgotten, past and present controversies put aside. In justice to the minority I represent, I have to tell them where their duty lies, no matter how unpleasant its fulfilment may be.

Outside what we owe Canada, what we owe the British Empire, our Allies, we owe, I submit, a special duty to the American people. Even before the war their President promised, in the name of the United States, that should Canada be attacked the American nation would come to the rescue. We owe them the same protection, and this means sending our armed forces beyond Canada.

Let us unite, and let us make the necessary sacrifices to win this war and secure peace.

God save our King! God save Canada!

Hon. R. B. HORNER: I think it might not be out of place for honourable senators to hear another voice from Saskatchewan. I wish first of all to compliment the honourable senator from St. Albert (Hon. Mr. Blais) on his very fine speech and the excellent manner in which he delivered it. The great city of Edmonton, from which he comes, has something unique, a Moslem temple, it being the only place of worship of that kind in the whole Dominion. Coming from that Western country, I think he might have gone further in his remarks urging a better understanding between our two great races. I too was brought up in the province of Quebec. In that part of the West where I have spent the last thirty-five years will be found men of many nationalities. For example, our municipal council used to be composed of seven men, of whom I was the only English-speaking member. It has been the aim of my life to endeavour to be tolerant to men of all nationalities.

Hon. Mr. KING: Hear, hear.

Hon. Mr. HORNER: I think that before this Bill is passed many of us ought perhaps to express our views with respect to it. We had considerable discussion on the plebiscite measure. I come from the Prime Minister's constituency, as honourable members know, and while I was opposed to the idea, once the Plebiscite Bill was passed there was no word of criticism from me. In fact I undertook, with the defeated candidate, to look after the voting in my riding, and I found myself in the position of defending the Prime Minister and of being accused of having turned Liberal entirely. I was, as the honourable senator from Ottawa said when speaking on this Bill, manœuvred into that position. I can understand the bewilderment of the honourable senator from Wellington (Hon. Mr. Howard) as to whether we are fighting Conservatives or the Japs. That is what we wonder at, too, sometimes, and we should like the Liberal party to attack the war effort with the same savagery—if I may use the term—as they do anyone who might appear likely to become leader of the Conservative party.

The honourable senator from Vancouver South (Hon. Mr. Farris), I thought, spoiled an otherwise entirely good speech when in his closing remarks he put on the record what I should expect to see in a Liberal handbook about election time.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HARDY: Do you ever read those books?

Hon. Mr. HORNER: Yes.

Hon. Mr. HARDY: Well done!

Hon. Mr. HORNER: I sympathize with him, not in his fear of the C.C.F., but in his denunciation of their doctrine and what it means. But I wonder whether he would have made a speech of that kind during the by-election in South York.

Hon. Mr. FARRIS: I would not vote for the C.C.F. in South York or in any other riding.

Hon. Mr. HORNER: But what did we hear throughout the country from the other Chamber? Everything was done to prevent a man who, in my opinion, possesses the most brilliant mind that Canada has ever produced from assisting in the public life of this country.

Hon. Mr. HARDY: By whom was all this effort made?

Hon. Mr. HORNER: By the Liberal party—

Hon. Mr. HARDY: Not by the Liberal party.

Hon. Mr. HORNER: —and a long-winded man who sits in the other Chamber. Those are the men.

Hon. Mr. HARDY: I deny that absolutely.

Hon. Mr. HORNER: The record will prove it.

Hon. Mr. HARMER: What record?

Hon. Mr. HORNER: What took place in the other Chamber.

As to this Bill, I do not hesitate to say that once war is declared selective service is just and fair to all our people. As a father of boys coming to an age to be drafted, I do not want my wife to have to decide whether they shall enlist for overseas service. I want the Government to take the responsibility of saying when those boys should serve and where.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HORNER: The honourable senator from Wellington made a great speech against the measure and then concluded by saying he was going to vote for it because it would be a vote of confidence in the Government. I hope he would not expect my vote to mean the same thing.

An Hon. SENATOR: It might.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HORNER: There is another aspect of this situation. In Saskatchewan we have no war industries, and it is illegal for anyone to hire a young man unless he produces his military exemption card. There we have had conscription for a year or more—economic conscription—and the men in the Army know it full well. As I say, we have no war industries. In every village in Western Canada you will find blacksmiths and acetylene welders who can handle any kind of welding machine, and I should have expected that a man capable of selecting these useful men would be chosen to travel around the country and direct them to places where shipbuilding and other war work is being carried on. But the Liberal party organizer you will meet any day in the week.

As to men conscripted not being equal to men who volunteer, I might quote what the Minister of Defence for Naval Affairs said in the other Chamber. He said he was only sorry that conscription did not seem to affect the fighting forces of our enemy soldiers—all of whom, of course, are conscripts. I believe that from the very start of the war we should have had conscription. It is the only just method of procuring men for the fighting forces.

Let me repeat, I refuse to sympathize with the honourable senator from Vancouver South (Hon. Mr. Farris) when he fears what inroads the C.C.F. may make into the political field.

Hon. NORMAN P. LAMBERT: Honourable senators, Bill 80 is before the Senate after a lengthy but most illuminating debate in the other House. I have no desire to prolong the discussion on the simple procedure of withdrawing clause 3 from the Mobilization Act. The fact is that the mandate from the people of Canada registered in the plebiscite requires the withdrawal of clause 3, and it should be withdrawn as quickly as possible. Incidentally I may say that I believe the vote taken on the plebiscite, regarded as a whole, was a demand on the Government to prosecute our part in this war to the limit of our ability in every respect.

While emphasizing that fact, I think it should be also said that there has been far too much labouring of the word "conscription," not only in Parliament, but outside as well. As one commentator has aptly expressed it, the word "conscription" has become an emotional symbol inhibiting thought. He might have added "and action too." On this point it is sufficient for me to say that whether conscription is used or some softer word or phrase, such as "compulsory selective service," the whole circumference of the Canadian war effort must be taken into account and not any one sector of that large circle. Undoubtedly at the present time there is need of tightening up our organization of man-power, so that we may all sense and feel more definitely the measure of our strength in the great task we have undertaken. Co-ordination, co-operation and balance throughout the whole field of our war effort must be embodied in any

sane conception of compulsory service for this country. Given these things, I have enough faith in the attachment of all my fellow-citizens to their country to think that as, if and when the time comes for extending the present procedure for defending Canada anywhere in the world, that will be done to the utmost of our ability.

It is, however, with respect to the state of public opinion concerning our national status that I wish particularly to speak to-day. Two distinct aspects of our position in this war are presented to us by the Bill. One of them has to do with the question of man-power and the more effective technical prosecution of the war; in short, with the whole practical job of administration in the field of war. The other is related, broadly speaking, to the political situation in this country underlying all activities pertaining to the war. It is the second of these aspects I wish to discuss this afternoon.

Dealing with this phase of our subject in support of Bill 80, I am actuated by the feeling that the amendment of the Act as proposed is in effect an admission of mistakes that have been made in the past in the name of partisan politics. I am glad to notice that headlines in the paper this morning proclaimed the news that our debate has cut directly across party lines. The mistakes which are being tacitly admitted in this Bill are not the legacy of any one party, and I do not intend to pursue the long, futile and barren trail of party recrimination at this time in an attempt to fix responsibility for the beginning of these mistakes. The fact is, I am sure, that in the mind of every member of this House there is a distinct conviction that mistakes covering the past thirty-five years have been made in connection with statements and pledges uttered in the province of Quebec during the course of election campaigns, and that they are not the responsibility of any one party or any one individual.

The unfortunate result of these sins of partisanship is that their effect upon public opinion, not only in Quebec, but in other provinces as well, has been cumulative, and now, in this hour of dire need, we have in Canada a measure of disunity and are dissipating energy and spirit which should be directed to our common national task.

I say this by way of introduction to my subject, because I should like to see an end to this era of self-destructive partisanship, and a period of decent political thinking and talking reintroduced in Canada. No finer national memorial could be established in this anniversary year of Confederation than to mark the memorable occasion of this debate in Parliament with the beginning of such a period in our history. Let us resolve, for one thing, that never again shall Quebec be used as a pawn on the great international chessboard of war and peace in order to serve political ends in this country.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. LAMBERT: To those whose strong and bitter feelings at this time are inclined to find expression in acrimonious words—and one is glad to observe that few of them have been uttered in this debate in Parliament—the imperishable lines from one of St. Paul's epistles should make good reading. I should like to recite them:

> For all the law is fulfilled in one word, even in this, Thou shalt love thy neighbour as thyself. But, if ye bite and devour one another, take heed that ye be not consumed one of another.

I am grateful to my honourable friend and colleague from Ottawa for having placed on the record yesterday quotations from the utterances of the honourable the Minister of Justice and the late Lord Tweedsmuir, because they contain the central thought and idea of what I want to say. Indeed, I might quite appropriately take the memorable declaration of Lord Tweedsmuir as the text for my remarks to-day.

For a long time much serious and patriotic thought has been devoted by an increasing number of Canadians to the subject of their national status; but they have not been articulate enough, they have not been militant enough; consequently their point of view has not been adequately represented in Parliament or in the government of Canada.

May I say at this point, with all deference to my fellow-Canadian friends of the province of Quebec, that I am quite willing to concede to them their historic position of long establishment on the soil of this country, even to the point of designating them as an aristocracy in the Canadian family. But I should deprecate on that account any tendency towards an aloofness or a kind of class distinction in relation to those resident in the other provinces, who, like myself, also have a very definite attachment to the soil of this country. We want only one standard of loyalty and attachment to Canada, regardless of geography, race, or anything else.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. LAMBERT: Just here I should like to pay tribute, in words which I know are inadequate, to the great contribution which has been made to the life of this Dominion by the people of Quebec. To our relatively small but precious store of art, literature and music they have given much

treasure. Our cultural heritage is vastly richer because of their presence amongst us, and I am expressing heartfelt sentiments when I say that the potentiality of our national future will depend upon the continued gifts which they can bestow upon our citizenship.

The time has come for those who believe in the existence of a Canadian nation to stand up and say so in no uncertain tone. Let us find out in this time of heart searching and intellectual reasoning if insuperable obstacles stand in the way of real Canadian nationhood; and if so, let us be honest enough to identify them and face them.

In this seventy-fifth anniversary year of Confederation, as I read the declarations of our fathers, so eloquently expressed in the days preceding our birth, and try to interpret the faith that was in them, I am inclined to think that we have fallen far below the national standards and objectives which they had in mind.

Let me quote briefly from some of the outstanding statements of those great men. Sir George Etienne Cartier, who was Macdonald's lieutenant from Quebec in the Confederation period, said:

> Shall we be content to maintain a mere provincial existence, when by combining together we could become a great nation? . . . Objection has been taken to the scheme now under consideration because of the words, New Nationality. Now, when we are united, if union be attained, we shall form a political nationality with which neither the National origin, nor the religion of any individual will interfere.

Macdonald himself said:

> One of the great advantages of Confederation is that we shall have a united, a concentrated and uniform system of defence—and be one people acting alike in peace and war.

Thomas D'Arcy McGee, whose poetic eloquence made him an outstanding advocate of Confederation as the groundwork of a new nation, said:

> I hope to see the day when there will be no other term for our patriotism but Canadian without the prefix, either French, or English.

Alexander Galt, said:

> Half a continent is ours, if we do not keep on quarrelling about petty matters and lose sight of what interests us most.

George Brown, who is given credit for having first mentioned Confederation, said:

> A federal union cannot be considered for Canada alone, but must include all British America.

The great Joseph Howe, from Nova Scotia, declared:

> Out of this discussion may arise a spirit that may lead North America to cast aside her colonial habiliments, to put on national aspects.

And Charles Tupper, also from Nova Scotia, said:

> At great international conferences, Canada takes her place side by side with other powers upon equal terms.

Finally, it was Samuel Tilley from New Brunswick who described the new federation in the Scriptural words:

> He shall have Dominion from sea to sea and from the river unto the ends of the earth.

The acid test of any nation's status comes when it has to deal with matters of peace and war. Those were the subjects which concerned the minds of the men who made Confederation. How have we dealt with them since that time? By slipping as easily as possible between Imperialist sentiment on the one hand and an entirely isolationist position on the other. And this has been done, in the final analysis, by permitting our fortunes in war and in peace to be determined for us by a Minister of Foreign Affairs living two thousand miles away, a member of a Government over which we have no control whatsoever. Technically, when it comes to a showdown, as it did in September, 1939, we can say that Canada declared war by the vote of her own Parliament and entered the lists at the side of Britain as a free nation; but actually and realistically, apart from the parliamentary procedure involved, Canada committed herself in this war without a due understanding or appreciation of all that was involved in it, including the underlying causes and policies which led up to it.

I like to say, and to think, that the Canadians who are taking part in the present war, regardless of where they are, have only one thought, namely the defence of Canada.

Hon. Mr. BALLANTYNE: Nothing else?

Hon. Mr. LAMBERT: But we have the spectacle to-day in this Dominion of a large section of our population placing a definite limitation upon that point of view. Why? In my opinion it is because up to now the matter of the defence of Canada, the position of Canada as a nation in this world, if you like, has not been faced realistically. It has not been faced realistically because our Governments and our people have been content, evidently, to concern themselves in the main with all the domestic politics of an internal physical development, and have left questions of international relationships to the more or less unknown channels running from our Department of External Affairs in Ottawa to London and Washington. We have been content with our own geographical position of seeming security in North America, on the

one hand, and with our dependence on Downing Street and the British Navy, on the other hand.

The point I wish to make is that we should cease vain talk about the status of nationhood, and admit that we do not possess the full measure of responsible government befitting a nation; or do something actually to establish our pretensions on a basis of reasonable representation in an international sphere, the direction of which we have chosen in the past to leave largely to others.

I know that the signing of the Peace Treaty at the end of the last war and the subsequent provisions of the Statute of Westminster theoretically placed Canada on an equal footing with any other part of the Empire, which because of that fact became a "Commonwealth of Nations." But in so far as the outlook of the electors in the different provinces and constituencies of Canada has been concerned, in relation to decisions on matters of peace and war, the responsibilities consistent with national status have not been brought home to them at any time.

We are in the war now, however. No doubt exists about that fact. Its all-enveloping character has begun to crystallize something more real in the way of a Canadian position in the world than was possible even in 1939. Present indications suggest that before the end of this war is in sight Canada's position as a national entity will be still more clearly outlined in the minds of her people. To bring this thought home, consider the possibility of the ending of this war. We were in it at the start, professedly at the side of Britain. Some people say now that we are engaged in the defence of Canada anywhere in the world. However, since the beginning of the war another partner has taken up arms at our side, namely, the United States of America. We may well be thankful for that partnership.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. LAMBERT: One notices many evidences, however, of the increasing weight and influence of our powerful American ally in the present world picture. There is no need to enumerate them. London goes to Washington; Mr. Churchill says that is where things are being done. Canada also goes to Washington, if she is invited by the President of the United States. Will the fact that Canada entered this war—as a free people making their decision through a representative and free Parliament—two years before the United States entered it, ensure us a part and a voice commensurate with that position, when the time comes for reconstructing a new world?

That fact will not stand for much to others if it does not stand for much to us. Over against the background of a history which has been largely a record of great aspirations on the part of a gradually increasing population, scattered over a wide domain in isolated pockets, we are now confronted with a test of strength and capacity which in the end will qualify or disqualify us for real claims of national citizenship.

The recent plebiscite has been described as an X-ray plate setting up a picture of Canada before our eyes in a way that could not have been done in any other manner. If that be so and the picture is a real one, I am afraid it reveals some fractures in the body politic at this time. Possibly it is just as well to have them revealed; because if they are not set and healed properly at this late date, the danger of permanent crippling and dismemberment is surely very real indeed. To exert the fullest possible measure of united strength now in resisting and overcoming the overshadowing menace to Canada and her Allies, is an immediate and vital need in so far as the outcome of the present world conflict is concerned. It becomes an even greater need in the light of hopes and claims for a full national existence in the future.

It is because of these uncertainties, because clearer answers are required from our governments in these matters, and because I, for one, want to look forward to something clean-cut and definite in the way of a national existence for the people who inhabit the northern half of this continent, that I am in favour of clause 3 being withdrawn from the Mobilization Act as quickly as possible.

Hon. F. B. BLACK: Honourable senators, I was ready to make some remarks on Bill 80, but I told my honourable leader (Hon. Mr. Ballantyne) that I would not speak unless I felt there was a real reason for doing so. After having heard the debate thus far, which has been a most enlightening and pleasant experience for me, as I feel sure it has been for all honourable members, I do not intend to make the remarks I was prepared to make if occasion arose. I am very much pleased that in this debate nothing, or almost nothing, has been said to which any of us could take reasonable objection, and I do not wish to introduce any discordant note. My chief desire, which I am sure is the chief desire of every honourable member of either House and, I hope, of everyone in Canada, is that Canada shall do its utmost to win the war. That is our first duty, and, as I conceive it, our only duty, at this time.

I think I should not have risen at all in this debate but for the fact that I did not

quite comprehend the remark of the honourable senator from Ottawa (Hon. Mr. Lambert), who has just spoken so eloquently, in which he said in effect that our only interest is in Canada. True, our first interest is in Canada. I should like to hear the honourable gentleman explain his point a little more fully. It is to our interest to save Canada, and in doing so it is also to our interest to save our British connection and the British Empire.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. BLACK: I should have liked my honourable friend to couple with his remarks a statement of the fact that we enjoy the favourable position which we do in Canada because of the British Empire. We have looked to and depended upon the British Empire for guidance, and I for one hope I shall not live to see the day when there is any severance between Canada and the British Empire. Whenever in our history Canada has been able to take a step forward, she has been encouraged by Downing Street to do so. If we have independence—and we have—it is because of Downing Street's desire that we should have it rather than of any demand we made upon Downing Street.

I for one hope that our position in the British Empire will be maintained throughout my life and the lives of my children and grandchildren, for to me Canada and the Empire are bound up indivisibly. If this country is to make any progress it must be made hand in hand with the British Empire. I do not visualize, I do not want to visualize, the separation of Canada from the Empire. I prefer to visualize a time when we shall be living in one political organization with the rest of the members of the British Commonwealth and our great neighbour to the south of us. I think we may reasonably look forward to that, and not to disintegration of the Empire.

While I am on my feet I want to say that the tenor of the speeches in the debate would indicate that our differences—which, after all, are on only one point—are perhaps the result of a misconception, and that this can be straightened out if we and all the people of the various provinces determine not to accentuate our respective viewpoints, but to do all we can to bring Quebec and Ontario, New Brunswick and Nova Scotia and all the other provinces into closer harmony with one another. If we proceed along that line we shall soon have no people referred to as French Canadians and English Canadians. I deprecate the use of these expressions. We are all Canadians.

Hon. Mr. DAVID: Hear, hear.

Hon. Mr. BLACK: Do not let us call any of our fellow citizens French Canadians. I do not refer to myself as an English or Scotch Canadian. We are all alike Canadians. We love our country. Let us serve it honestly and well.

Hon. J. A. CALDER: Honourable senators, I had not intended to say anything in this debate, because for many reasons I did not deem it necessary to do so.

It may be said, and I think truthfully, that Canada from coast to coast has had ample opportunity, and has taken advantage of it, to consider and decide the merits of the question now before us. I doubt very much whether I could add anything in any sense useful to the debate. A decision has been reached, and now there is nothing to do but give the Government the authority it needs. Nothing is to be gained by going over all these past differences of opinion.

If there is one thing I am delighted with to-day it is the temper of the discussion in this Chamber on the Bill. We have a very unfortunate situation in Canada at the present time. We all admit our people are divided, and that everything should be done that can be done to put an end to that disunity. I have my view, you have yours, as to what is the real basis for this difference of opinion. In my judgment it should never have existed at all. I do hope that all leaders in this country, quite apart from any political considerations whatever, will do everything in their power from now on to see that that disunity is brought to an end and not stirred up again.

One of my great difficulties—and the same was true back in 1917, when I became a member of the Government of that day—is how people differ in opinion at all on the one question that divides them to-day. Let us look at the situation on the 10th of September, 1939, when we declared war against Germany. I shall not follow the argument advanced by my honourable friend from Ottawa (Hon. Mr. Lambert), but I say Parliament did know, or should have known, exactly what it was doing. Parliament, speaking for the nation, declared war. What does war mean? It means fighting. Who has to do the fighting? Is it to be left to the choice of the individual? If a mistake was made in declaring war, that is an entirely different thing. If, when the British Government years ago decided to carry on a war in South Africa, the people of Canada took the view that some take now, I should not have objected.

But Canada itself is attacked; not necessarily on our shores. Everybody admits that it is only a question of time before the avalanche will reach us.

I do not like the word "conscription" at all. I agree with all that has been said about the necessity for food, munitions, and all kinds of services, but we should have a compulsory selective service law under which the State is at liberty to call any and every man for the service he is best qualified to perform. That is our duty as citizens. I do not care where we live, what our forefathers were, what religion we profess, or what language we speak—we are all Canadians, and it seems to me that when our country declares war against an enemy we ought to give that fact proper consideration and come to only one conclusion: that it is the duty of every citizen to hold himself ready for any service that the State may call upon him to undertake.

I shall vote for the Bill. When it is passed the Government will have a free hand. I do not agree at all with the view that the necessity for conscription does not exist. There was never greater necessity in the world to get men ready for the struggle that is bound to come before this war is finished. You cannot prepare men for active service in a week or month; it cannot be done. We should not wait any longer. The war is right at our door-step now. If we give to the Government the powers called for by this measure, it will at least be in a position to act when it thinks the time is ripe. I repeat, I intend to vote for the Bill.

Hon. JOHN T. HAIG: Honourable senators, I want to make my position perfectly clear. I would not vote for this Bill at all if I thought an affirmative vote would be construed in Quebec or in any other province of Canada as an attempt by the majority to make the minority do something that in their conscience they think ought not to be done. I have been particularly impressed by three speeches from the other side of the House, one by the honourable member from Rougemont (Hon. Mr. Beauregard), the other by the honourable member from DeSalaberry (Hon. Mr. Gouin), and the third by the member from St. Albert (Hon. Mr. Blais). They brought home to me the seriousness of the situation. I do not know how other sections of Canada feel, but I know the attitude of honourable members from the four Western Provinces. The people living by the sea, in the mountains or on the prairies have no desire to make our fellow-Canadians do something that they in their conscience think ought not to be done.

Conscription has assumed a rather ugly meaning. I do not agree with the statement of the honourable member from Ottawa (Hon. Mr. Lambert) that we were not fully aware of the meaning of our action in entering this war. When, in September, 1939, I for one stood up in this House and voted for a declaration of war against Germany, I knew what I was doing. Make no mistake about it. I was ordering my boy to the front. I did not vote because Anthony Eden or Lord Halifax said something. I voted because I knew in my own conscience that if Hitler won in Europe we should be the next victim on the Order Paper. Those of us who have boys in the forces, especially if they are in suicide squads, where they have one chance in a hundred of coming back, do not need anybody to tell us what conscription means. We know what it means. It means, not conscription of law, but conscription of duty. We do not want our boys to go into that fight and be killed any more than we want anybody else's boys to die for their country.

I did not like the last part, but I did the opening part of the speech of the honourable senator from Vancouver South (Hon. Mr. Farris), where he said that we stand in the shadow of one of the greatest moments in the world's history. We know that if Hitler, Mussolini and Hirohito win this war it means the end of our civilization for 1,000, maybe 2,000 years.

I want my fellow-citizens from Quebec, Ontario, Manitoba, or any other province who happen to speak the French language—I wish I did—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: —I want them to understand that by our vote we do not intend to say to them: "We are trying to make you do something you do not want to do". We are voting for this Bill because we believe under Divine Providence it is our duty to face the greatest crisis in the history of the world.

The motion was agreed to on the following division:

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Hon. Mr. MORAUD: Honourable senators, I was paired with the honourable senator from De la Vallière (Hon. Mr. Raymond). Had I voted, I should have voted against the Bill.

Hon. Mr. LEGER: Honourable senators, I was paired with the honourable senator from Lunenburg (Hon. Mr. Duff). Had I voted, I should have voted against the Bill.

THIRD READING

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

Hon. Mr. KING: I move the third reading of the Bill now.

Hon. ATHANASE DAVID: Honourable senators, before the third reading takes place, may I be allowed to dispel any impression that after such a long discussion there is nothing more to be said, even though honourable members might be much better satisfied if no further speeches were made? I ask you to believe that I speak further on this subject only out of a sincere sense of duty, and because of what I believe to be a deep sentiment on the part of those who do not partake of the opinion of the majority.

Many of you, honourable senators, have, I know, taken into consideration the very special position which we occupy in this Dominion, and have been content, therefore, to hear expressions of opinion against coercion; and in saying this I do not wish you to think that I am aggrieved at the vote just given.

A majority has rights, and, unless British fair play is dead, a minority also has rights. In a recent issue of a paper I read this:

> All men in a democracy are entitled to their opinions. They are entitled, if they like, to believe that the will of the majority may be wrong, but they are not entitled to oppose the will of the majority. When they do it is treason.

If that is true—I know that everyone here will not accept it as truth—and the will of the people has sent a large majority to the House of Commons, the minority, which is the Opposition, has no right to speak.

It is sometimes pretty hard to fight what we know in advance is a lost cause. You will readily admit that it is much easier to be right and satisfied in a majority than to be in a minority and continue to believe that you are right. It takes much more courage in life to say "No" than to say "Yes." It takes all the more courage when "No" is said by a minority to a large majority. But, like you, honourable senators of the majority, we believe that the accomplishment of a duty brings deep satisfaction.

Much has been said about the plebiscite. I should like to read a few extracts from a book entitled "The Commandments of Men," by William Henry Moore. This author, I may say, is not one of my race, and he does not come from the province of Quebec. He says:

> Now, if the basis of democracy is the right of each of the ruled to be an equal ruler, then democracy is but a thing of ink and vapour. Nor is the situation altered by the service of a little god that is sometimes brought in to bolster up the worship of democracy. Like democracy it is of fair appearance, almost imposing; we call it, plebiscite.
>
> However fair the plebiscite may appear in theory, in practice it is usually no fairer than the bully's rule in the playground of the country school.
>
> No, the plebiscite has not brought democracy back to what its early apostles believed it would be, and what its modern devotees seem to believe it is. If there ever was an equality among citizens in direction of common affairs, it has ceased to exist. Democracy never implied rule by All-Of-Us; under certain conditions it might have meant, and at times has meant, rule by Most-Of-Us, which is far from being entirely good; now it usually means rule by Those-Of-Us who are strong enough to effect an organization that within its own field, municipal, provincial or federal, can control the channels of information: strong enough to reach into the streets, the back lanes, the highways and concession lines, and take to the polls the thousands of electors whose word is law.
>
> Equal power to decide about anything naturally implies equal access to information. So far from the electors having two sides of a given issue, they very often have only one, and that of the side with material resources sufficient (and they may have to be enormous) to move thousands, if not millions of electors.
>
> "It's black, all black, nothing but black"; that must be the continuous cry of the thing opposed, and, as we shall see later on, it is an essential feature of "group" movements that something be opposed. Black! shout the billboards. Black! scream the posters in the street-cars. Black! thunders the parson from his pulpit. Black! chatter voices over the afternoon's cup of tea. Black! clamours the Press day after day, until eyes that once saw it white, or at least drab, are, by sheer exhaustion, brought to see that it is indeed black, all black.

Hon. Mr. SAUVE: Is my honourable friend seeking an excuse or an apology for his conduct?

Hon. Mr. DAVID: In what?

Hon. Mr. SAUVE: In what he is reading?

Hon. Mr. DAVID: No, not at all. I want to establish that they are wrong who contend that once the majority has spoken upon any question the minority should remain silent.

I say it with a pride that I do not try to conceal, honourable senators, that for twenty years and more in the province of Quebec and all the other provinces, I have given expression to the truth, as I saw it, with the one desire of trying to bring about a bonne entente, a better understanding, between the different parts of our country. I have always thought and said that it will be impossible to have Canadian unity as long as the citizens of our country do not regard themselves as Canadians, first, last and always. I do not for one moment blame a man who comes from Scotland, Ireland or England for being proud of his country of origin, but I contend, and I think I am not far wrong in this, that every man—regardless of where he or his father or grandfather was born—who earns his living or brings up a family in this country, has the duty of becoming a real Canadian citizen. I say that at all times, in peace or war, in periods of crisis or tranquillity, with regard to all questions affecting this country he should be a Canadian in his mind, in his heart and in his soul.

In spite of the present disunity in the country, I have faith in the future of Canada. For a few moments I shall try to follow in the steps of the honourable senator from Ottawa (Hon. Mr. Lambert) in stating frankly and candidly my hopes with respect to the future.

Is it disloyalty to England to say that a colony cannot permanently remain at a certain stage, that it can never be at anything more than a stage of transition in the life of its people, transition from infancy to manhood among nations? Whoever consults history on this point will see that rare indeed are the countries that have resisted this universal law. In the far-off days of history the colonies of Phœnicia and Greece proved this historical truth, and in modern times the United States, Mexico and Brazil have also demonstrated it. Animated by this supreme thought that we shall follow this universal law, and that one day we shall graduate from the rank of colony to the rank of one of the free nations of the world, should we not prepare for developing our future as we think it should be developed? I believe our country has at this time the right to look forward to the fullest possible measure of autonomy, and that in the future we shall become a free, independent and equal nation. We must never forget that we are living history, which those who come after us will write. They will be able impartially to relate our actions and comment on our words. They will bless or curse us according to whether we do or fail to do our duty as pointed out to us by the inner voice of national conscience.

It seems to me that it is only rendering justice to those who brought about Confederation to say that it was the hope of the majority of them by this centralization of power to develop harmony, peace, and concord between the Atlantic provinces and the provinces of Quebec, Ontario and the West, that these, united by a single ambition and a single commercial interest, might join their efforts to bring about the greatest possible measure of industrial, commercial and intellectual development. Further, their declaration as regards the perfect autonomy that our country was to enjoy, which they said was determined by the very text of the Constitution, satisfied the aspirations of those who placed the interest of Canada above everything. For these, between this satisfaction and the realization of their aim to become a nation enjoying perfect political and national autonomy, there was only the distance that separates an evident conclusion from a well-propounded premise.

It must be admitted that these were reasons sufficient to compel the men of that time to wish for this union; or, after having refused it, to accept it when it was decided upon. It was an effort not only to foster harmony and concord, but also to bring about the development of a Canadian mentality, that was attempted in 1867 by the statesmen who drew up, proposed and put through Confederation. They had on their side this argument, that the union of Quebec and Ontario had become intolerable from the political standpoint, owing to the instability of the governments and the continual agitation in which the two provinces found themselves.

Thus, after having fought with a vigour and perseverance that we must admire, Dorion and his friends, the opponents of this project, when they found themselves defeated, that is to say, when in spite of their opposition the pact had been signed, believing that the lot of the vanquished in politics as well as in war was to make the best of the position created by the change, endeavoured with admirable moderation and tolerance to preserve the sympathy and goodwill of those

who, though making up the majority, yet in no manner begrudged the French Canadian minority its rights, but entertained for it a profound respect and a sincere sympathy.

Far be it from me to think of citing the period that followed the adoption of the British North America Act as a period free from any conflict or difficulty between the province of Quebec and the other provinces of Confederation; but I am pleased to draw from the history of the last seventy-five years the conclusion that the problems which arose and agitated our country in the first twenty years took on a purely Canadian character, and if sometimes, too often, alas, for us, religious or political fanaticism showed itself, all attachment and sympathy had not disappeared when calm was re-established. That was the period when a group of statesmen representing our race gave it power and prestige. It was also the period when the English provinces were represented by men best able to understand our state of mind and to judge it. So the understanding between them was easy, for in the high spheres of intellectuality, as in those of science and philosophy, friendships are easily created, and sympathies as easily born.

Unfortunately these politico-religious problems arose too often in our country. Let no one, I pray, take this declaration as a condemnation of those who were the cause of this fact, but let it be taken only as a mere statement that in their periodical recurrence we shall find the germ of prejudice, the germ of a union against us of the English majorities in the other provinces.

What has saved us up to to-day is that at every crisis men who did not share our religious beliefs, who were not of our origin, were willing to fight on our side for the principles which we wished to prevail, for the liberties we wished to have respected. Unhappily the number of these friendships diminished in proportion to the frequency of the problems, and slowly, insensibly, for a political purpose, there was created this perverse, fatal doctrine, cause of the disunion that exists to day, that we wished to affirm French domination in this country. What error! what absurdity! Why had we for seventy-five years, in order to avoid national crises, to accept compromises, conclude ententes, abandon fragments of our rights, only to arrive at such a result, such a doctrine? It seems to me that we never affirmed anything but our right to certain privileges, the granting of which we have for a long time attributed to the generosity of our English compatriots; and for this, England, British institutions and our English compatriots had no more sincere and frank admirers than the Canadians of Quebec.

I still believe, in spite of the immense wave which seems to menace our country, and which for nearly twenty years was kept in check by a man in whom history will recognize a wisdom that his contemporaries often failed to see, even taking it for a desertion of his principles—I believe, I say, that the wave will pass, and that the reaction caused by its passing will revive in the provinces from which it is useless to-day to ask any calm or collected thought, a great desire to mould once more in our country a mentality in keeping with its aspirations and destiny.

It has been charged that we care nothing for the flag of England. They have gone so far as to declare in certain quarters that we have no respect, no loyalty for it. Will you permit me, honourable senators, to reply in all frankness to this statement, which they have been pleased to repeat so that little by little there might be created the impression that we on the banks of the St. Lawrence are a group of rebels who wait but the moment to take up arms?

To the flag of England we accord the most complete, the most absolute loyalty and the most sincere respect; for it is a duty, and I do not know that a people, even a conquered people, ever cursed the flag of the conqueror if in its folds it found the liberty it desired, the assured guarantees and privileges accorded by the treaty under which it submitted. But to make it a duty of a conquered people to love the flag of the conqueror seems to me to indicate a poor understanding of the human soul. Loyalty is a duty; love is a sentiment. If loyalty commands me, the other comes of itself. It cannot be forced. It can be attracted by virtue of goodwill, of sympathy; but never by insulting those upon whom it is imposed can this love be elicited from them. Let me not be misunderstood, I pray, in the statements I have just made. Far be it from me to say that we have not to-day as much as in the past a reasoned attachment for the British flag, not because it is the flag of England, but because to us it represents British institutions, which, whatever may be said of the men who administer and reflect them, remain the model of human parliamentary institutions.

While I do not pretend to interpret the opinion of our English compatriots, I do not fear to declare that there are still many among them who believe that Imperialism is a danger, who do not accept it, and will accept it still less to-morrow, but who for the moment,

carried away, some of them, by a sincere and ardent patriotism, consider it their duty to aid the Empire in every possible way so that it may not meet a defeat or a setback in the present conflict. To such as these we must bow. They may, from our point of view, lose touch with our mentality. But can we reproach them for preserving a sincere love for the country of their origin?

For them, their native land is not Canada. Their home is across the sea, in some mountain of Scotland or town of England that they hope to see once more, and where they have preserved their closest bonds. To us, wherever we live, whether on the coast of Gaspé or in the Laurentides, whether on the banks of the St. Lawrence or in some humble village far from the cities, our native land is the country in which our forefathers have lived for 300 years, the country where our little children were born. Our sole ambition, our only hope, our supreme ideal, is to assure the greatness of this country.

The European peace, which, we continue to hope in spite of everything, will re-establish world equilibrium, must, we think, have its reaction among us. All countries, great and small, strong and weak, must in the after-war period examine the ruins caused by the conflict. Love of native land, be that land great or small, wherever it exists, will inspire in individuals a national will and energy which will enable them to surmount every difficulty, and will unite them in the supreme determination to restore in its material form their native land as it was before the war.

Why not hope that the same love will inspire the same national energy in the moral order and bring together the individuals of certain countries whom the war had estranged from one another, as a result of a different comprehension of the same idea of duty to the fatherland? Then there will be but one question, one aim, one idea, that all can accept as a vivifying and national necessity—that of restoring among the individuals of the same country peace, harmony and good understanding.

That is why I say to you hopefully, with Wickham Steed:

> We must now look towards the future, and not, with regret of heart, towards the past. We must look towards the dawn to see the moment when the sun is to appear, and not think of the suns that have already set.

I look towards the dawn with all my love for the Canadian land. I look at this dawn with all the strength of my enthusiasm, because I believe the day is not so far off as we think when the sun, whose rays are necessary to warm once more the Canadian soil, will rise at last over our poor country, torn, divided. We must not despair of the sun of to-morrow. It will be the sun of liberty in the world, that will cause rights and the reciprocal obligations of nations to be respected; the sun that will warm once again the enthusiasm of individuals; the sun whose new splendor will make us forget these last days of national anguish; and, comforting all souls once more, it will renew the bond of tradition by uniting hearts and wills in a common effort. Then there will go up to the highest of the eternal vaults, from all Canadian homes, a Te Deum of joy intoned by an entire nation at last conscious of its strength, a nation that, spreading wide its wings, can face the future without dread. The Canadian nation will have risen. The Canadian soul will make it live; the Canadian ideal will guide it.

I feel that this optimism will surprise a great many of my compatriots who stop to consider the harm that blind fanaticism has done in our country, and who cannot believe that it is possible to retain any hope. Will they permit me, those who think in that fashion because they have suffered greatly, who are made skeptical through this suffering, who are pleased to cherish that suffering and keep it alive with sad memories, will they permit me to say that suffering is a sign, and marks a line of conduct for those whom it gathers in, and whom it causes to think? As we are, we have suffered insult and worse. All of us have bent to the storm; we have all felt the force of the blast; and the shock has kept alive within us our national susceptibility.

Well, in spite of all that, I am an optimist. I believe in the future of Canada, and I believe in the possibility of a Canadian mentality, because for these many questions we have asked ourselves one reply has sufficed—a reply that is an affirmation of national faith, a political creed, a hope for the future. In the general madness we must have preserved our calm, we must have remained profoundly Canadian to have withstood this shock and still to-day be capable of resistance.

Our position must have been very strong and very logical when those who deemed our demands and our attitude antipatriotic had nothing to offer as arguments but insults and worse. If we have logic on our side, and if our individual and national conscience dictated what we believe to have been a duty, and if, seeing this duty, we performed it, trusting that we should save our country from the ruin towards which extravagant theories were impelling it, have I not the right to hope that, under the impulse of this same logic, it will some day be said that after all we were not wrong? And do you not think with me,

honourable senators, that, once it is admitted we are right, we shall be able to congratulate ourselves on having prepared the resurrection of the Canadian Soul?

Some Hon. SENATORS: Hear, hear.

The Hon. the SPEAKER: The question, honourable senators, is on the third reading of the Bill.

Hon. Mr. BALLANTYNE: Carried, on the same division.

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

PRESENTATION TO SENATE LEADERS

Hon. A. C. HARDY: Before you call it six o'clock, Mr. Speaker, may I ask your permission, and that of the Senate, to have a very few moments to carry out a very pleasurable duty which I have been asked to perform? My remarks will be brief, for the hour is late.

The Senate of Canada finds itself, for the first time, I think, since Confederation, with two new leaders in the same session. The positions of the Government leader and the Opposition leader in the Senate are not only honourable, but also onerous, and our honourable friends have accepted these positions at no small sacrifice of their business interests and of those leisure hours to which they are properly entitled.

We have just finished our debate on a question that from coast to coast has aroused strong opinions and in some quarters deep feeling. I think that the high level on which the debate has been conducted, and the fine temper displayed by every speaker, have been due in no small degree to the moderation and good example of our two leaders and the way in which they have controlled the situation in general.

Since their appointments our honourable friends have proved very successful leaders.

Hon. SENATORS: Hear, hear.

Hon. Mr. HARDY: They have co-operated with the rest of us to such an extent that I believe there never was a kindlier spirit prevailing throughout this House than at present.

It is now my pleasure to present a little souvenir to each of our leaders as a token of our appreciation of the services he has rendered at this session. The souvenirs are identical, and I may say that they were not purchased through party contribution. Whatever any honourable senator did in this matter was done for both our leaders. It is the wish of us all that the lives of both our leaders may be long and happy, and not soon pass away like the smoke which the souvenirs are supposed to produce.

Hon. A. D. McRAE: Honourable senators, it is a great privilege and pleasure to associate myself and the friends on both sides of the House with the honourable senator from Leeds (Hon. Mr. Hardy) in expressing to our new leaders our complete satisfaction with the manner in which they have fulfilled their responsible duties in this the first session of their appointments. The present high level of the debates in this House is, I am sure, in no small degree due to their friendly influence, and in keeping with the standard for which this honourable Chamber is so well known. I think we all appreciate that neither of these honourable gentlemen wanted the position he now occupies. They were compelled to accept these positions by their high sense of public duty and service. It is a great satisfaction to the rest of us, as it must be to them, to know that they have done so well, and that there is so kindly a feeling towards them on the part of all honourable members. The little gifts that we have presented them are but tokens of our appreciation of their sacrifices and of their excellent leadership in this Chamber.

Hon. SENATORS: Hear, hear.

Hon. J. H. KING: Honourable senators, I feel somewhat overcome by the kind expressions to which I have just listened and the beautiful gift that has been presented to me. I can assure you that your words and the gift will be highly prized by me throughout the remainder of my life. It has been a great pleasure and honour to have had the privilege of serving for a period of time as leader on this side of the House. No man could fall into better company than we have here. The co-operation and friendly spirit extended to me have been deeply appreciated, and I wish to take advantage of this opportunity to express that appreciation to each and every one of you. I can only add at this time that I thank you all for the kindness which prompted this presentation.

Hon. C. C. BALLANTYNE: Hon. Senator Hardy, Hon. Senator McRae, and all other honourable members of this Chamber, I must confess this has been a complete surprise. Not an inkling of it had reached me. Like the honourable leader of the Government (Hon. Mr. King), I want to thank you from the bottom of my heart.

The major credit for the tolerant and temperate debate on this difficult Bill, probably one of the most important that have

ever come before Parliament, is due to the honourable leader opposite. He introduced the Bill with such admirable restraint and moderation of argument that he gave the lead, not only to me, but to all senators who followed him in the debate. This made the path very much easier for us all.

I have felt since I have been occupying this position that honourable senators, not only on this side but also on the other, would notice the disparity between my leadership and that of my distinguished predecessor. You have comforted me very much by the kindly presentation of this beautiful gift, and no leader on either side could desire anything more than such tangible evidence of your goodwill. I appreciate it very highly.

(Honourable senators then sang "For They Are Jolly Good Fellows," and gave the two leaders three cheers and a tiger.)

At 6 o'clock the Senate took recess.

The Senate resumed at eight o'clock.

DOMINION SUCCESSION DUTY BILL

FIRST READING

A message was received from the House of Commons with Bill 123, an Act to amend The Dominion Succession Duty Act.

The Bill was read the first time.

WAR RISK INSURANCE BILL

COMMONS DISAGREEMENT WITH SENATE AMENDMENT

The Hon. the SPEAKER: Honourable senators, a message has been received from the House of Commons in the following words:

Resolved that a message be sent to the Senate to acquaint Their Honours that this House agrees to their amendments to Bill 56, an Act to make provision with respect to insurance of property against war risks and the payment of compensation for war damage, with the exception of amendment No. 11, with which this House disagrees for the following reason:

Because the amendment extends the scope of the Bill as passed by the House of Commons.

Hon. J. H. KING: Honourable senators, the message from the House of Commons would indicate that that House is not prepared to accept one of the amendments which we made to Bill 56. By this amendment, which related to section 26 of the Bill, it was proposed to insert after the word "Canada" the words "such other companies as may satisfy the Minister with regard to their financial standing and ability to perform the obligations required of them under such agreement." The House of Commons objects to this amendment, I understand, because it extends the scope of the Bill as passed by that House.

This is a war measure respecting insurance, and was discussed in our committee, as was the amendment, at some length. I do not think it would be wise to insist on our amendment, and with the consent of the Senate I would move:

That the Senate do not insist upon its eleventh amendment to Bill 56, an Act to make provision with respect to insurance of property against war risks and the payment of compensation for war damage.

Hon. C. C. BALLANTYNE: Honourable senators, inasmuch as the amendment under discussion does not meet with the approval of the House of Commons, and in view of the importance of the Bill and the difficulty of putting it into effect, I concur in the motion just proposed by the leader on the other side.

The motion was agreed to.

MESSAGE TO HOUSE OF COMMONS

Hon. Mr. KING: I would move that a message be sent to the House of Commons to acquaint that House that the Senate does not insist on its eleventh amendment to Bill 56.

Hon. C. P. BEAUBIEN: Would the honourable leader tell us in a few words what was the purport of the amendment?

Hon. Mr. BALLANTYNE: It was to include the provincial companies.

Hon. Mr. KING: It was to bring in certain companies that are not under Dominion registration. We had hoped that the Minister would accept the amendment. In the committee he intimated that he would do so, but he met with opposition in the House of Commons.

Hon. Mr. BEAUBIEN: I thought he was willing to accept it, provided the companies submitted to inspection and to the making of a deposit. Does that still stand?

Hon. Mr. KING: No.

Hon. Mr. BEAUBIEN: Do the Commons close the door completely?

Hon. Mr. COPP: They disagree with the amendment.

Hon. Mr. BEAUBIEN: They close the door completely on provincial companies?

Hon. Mr. COPP: Some provincial companies.

Hon. Mr. BEAUBIEN: All of them?

Hon. Mr. COPP: Those that are not registered here.

Hon. Mr. MURDOCK: Is not Lloyd's the company involved?

Hon. Mr. KING: No; there are other companies. The Minister, I think, found difficulty in bringing in provincial companies. There was some question as to whether, if they came in, he should impose certain obligations upon them. It was objected that the Dominion had no right to go in and inspect. We thought we had overcome the difficulty in committee when we made the amendment. However, the House of Commons has not accepted it.

Hon. Mr. BEAUBIEN: All right.

The motion was agreed to.

EXCISE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 110, an Act to amend The Excise Act, 1934.

Hon. Mr. BALLANTYNE: I see that the items on which the taxes are raised are mentioned in the Bill. Among them are beer, malt, and malt syrup. Inasmuch as this is a financial Bill and a war measure, I do not think that we can do anything but give it our approval.

Hon. Mr. KING: I thank the honourable leader opposite.

The main feature of the Bill is that it increases the excise duty on spirits. As is indicated under paragraphs (a), (b), (c) and (d) of the first part of the schedule, the duties on alcohol used in pharmaceutical preparations, and in the production of perfumes, perfumed spirits, vinegar and chemical compositions, are not changed, it being felt that an increase in these duties would increase the cost of the articles produced.

Then you will notice that where the tax was previously 35 cents per gallon upon beer brewed from any substance other than malt, and 12 cents upon beer imported into Canada, it is now 45 cents. On malt, where the duty formerly was 12 cents, it is now 16 cents. On malt syrup manufactured or produced in Canada, where formerly the duty was 18 cents per pound, it is now 24 cents. Upon malt syrup imported into Canada, where the duty was previously 30 cents, it is now 40 cents.

The only change in regard to tobacco is that Canadian raw leaf tobacco, which formerly paid 10 cents per pound, now pays 20 cents.

That, I think, is the whole story of the Bill.

Hon. IVA C. FALLIS: Honourable senators, as this is a Bill dealing with a subject of particular interest to women as a whole, I should like to make a few remarks on it from the viewpoint of Canadian women. When the Bill was under discussion in another place the Minister of Finance made the statement that he did not believe this increase of $2 a gallon in excise tax on spirits would materially reduce consumer expenditure along this line. Neither would the increase from 12 cents to 16 cents imposed on malt. That would mean but a slight increase, if any, in the cost of beer, and could not be expected to divert many dollars from consumer expenditure.

Concern has been expressed by leaders of all parties in the other House, including the Prime Minister, over the tremendous increase in the sale of alcoholic beverages despite the heavy taxation. The whole situation has given cause for grave anxiety throughout Canada, not only among prohibitionists and teetotallers, but among all thinking people who have at heart the carrying on of a maximum and total war effort.

Canada's drink bill has risen from $153,000,000 in 1938 to $232,000,000 in 1940; and a minimum estimate of $250,000,000 is made for 1942. In my own province alone the total sales by the Liquor Control Board rose from less than $50,000,000 in the fiscal year before the war to more than $64,000,000 in 1941, an increase of almost $15,000,000.

Hon. Mr. HUGESSEN: Is that without any increase in the price at which the products were sold? I ask as a matter of interest.

Hon. Mrs. FALLIS: I take these figures from this year's report of the Department of Trade and Commerce on the brewers and distillers of Canada. There may have been a slight increase in price. What I have given is the increase in dollars and cents, for I am concerned with the amount the consumer is spending.

Hon. Mr. BALLANTYNE: I am sorry to interrupt, but when the honourable senator speaks about beer I suppose she is aware that the exports on account of the British Government, especially to troops in North Africa, have been on a very large scale. Would not that account for the increase?

Hon. Mrs. FALLIS: I think not, senator. These are figures of domestic consumption and do not include exports.

Strong representation has been made by some sections of the Press, and by many members of the House of Commons, urging the Dominion Government to take steps to make it impossible to expend such vast sums of

money in this way. Naturally, the answer of the Finance Minister is that this is a provincial matter and entirely under provincial jurisdiction, and that the Dominion Government does not wish to invade the provincial field.

In peace time that answer would probably be sufficient; but under war conditions, such as exist to-day, a great many people feel that that answer is not good enough. As you all know, this Government has power under the War Measures Act to invade any provincial field; indeed, it has not hesitated to do so on more than one occasion since war broke out. I venture to say that if it were a question of securing more funds for the Dominion treasury this field would probably have been invaded long ago. But as restriction would mean less money from this particular source, rather than more, the Dominion Government says, "We will leave it to the provinces." Well, we have nine provincial governments with perhaps nine different viewpoints on this subject; so in all probability nothing will be done unless the public as a whole make their views known.

I am not discussing this matter to-night from a moral standpoint. That is another thing altogether. I am looking at it for the moment purely as a war problem and, as such, a Dominion responsibility. The Minister himself said during the debate in another place, "Purchases from liquor stores are fifty per cent higher than they were the year before the war." If that were true of any other luxury or non-essential civilian purchase, the Government would step right in. Indeed, it would have stepped in long ago. Why make an exception of this one particular commodity?

We were told recently by the Director of National Selective Service that an additional 250,000 men and women will be urgently needed for war industries during the next few months, but no one seems to know where these men and women are to be obtained. At the moment crops are left unharvested and farms untilled in many places for lack of help. This is essential war work, yet it is being curtailed because of scarcity of labour. Perhaps I am not very well informed, but I have yet to hear of any brewery or distillery being forced to close for lack of labour. On the contrary, this class of business seems to be better than ever.

Contrast this with the plight of the farmer in both Eastern and Western Canada to-day. In the debate on Bill 80 we heard something from the honourable senator from Wellington (Hon. Mr. Howard)—whom, in passing, I should like to congratulate upon a most excellent address—on the shortage of farm labour in the province of Quebec. The shortage extends all across Canada. I have here two clippings from yesterday's Press. One contains a statement from the President of the Ontario Federation of Agriculture, in which he says:

> More food products will be lost in Ontario this year than ever in the history of our province, due to a labour shortage.

Hon. A. L. BEAUBIEN: In what paper was that?

Hon. Mrs. FALLIS: It is an extract from the Listowel Banner. It was reproduced, I think, in the Ottawa Morning Journal.

And from the Journal I have a clipping headed: "Farmers face a reduction in available labour. But production must be increased, Gardiner says." The article goes on to say:

> Increased Canadian farm production is expected this year with the existing labour force, and a further reduction of those available for farm work must be expected.

In other words, while the President of the Ontario Federation of Agriculture says what those of us who are in touch with farm life, as I and many other honourable senators are, know to be true, namely, that produce is being lost to-day for lack of labour to harvest it, the Minister of Agriculture says that farmers must produce more next year with less help. Will any honourable senator explain how that can be done? I know of one example, which I will cite to counterbalance the one cited by my honourable friend from Wellington (Hon. Mr. Howard). I know of a man in Western Canada, sixty-five years of age, who is all alone on a grain farm of 640 acres, and who has considerable stock as well. That is typical of dozens of cases. Will anybody say that these men can do more than they are already doing? Yet we must have the additional bacon, cheese, butter and other foods that are required.

May I be allowed to make the suggestion that the Government use the power which it possesses to comb non-essential industries for labour to help in essential war work and farm production before it asks men who are already doing the work of two men to increase their efforts.

Then, so as not to forget my own sex, may I remind honourable senators that women are being urged to economize in every possible way in the home; for instance, to buy fewer clothes and no house furnishings at all unless absolutely necessary. The slogan adopted by women's organizations all across Canada is: "Use it up! Wear it out! Make it do!" The reason for this is twofold: first, to release money to buy bonds, and, secondly, to release labour for essential war work. With all this

I am in fullest accord, and I have given it the very best support I could. But I have yet to see or hear any Government appeal to the people to drink less and buy bonds. Indeed, because the liquor industry is bringing huge revenue into the federal treasury it seems to be an accepted idea that Canada can drink her way to victory.

Here is an argument that was presented to me only yesterday by an honourable member of this Chamber. I hope he will not mind my using it. He said, speaking entirely from a material, not a moral, viewpoint: "Does it make any real difference whether the Government receives this money from the tax on beverages or through the purchase of war bonds, so long as the money goes into the treasury?" I submit, honourable senators, that it will make a tremendous difference five or ten years from now. When the war is over and the period of readjustment follows, it will matter greatly whether our young men and young women—I am sorry to have to include them too—have spent their spare dollars on beverages or have put them into war savings certificates and bonds. It will matter to them and to the country in that period of unemployment and readjustment which must come after the war. We in this Chamber are all old enough to know something of what happened after the last war. Many people who had made high wages all through the war had nothing at all when the depression came. For this reason, if for no other, I would heartily commend the Federal Government on its compulsory war saving plan, especially as it affects the younger men and women of this country.

The Press of July 17 carried an article headed, "War needs will curtail production of liquor." This article goes on to say that war necessities will accomplish what the Government has hesitated to do: they will curtail production of spirituous liquors, because Canadian distilleries will have to turn over to synthetic rubber requirements large quantities of alcohol which are at present in store, and these will therefore not be available for the manufacture of liquor. But when we read further in this same article we find that no effect of this will be felt for two or three years. What of the interval? If we are to release men and money for war purposes, action is needed now.

Another editorial has this to say:

> War necessities are helping to some extent to solve the problem of curtailment temporarily, but the fundamental question is untouched.

Then the editor asks this question:

> Who is going to find a method of decreasing the demand for intoxicating beverages? The Federal Government? The Provincial Governments? The trade itself? Or those who appreciate the evils of excessive use.

I would respectfully point out that it might be done by a combination of all these agencies under the leadership of the Dominion Government, and I would venture to make the following suggestions:

(1) The Dominion Government could call a conference of representatives from each Provincial Government—conferences have been called upon less vital problems—and endeavour to reach an agreement on shorter hours and restriction of sales.

(2) The Dominion Government could institute a campaign through Press and radio, as it has done on everything else it wished to put across, and urge people to divert some of their money from beer to bonds.

(3) The Dominion Government could take men from this non-essential industry and use them for essential war work.

(4) The Dominion Government could enlist the aid of all national organizations in a campaign to bring before the people the necessity of curbing spending in this particular direction in order to have more funds available for certificates and bonds.

Honourable senators, I am confident in my own mind that if the Dominion Government would take steps along these lines to give leadership in the solving of this problem, it would have the support of the majority of our citizens, certainly the support of an overwhelming majority of the women of Canada.

Hon. A. B. COPP: Honourable senators, I rise, not to take exception to the remarks of the honourable senator from Peterborough (Hon. Mrs. Fallis), but rather to express some appreciation of the splendid suggestion she has made to this House and, through this House, to the country in general. We all understand how difficult it is for the Federal Government, regardless of the powers that it may have in other fields, to step in and impose any authority with respect to the liquor traffic upon provincial governments, which control this traffic within their own boundaries. I listened to a part of the debate on this question in the other Chamber, to what was said by the honourable leader of the Opposition and by some honourable members on the Government side, and, I think, by the Prime Minister himself. It was pointed out there how difficult it is under present conditions to enforce any attempt at prohibition or semi-prohibition of the liquor traffic in the Dominion.

I think the suggestion of the honourable senator from Peterborough (Hon. Mrs. Fallis) to the effect that an attempt should be made to influence the people to decrease

the consumption of liquor is a very apt one. A campaign to that end, whether conducted by the radio or in the Press, would to my mind be a practical method of attacking the problem. We all admit that liquor, if indeed it does not do us harm, cannot do us very much good. But I feel sure my honourable friend must realize, as the rest of us do, how difficult it is at any time to impose definite and extensive restrictions on the consumption of beer, wine and liquors. It is particularly difficult in Canada at this time, because liquor is legally sold throughout a large part of the country and people feel they have a right to purchase it and drink it. That is why I think a reasonable attempt on the part of the Government to influence the people to decrease their consumption of alcoholic beverages would be a very important step in the right direction. The honourable senator should be commended for bringing this matter before the Senate, and I think from the remarks I heard in the other House the Government is giving it consideration.

The Bill now before us was introduced by the Minister of Finance for the purpose of increasing the revenues of the country, and of course if we drink more liquor those revenues will be correspondingly increased. On the other hand, if there is a reduction in the consumption of liquor the national revenue will not be increased as he had hoped.

My honourable friend is correct in saying that if we could induce people to drink less beer and buy more war bonds more money would flow into the treasury. But in case my honourable friend may feel that no response is made to her splendid suggestions, I have thought it desirable to draw the attention of the House to these facts in order that honourable members may realize the control of liquor is very difficult to handle, even more so at the present time than in the past. I am sure that when those in charge read my honourable friend's remarks they will appreciate the very reasonable suggestions she has made and give them their best and, we hope, favourable consideration.

Hon. A. L. BEAUBIEN: Honourable senators, I think the honourable member should be given credit for bringing this matter to our attention. There is no argument in favour of alcoholic beverages, for the simple reason that you are better without them.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BEAUBIEN: You may miss a good deal of fun by abstaining, but undoubtedly you are better without alcoholic beverages.

During the last war and for some time after, in the province where I live, prohibition was in force. If there ever was a period in the history of Manitoba when young people were led astray through blind pigs and similar places where they could get liquor illegally, it was during that period. Several organizations to-day would have our Governments, provincial and federal, do something drastic in order to prevent the increasing consumption of liquor, but I would say to my honourable friend: I do not care what Government action may be taken, unless you can educate the people to be temperate, any attempt to restrict the sale of liquor will simply create another problem, one far worse than the problem confronting us to-day.

I have a great deal of respect for the organizations which are advocating prohibition—

Hon. Mrs. FALLIS: I do not think I made use of the word "prohibition" at all. I was not speaking from that particular angle.

Hon. Mr. BEAUBIEN: I will say restriction of the sale and consumption of liquor. That there are evils in the liquor traffic no one will deny, and my suggestion to the honourable member and to those organizations who desire to curb the liquor traffic is that they educate the people and warn them of the dangers of intemperance, rather than attempt to bring back prohibition with all its evil consequences.

I represent a county in Manitoba bordered by the states of Minnesota and Dakota and by the province of Ontario. During those prohibition years you could not go into any home without finding some home-made alcoholic beverage. I certainly should not like to see that condition return. I repeat, the only way of getting rid of intemperance is by education, and I would urge every organization interested in temperance to stress the evils of excessive indulgence in alcoholic beverages, rather than ask the Government to take drastic action.

Some Hon. SENATORS: Hear, hear.

Hon. W. E. FOSTER: Honourable senators, I have had some experience in the administration of liquor laws, having had a prohibition law left on my door-step. This had to be abandoned in favour of a form of control. I quite agree with all the honourable member from St. Jean Baptiste (Hon. A. L. Beaubien) has said as to the difficulty of handling this problem. The only way is to educate the people to a realization of the dangers of intemperance. But at the present time it seems to me that as we have restrictions upon the consumption of other commodities,

the consumption of liquor might also be placed under some restrictions. The sale of liquor in each province is now under the control of liquor boards. Something might be done to improve the situation by having a conference of the chairmen of those boards and acting on their advice.

Hon. A. D. McRAE: Honourable senators, one point which has been overlooked, and which I think is fatal to anything like an effective rationing of liquor, is that we have a boundary line with the United States of 3,500 miles. You can walk into any drug store on the United States side of the line and get liquor much cheaper than in Canada. In these circumstances I think any undue restriction would result in bootlegging to a more serious extent than we had in prohibition days, with all the evils incident to that illicit traffic. I know the Government is seriously considering this matter, but it has a great problem on its hands. When all is said and done, it will be found, I think, that the honourable senator from St. Jean Baptiste is correct in stating that the only way to bring about temperance is to educate the people to the evils of intemperance.

Hon. Mrs. FALLIS: Honourable senators, from the remarks of the honourable senator from St. Jean Baptiste (Hon. Mr. Beaubien) and the honourable senator from Vancouver (Hon. Mr. McRae), I gather that although the women of Canada are patriotic enough to go without clothes and necessities in their homes in order to buy Victory bonds, yet the men of Canada have not sufficient patriotism to go without alcoholic beverages, which they would be obliged to do if the sale and consumption of liquor were placed under severe restrictions.

Hon. Mr. McRAE: I know the loyalty of the married women of this country, and it equals that of our older married men. But those men are not responsible for the increasing liquor consumption. The alarming increase is one of the results of greater prosperity: to-day the average man has more money than he ever had, and he takes a little liquor because it makes him feel the joy of living. I hope the women of this country will be successful in their efforts to lessen the consumption of liquor, but they must look closer home. I wish the daughters of the mothers who are sponsoring this very laudable effort to bring about greater temperance were living up to the precepts of their mothers. As a matter of fact, young girls are sharing liquor with young boys. We all know that. I think the honourable senator should direct her efforts towards our young women, so they will not go with a boy who drinks. Then the boy will not drink. That will cut down the consumption of liquor more than any effort we could make.

Hon. A. L. BEAUBIEN: I admire women who do without clothes in order to buy war certificates.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. BEAUBIEN: I think they are making a wonderful contribution towards winning the war. But may I say that even at my age—

Some Hon. SENATORS: Oh, oh.

Hon. Mr. BEAUBIEN: —unless there are some charming ladies around, I do not care whether I take a drink or not. You cannot accuse the men of drinking all the liquor that is being drunk to-day.

Hon. Mrs. FALLIS: "The woman tempted me."

Hon. Mr. BEAUBIEN: I appreciate the sacrifices that are being made, but I come back to my argument, and I speak with a good deal of knowledge and experience. There is only one way in which you can create a temperance attitude in this country, and that is by education rather than by representation to governing bodies.

Hon. CAIRINE WILSON: Honourable members, several speakers have mentioned the need for education. I wonder if something could not be done to restrict the enormous amount of advertising of alcoholic beverages that is to be found in some of our publications. There is one magazine that seems to be published only for the purpose of circulating such advertising. I think most of our magazines and newspapers carry a great deal too much of that kind of publicity.

Hon. FELIX QUINN: Honourable members, I am going to cast my vote with the ladies.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. QUINN: I agree with the argument of the honourable member from Peterborough (Hon. Mrs. Fallis). This does not mean that I am a prohibitionist. I have been temperate, but never in my life have I been a prohibitionist or a temperance advocate.

This question is giving this country a great deal of concern. Protests are coming from every province with respect to the increase in the consumption of alcoholic beverages of all kinds. What I am concerned about mostly is the consumption of alcoholic beverages in our armed forces.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HARMER: How are you going to prevent it?

Hon. Mr. QUINN: I cannot offer a solution, but to me it looks as though a man, as soon as he dons a uniform, thinks he must learn how to drink whisky and soda. Not long ago an honourable gentleman opposite sat in the same railway coach with me while travelling from here to Montreal. Two high-ranking naval officers came into the smoking compartment. After lighting a cigarette, the first thing they did was to ring the bell and call the porter to ask him to put up a table and bring in cracked ice and glasses. Then they produced a quart flask of whisky and proceeded to drink it. Not long afterwards two high-ranking army officers arrived on the scene, and they went through the same procedure. You do not see civilians ordering up cracked ice and producing whisky and soda in that way.

Hon. Mr. DUFFUS: Oh, yes, you do.

Hon. Mr. QUINN: Very rarely.

Hon. Mr. DUFFUS: On every train.

Hon. Mr. QUINN: Do not be too hasty in your defence. The last time I went down to Halifax I rode on the Ocean Limited, which consisted of eighteen cars. Nearly every passenger on that train was an officer of the Air Force, the Navy or the Army, and when they wanted a drink they did not do what you or I would do if we wanted a drink—go into the smoking compartment and have it; they pulled out a flask or a bottle right in the main section of the car, irrespective of the presence of ladies, children or anybody else, and started their orgies, and there was drunkenness from the time we left Montreal till we got to Halifax. I was ashamed, and I am not a temperance advocate. I like a drink of whisky or beer, but I do not like to see boys in the condition that some of them were in on that train. As has been said, we cannot drink our way to victory.

I am glad this subject has been brought to the attention of the House, because some educational measures must be instituted amongst our armed forces in order to prevent the excessive use of intoxicating beverages. It is a shame and a crime. I almost cried at what I saw. As I was going through to the dining car I met two lovely young fellows whose fathers and mothers I knew—two of the loveliest young fellows on God's earth, and both were drunk. They were companions of my own son. I stopped one of them. I said: "Come here, boy. Do your mother and father know that you are doing this?" "Oh," he said, "we are just on our way overseas. Father and mother will not see me, because we will go right to the dock and straight aboard the ship."

I contend, honourable senators, that this is not right. I am not preaching a sermon, and I am not moralizing. But this thing hurts me. I say it is not right, and that is why I support the honourable senator from Peterborough in her effort to bring it to the attention of the Government. The Federal Government cannot evade its responsibility in respect to this any more than it can evade it in respect to any other commodity. It regulates the price and the use of clothing, of motor cars, rubber, and many other things. Why can it not regulate the sale and use of intoxicating liquors?

I know the agument of the honourable Minister of Finance in the other House. He is a good friend of mine, and I admire and respect him. He is a man who does not indulge in liquor himself. I know that he said, "We cannot do it; it is the responsibility of the provincial governments."

In that connection, I pay tribute to the Premier of Nova Scotia, who has made every effort possible to curtail the sale of intoxicating liquors in his province. He shortened the hours of sale.

Hon. Mr. HARMER: And what happened?

Hon. Mr. QUINN: Just a minute now. Do not go too fast. I will tell you what happened. Instead of there being one line of people going into the liquor stores, there were six. That is what happened. But the hours of sale were shortened because it was not possible to get a sufficient supply of liquor to sell. I know that for a fact.

Hon. Mr. HARMER: Then how were the sales increased?

Hon. Mr. QUINN: It was a year ago that the sales increased. I am talking about July. The hours were shortened only at the end of last year, but the stores were wide open six days a week from nine until six.

Hon. Mr. HARMER: The sales increased thirty-five per cent.

Hon. Mr. QUINN: In 1941, yes, but during Christmas week of last year, I think, the hours were reduced. Last year in the little province of Nova Scotia, with a population of only half a million people, the total gross sales amounted to something like $12,000,000, and there was a net profit of $3,500,000. This is too much; it shows too great a consumption of intoxicating beverages. The reason given

for it was, "We have had an increase of population in the services, and have had to supply the Army, the Navy and the Air Force as well as the civilians." If that is the answer, I say that something should be done to curtail the use of alcoholic beverages, particularly among the young men in our armed forces.

Hon. Mr. HARMER: Have you any suggestion to make as to how that could be accomplished?

Hon. Mr. FOSTER: Carried!

Hon. Mr. QUINN: No, honestly, I have not. But I commend the lady senator from Peterborough for bringing this matter to the attention of the Government, so that its experts and authorities may put their heads together and work out some scheme whereby the sale and use of intoxicating liquors may be reduced.

Hon. Mr. HARMER: I agree with everything you say. The difficulty is to find a solution.

Hon. Mr. QUINN: I agree with you in that.

Hon. J. H. KING: I do not want to prolong this debate, but I think I should say that when the Minister increased the duty on spirits from $7 to $9 he was worried by the thought that the increase might stimulate the bootlegging traffic. We had an experience of prohibition during and after the last war, and it was neither good nor healthy, and the results flowing from it were not good.

We have arrived at a system whereby eight of the provinces have taken over the control in this matter. It is true that the Government might prohibit the manufacture of alcohol in Canada, but it could not prohibit the manufacture in the United States, and it would not be able to enforce a prohibition against home manufacture. One of the strange things about alcohol is that it can be made from almost any vegetable matter, and it is amazing how people will learn to produce spirits and wines. The consumption of these articles is greater under prohibition than if they were sold under regulation. I have no doubt that, as was stated by the Prime Minister and by Mr. Ilsley, the Government is giving much thought to this question.

Speaking of people generally, and of young men going into the armed forces particularly, I may say that I do not think prohibition would bring the results desired. On the contrary, I think it would do more harm than good. I quite agree with the honourable senator from St. Jean Baptiste (Hon. A. L. Beaubien) that if the temperance people are really seriously interested in temperance or prohibition they would do well to organize the old-fashioned temperance lodges in the various communities throughout Canada and would there encourage temperance and show the people the injurious effects that come from an undue use of alcoholic liquors. If we could get back to that basis, I think, we might make some real progress.

I do not believe that governments can accomplish much. They may restrict the sale or the manufacture, but if the legal manufacture is curtailed there will be the underground manufacture by the illicit still, as was demonstrated in both Canada and the United States during prohibition days.

I am quite sympathetic to what the lady member has said. I do hope the ladies will be able to buy some dresses. I am sure that if there is any way in which governments can improve this condition, they will be glad to do what they can.

I was surprised to hear the honourable senator from Bedford-Halifax (Hon. Mr. Quinn) speaking about conditions on the trains. I do quite a lot of travelling between Vancouver and Ottawa, and I have not seen a great deal of drinking on the trains. Furthermore, in the centre of the city of Vancouver, in what was once known as the Vancouver Hotel, there are some fifteen hundred or two thousand soldiers in barracks. I have lived right next to them and have seen little drunkenness in that neighbourhood. In fact, I thought and still think that the officers have on the whole been exercising a satisfactory control over the activities of the soldiers under their command. Excessive drinking has not been really noticeable. One will meet with some cases, of course, but that is true at all times.

However, as the Prime Minister said the other day, it is desirable to lessen the consumption of liquor. A practical way must be found. I believe there is local option in the province from which my honourable friend from Bedford-Halifax (Hon. Mr. Quinn) comes. If so, the people in the constituencies concerned can, at any time they so desire, call upon the Government to hold a plebiscite on local option within their respective areas. The Scott Act was at one time in force in the Eastern Provinces, but the honourable senator to my left (Hon. Mr. Copp) tells me it no longer is.

I know we are all eager to do what can be done to reduce the evils of the liquor traffic. But let us be careful not to repeat the error that was made during and after the last war, when the provinces passed prohibition measures. As I think honourable members will

agree, those measures and a similar one passed in the United States were very injurious to the cause of temperance in both countries.

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

THIRD READING

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

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

DEPARTMENT OF EXTERNAL AFFAIRS BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 120, an Act to amend the Department of External Affairs Act.

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

THIRD READING

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

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

TAFFERT DIVORCE BILL

SECOND READING

Hon. W. M. ASELTINE moved the second reading of Bill E4, an Act for the relief of William Taffert.

Hon. JAMES MURDOCK: Honourable senators, I should much prefer to sit in my seat quietly and permit this motion for second reading to go through, as is usual with divorce bills. But the other day, in filing a minority report on this case, I said:

> In my judgment, this case appears to be a simple "frame-up" against this woman by the petitioner.

Still holding that firm conviction, I should regard myself as disloyal to decent women if I did not by every means at my disposal oppose this Bill. I realize that there is a strong majority against me. Three distinguished legal gentlemen, to say nothing of one other honourable member of the committee, hold views different from mine with respect to this case. But I have always had in the past and still have some firm convictions, and, I hope, some knowledge of human nature and some ability to judge when the truth emanates from the mouths of either men or women.

I intend to go into this matter at considerable length to-night. I hope honourable senators will have patience with me. My legal friends on the Divorce Committee base their judgment largely on the fact that two detectives, ten months and ten days after the alleged occurrence of May 9, 1941, identified the respondent, the woman who was before the committee. I am here to say to-night that it is a little more than four months since this case was heard, and I doubt very much if I or any member of the committee could identify that woman if we saw her walking down the street—unless, of course, she happened to have on a red hat. So what is there to this identification before the committee? All there is to it is that every one present at the committee knew the petitioner's wife, the respondent, was present; so it was very easy to identify her there. What were the chances for identification by the two detectives on May 9, 1941? There was far less chance of determining what the woman looked like then than there was in our committee room.

I am going to place on record right here and now part of the cross-examination of the petitioner. I shall not take any more time than I think is absolutely necessary to bring before honourable senators what I regard as important information in connection with this case. The cross-examination of the petitioner by Mr. Rudner, the lawyer for the respondent, begins at page 15 of the committee's printed report.

(Hon. Mr. MURDOCK then read from the printed report of the evidence taken before the Committee on Divorce.)

Hon. Mr. MURDOCK: Mr. Speaker, I do not think there is a quorum in the House.

The Hon. the SPEAKER: I will ask the Clerk to count the members to see whether a quorum is present.

The CLERK: There are fifteen senators present, Mr. Speaker.

The Hon. the SPEAKER: The point is not well taken.

Hon. Mr. MURDOCK: I beg Your Honour's pardon. One gentleman has just come in.

Hon. Mr. ASELTINE: Can the honourable senator from Parkdale tell me what is his object in reading all these questions and answers? They surely do not go to prove that the matrimonial offence charged was not committed.

Hon. Mr. MURDOCK: I will give you all of the wife's and the daughter's evidence before I get through. (Senator Murdock continued his reading of the evidence.)

Hon. Mr. ROBINSON: I would ask what the honourable gentleman is reading?

Hon. Mr. MURDOCK: The evidence taken before the Divorce Committee when this petition was heard. I realize several gentlemen here would like to shut this off. They desire to put this divorce through, which I think would be a gross injustice to an innocent woman and to her innocent sixteen-year-old daughter; and I am going to do everything in my power to prevent this injustice. As I said the other day, I believe them to be just as honourable, in respect of what the woman is charged with, as a member of the family of any senator in this Chamber. That is the position I am taking now.

Hon. Mr. ROBINSON: There is a section in the Criminal Code which prohibits the publishing of divorce evidence. Does the honourable gentleman say there is nothing in that section?

Hon. Mr. MURDOCK: Surely that must be a piece of nonsense, in view of the fact that we print a copy of the evidence for every member of the Senate and of the House of Commons. I realize that honourable gentlemen who have made up their minds—

Hon. Mr. ROBINSON: Oh, no.

Hon. Mr. MURDOCK: —do not want to have this record before the people, but I am going to insist that it shall go there.

Hon. Mr. ASELTINE: It is before every senator and every member of Parliament now.

Hon. Mr. MURDOCK: Then we will add a little to it by putting in some more of the evidence. (Hon. Mr. Murdock continued his reading of the evidence.)

Hon. Mr. ROBINSON: This is the section of the Criminal Code to which I referred:

> Nothing in this section shall make it lawful to publish a report of any evidence taken or offered in any proceeding had before the Senate or the House of Commons, or any committee of the Senate or the House of Commons, upon any petition or bill relating to any matter of marriage or divorce,—

I think the honourable gentleman is going pretty far in reading this evidence. The responsibility will be on his own shoulders.

Hon. Mr. MURDOCK: It will be on my own shoulders. This divorce evidence is printed and distributed to the Senate and the House of Commons. The Criminal Code means it is illegal to distribute such evidence outside. Of course, that is so, it is admitted, but it has nothing to do with this situation.

Hon. Mr. HAIG: Mr. Speaker, I rise to a point of order. Is the honourable member from Parkdale (Hon. Mr. Murdock) at liberty to read into the Senate Hansard evidence taken before our Divorce Committee? There is no restriction on the distribution of Senate Hansard, whereas, under the rules, divorce evidence can be distributed only to members of the Senate and of the House of Commons.

Hon. Mr. COPP: And they are not permitted to distribute that evidence.

Hon. Mr. HAIG: I do not think it can be done.

Hon. Mr. MURDOCK: You distribute copies of the minutes of the hearings.

Hon. Mr. HAIG: To members of Parliament and senators.

Hon. Mr. MURDOCK: Of course.

Hon. Mr. HAIG: By reading this into the record you are distributing it to people all over Canada. You have no right to do that.

Hon. Mr. HARMER: I think the Press is entitled to report everything said in this House in open session.

Hon. Mr. HAIG: Certainly.

The Hon. the SPEAKER: I have been called upon to give a ruling on the point of order raised by the honourable member from Winnipeg South-Centre (Hon. Mr. Haig). It seems to me entirely out of order for an honourable senator to read into Senate Hansard evidence taken before the Divorce Committee of the Senate. Consequently I rule that the point of order is well taken, and that such evidence should not appear in the Debates of the Senate.

Hon. Mr. HARMER: All the evidence that has been read should be expunged from the Debates.

Hon. Mr. ROBINSON: I think so too.

Hon. Mr. MURDOCK: Good-bye, then, to the protection by the Senate of a decent woman and a decent girl. But members are ready to accept, without any discussion, the sworn and, I think, perjured testimony of an ingrate, a rotter, a rat, and of two detectives who had been engaged to do his dirty work and were paid therefor. That is my personal judgment of this particular case. I think it is unfortunate that we cannot get these facts placed on the record here, so that we could read them. I appreciate that all senators can read a copy of the divorce evidence if they want to. I assume they do not want to.

Hon. Mr. COTÉ: May I rise to a point of order? I cannot quite understand the ruling of His Honour. Parliament has always been considered the last court of recourse in the land, and we are in full session assembled, sitting as a court of Parliament. Does the ruling go to the extent of saying that we in this court cannot verbally or orally mention or recite the evidence taken by a committee of this House? Or did His Honour simply intend to rule that when the evidence of these proceedings of the Senate Committee is read here it should not be taken down by our reporters and should not be published as part of the Senate Debates? If the second prohibition is not what is intended by His Honour, I am sure there will be some disagreement.

The Hon. the SPEAKER: Does the honourable senator intend to appeal from my decision?

Hon. M. COTÉ: I want to understand the decision correctly. I want to make sure whether—

Hon. Mr. COPP: I submit my honourable friend is entirely out of order in discussing the point of order. His Honour the Speaker has already decided.

Hon. Mr. COTÉ: I am asking His Honour whether his ruling—

The Hon. the SPEAKER: I have—

Hon. Mr. COTÉ: I want his interpretation.

Hon. Mr. COPP: Sit down. His Honour is addressing the House.

The Hon. the SPEAKER: I have given my ruling. Whether it is right or wrong is another matter. Hon. Senator Coté may appeal from my ruling, but he cannot discuss it.

Hon. Mr. MURDOCK: And Your Honour knows I have as much chance of proceeding as I had in filing my minority report.

Hon. Mr. COTÉ: I rose, not to question or appeal the ruling of His Honour, but simply to obtain an elucidation of the ruling so that I might know how—

Hon. Mr. COPP: I submit there is no responsibility on the part of His Honour the Speaker to elucidate or explain his ruling.

Hon. Mr. COTÉ: —how the House will be governed by it. I was hoping the ruling meant if the evidence is read here it should not go on Hansard. If it means something else, I submit to the ruling.

Hon. Mr. COPP: I submit that was not the ruling of His Honour. On the point of order it was objected that the honourable member from Parkdale (Hon. Mr. Murdock) had no right to read this evidence, because as soon as he had read it it became part of the Senate Hansard, and was thus further publication of the evidence. Such publication is against the law. Then His Honour the Speaker ruled on that question. It was suggested by my honourable friend to my right (Hon. Mr. Harmer) that inasmuch as part of the evidence had been read it should be expunged from the record.

Hon. Mr. ROBINSON: I do not want to take advantage of the honourable senator who is dealing with this matter. Perhaps I should have read the whole of section 322 of the Criminal Code so as not to leave a wrong impression with honourable members. In addition to what I read, the section continues:

—if the report is published without authority from or leave of the House in which the proceeding was had or contrary to any rule, order or practice of that House.

I take that to mean that the House may grant leave if it wishes to do so.

Hon. Mr. MURDOCK: There it is, you see. I am a member of the Senate, but I have to get permission to defend an honourable woman.

Hon. Mr. ASELTINE: You are not counsel for the defence.

Hon. Mr. MURDOCK: Am I not?

Hon. Mr. ASELTINE: She had two lawyers.

Hon. Mr. MURDOCK: I am counsel for my own conscience, and I filed a minority report in which I stated that there was a frame-up against an innocent woman by two detectives and the petitioner.

I would respectfully ask His Honour whether I am in a position to proceed any further or not.

Hon. Mr. COPP: You have a perfect right to argue the case.

Hon. Mr. MURDOCK: I cannot very well argue—

Hon. Mr. ASELTINE: I object to any consent being given.

Hon. Mr. MURDOCK: I cannot very well argue without bringing out the facts on which my judgment is based, and those facts are contained in the record of the evidence that I heard in the committee. I do not know how to argue without showing what I am talking about.

Some Hon. SENATORS: Question!

Hon. Mr. MURDOCK: I am the one who is asking the question.

Hon. Mr. ROBINSON: It is a little difficult for His Honour the Speaker to make a ruling on this; but if the honourable gentleman would agree not to inflict upon us all the evidence, we might be very glad to have him go on. I think, however, it is hardly fair to the members of the Senate to ask them to listen to page after page of evidence which they have had before them. I think it is not very courteous.

Hon. Mr. HAIG: The honourable gentleman apparently has to get the consent of the House to read the evidence. One honourable gentleman has objected to giving that consent. I am another who does so. If the honourable gentleman will get up and say that he is not trying to carry on a blockade until eleven o'clock, when the House will adjourn, I shall be perfectly content to let him read whatever he likes. But this is purely a blockade, and the honourable gentleman knows it as well as I do. The evidence has been printed and distributed to all honourable members.

Hon. Mr. MURDOCK: I fully expected to be finished before eleven o'clock.

Hon. Mr. HAIG: You did not look like it.

Hon. Mr. MURDOCK: I should have been through if I had been left alone.

The Hon. the SPEAKER: Honourable senators, because of the position which I occupy in this House I am not at liberty to enter into any controversy whatever. It is my understanding, after a long experience of parliamentary affairs, that the evidence taken before the Standing Committee on Divorce is of a private nature; and a well-known practice prevents such evidence being distributed to the public. It is distributed only to members of Parliament.

What cannot be done directly should not be done indirectly. To read the evidence of what happened in the present instance does not appear to me to be according to the practice, and I do not think it would be in the public interest to permit this evidence to be read in this Chamber, thereby making it public. Consequently, my ruling is that the point of order is well taken, and that no evidence read should appear in the Senate Debates.

The remarks made a moment ago by the honourable senator would indicate that this House is a kind of appeal tribunal. There is another tribunal to which appeals can go—the Private Bills Committee of the House of Commons.

Hon. Mr. BALLANTYNE: Will not the honourable senator from Parkdale be satisfied to make his main objections and omit the reading of the evidence? I think that every honourable senator here, after hearing the honourable senator from Parkdale at a previous session of this House, has read the evidence, and it seems to me that the honourable gentleman would be doing justice to his own conviction and to the House if he were just to speak on the principal objections he has and omit the reading of the evidence.

Hon. Mr. MURDOCK: I could, of course, do that; but in doing it I might not be altogether accurate. I should like honourable senators to exercise their own judgment, so far as they can, after listening to the questions and the answers. They cannot see, as I did during the whole course of the trial, the woman and her daughter.

Hon. Mr. BALLANTYNE: I am not a lawyer, but common sense tells me that as this case has been heard by the committee, which, after all is a judicial body, or a court, that should put an end to the hearing of evidence so far as this House is concerned. The committee has given its decision, and for the honourable senator from Parkdale to object is, to my mind, an extraordinary proceeding, and altogether out of order. What right have we in this House to hear the evidence? The evidence was given before the Divorce Committee.

Hon. Mr. MURDOCK: But we are passing on the second reading of this Bill, and we have been educated to believe that we have a right on second reading to discuss the facts concerned and the questions involved in a particular bill. That is all I have been trying to do. I am willing to bow to the will of the Senate. If you do not want to hear any more about this, it is all right so far as I am concerned. I will refrain from reading the evidence. I had intended to read a little more of this man Taffert's evidence; then I intended to read the evidence of the woman and her sixteen-year-old daughter, both of whom I regard as being crucified by a couple of perjured detectives. No, I do not believe they knew they were telling a lie. I believe the petitioner "framed up" the woman. He hired the detectives; the lawyer did not.

Now, can this petitioner do that kind of thing? Down in New York his wife had to get $1,000 to keep him out of jail for embezzling money, and later she had to put up another $500 because he said he needed it to join an organization and protect his job. Both of these claims were "phoney"; both of them were grafting. That is the kind of man he was. I say that he is exactly the type of man who would arrange to do just what was done in this case.

Am I justified in that belief? Well, on the 30th of April he went to the landlord of the house where his wife was staying and served notice on him that he would no longer pay the rent. On that date he engaged the two detectives. Then within a very few days what occurred? He proceeded to get what he asserts is evidence. It is my personal judgment that he just hired a "stoogie" woman whose night's work was to keep them around the corner of St. Antoine and Windsor streets in Montreal; a woman who lived at the Hutchison street address where he had planted or put his wife. All he had on this woman to distinguish her from anybody else was a red hat. He was sitting in the back of the car, crouched down, and he says that he was pointing out this woman to the detectives, and that they watched the woman with the red hat. I do not believe for a moment, and never did, that the woman with the red hat was Mrs. Taffert. I believe the whole thing was purely and simply a frame-up made by Taffert because he had secured from her $1,000 on one occasion and $500 on another, and did not want to pay those sums back. He did not want to pay her family, but he wanted to unload the woman and her sixteen-year-old daughter.

I should have liked to place on the record the evidence of Mrs. Taffert, because to me it was convincing. Maybe I am wrong in my judgment. If so, the judgment of honourable gentlemen would be just as good as mine. But I sat in on this case, and I think the detectives were just made use of. Imagine if you will, honourable senators, a petitioner and two detectives being on duty for ten hours and thirty minutes, from before eight o'clock at night till six o'clock in the morning, and for seven hours and thirty minutes or eight hours of that time being around the corner of St. Antoine and Windsor streets. Then they went up to Sherbrooke street, where they were on duty a while longer, until the petitioner Taffert and the other detectives were tired out and Mr. Green, one of the detectives, kindly took them home so that they could go to bed. One would have thought that after that length of time on duty Green would need sleep and rest too. But no. He went back to this place where he had this "stoogie" woman, and stayed around, and at about six o'clock in the morning he was just in time to see the woman getting into the man's car and starting for the Hutchison street address. Green followed along carefully behind the "stoogie's" car until they all came to the Hutchison street address, where the woman got out of the car and shook her fist at him.

Does anybody believe that a combination of circumstances like that would develop or that it could occur? I do not believe it. But I am not permitted to handle this matter as I thought necessary in order to make my argument reasonably convincing. The petitioner has proved himself to be a rotter and a rat. I thought the evidence of the woman and of the 15½-year-old girl would have been of some benefit in protecting the honour and the rights of a person whom I regard as a normal, honest married woman, and of her daughter. But I will say no more.

Hon. C. W. ROBINSON: Honourable senators, I was present at the trial of this case, but not the other day when the matter was decided by the committee. I sympathize with the honourable senator from Parkdale, who has just spoken (Hon. Mr. Murdock). I am not quite sure what attitude I should have taken had I been present when the matter was decided. I do not like to impugn the evidence of any witness, but in this committee we hear a good deal of evidence by people whom we do not entirely believe and who sometimes actually contradict themselves. In this case there is some ground for the argument of my honourable friend from Parkdale. I suppose I should support the finding of the majority, who did their best to arrive at the correct conclusion. They did not believe the evidence given by the respondent. As a matter of fact, I did not believe it myself. On one side we had evidence given by the husband and two detectives, which was contradicted on the other side by the respondent and her daughter. There is some question in my mind as to whether we should give the woman the benefit of the doubt. I do not know whether I should say that, especially as I did not believe her evidence.

As far as I personally am concerned, I suppose I shall have to vote in support of the committee's recommendation.

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

Hon. Mr. ROBINSON: Yes.

Hon. Mr. MURDOCK: Would you place any credence at all in the evidence of the petitioner, considering what he himself said he was?

Hon. Mr. ROBINSON: I do not think the petitioner gave any evidence that was not more or less corroborated.

Hon. Mr. MURDOCK: Oh, yes, he did.

Hon. Mr. ROBINSON: As far as I personally am concerned, I shall have to leave the matter for the Senate to decide what they think is best to do.

Hon. Mr. BALLANTYNE: Would the honourable senator be satisfied if the Senate referred the Bill back to the committee?

Hon. Mr. ROBINSON: Yes.

Hon. Mr. HAIG: No.

Hon. Mr. ROBINSON: The Acting Chairman of the Committee (Hon. Mr. Aseltine) is present. I think he should reply.

Hon. Mr. ASELTINE: I can tell the honourable leader on this side (Hon. Mr. Ballantyne) that it would not make the least bit of difference if that were done. The members of the committee who voted in favour of the petition were absolutely convinced in the matter, and I am firmly of the opinion that the honourable senator from Parkdale (Hon. Mr. Murdock) is entirely wrong in the view he has taken with regard to the whole case. It is regrettable that this kind of thing should arise, and I hope that next session or some time in the near future Parliament will pass an Act transferring all divorce matters coming from the provinces whose courts have not divorce jurisdiction to the Exchequer Court of Canada or some other body.

Hon. Mr. MURDOCK: Hear, hear.

Hon. Mr. ASELTINE: The Exchequer Court is a travelling court. That is, it goes from place to place and hears cases of different kinds. It could hold sittings in the two provinces which now have no divorce jurisdiction, namely Quebec and Prince Edward Island. That would relieve Parliament entirely of discussions on divorce cases and would be a more satisfactory way of dealing with the question as a whole. Moreover, the expense to litigants would be much less. It costs a considerable sum of money to take one of these cases before Parliament, to pay the fees for a private bill and to pay counsel and witness fees, to say nothing of bringing witnesses from various parts of Quebec or Prince Edward Island.

Furthermore, Parliament has no jurisdiction over alimony or custody of children or the awarding of costs, or anything of that kind. All such matters could be dealt with by the Exchequer Court or whatever body is authorized to deal with the cases. Therefore I hope a bill to remove divorce cases from Parliament will be introduced next session. I am desirous that this should be done in the near future, because on account of the large number of hasty war-time marriages we shall be swamped with applications if we are still dealing with divorce when the war is over. Therefore I should be glad if during the coming long adjournment honourable members would kindly consider my suggestion and inform the House early next year what they think should be done.

Hon. Mr. MURDOCK: May I ask the honourable gentleman a question? This case, as we all know, was heard on the 17th of March. Personally I thought it was in the discard until the 20th of July, when we got notice of a meeting on the 21st, under the Acting Chairman—

Hon. Mr. ASELTINE: I will not accept any reflections at all from the honourable member from Parkdale.

Hon. Mr. MURDOCK: Just a minute. I am asking a question. Did a lawyer in this town, who was interested in this case, approach you in order to get a decision on the case?

Hon. Mr. ASELTINE: That is absolutely false. I do not know any lawyer in town who has anything to do with this case. The only person who approached me as Acting Chairman, in the absence of the Chairman (Hon. Mr. Robinson), was Mr. Hinds, the clerk of all the Senate committees, who said there were two cases which had not been decided, and he wanted a date fixed for the committee to deal with them.

Hon. Mr. MURDOCK: I am glad to hear that.

Hon. Mr. ASELTINE: That is absolutely all I know about it.

Hon. Mr. MURDOCK: I am glad to hear it.

Hon. Mr. ASELTINE: I could not do anything but fix a date for consideration of the cases.

Hon. Mr. DAVID: Honourable senators, I certainly do not intend to discuss any aspects of this case. As is well known, those of us who come from the province of Quebec abstain from discussing divorce cases. I rise to inquire about a matter of procedure which I cannot very well understand, and I do it solely to seek enlightenment and not to criticize. The ruling made by His Honour the Speaker may affect questions arising here in the future. As I understood His Honour's decision, it was to the effect that the Committee on Divorce is a court, that the evidence taken before it is in some way secret and that reports from the committee should, generally speaking, be either accepted or rejected by the Senate. With all respect, may I say that I remain under the impression that any committee appointed by the Senate possesses only the powers delegated to it, and that any evidence produced before a committee and any report made by it is subject

to discussion by the Senate. Otherwise, the committee would have more power than this House, which delegated the power.

Hon. Mr. BALLANTYNE: Honourable senators, I move in amendment, that this Bill be not now read a second time, but be referred back to the committee for further consideration.

Hon. Mr. MURDOCK: I second the motion.

Hon. Mr. HAIG: Honourable senators, if that motion were carried it would be tantamount to rejecting the petition for divorce. If the House wants to do that, it need only vote against the motion for second reading.

The Divorce Committee is different from our other committees. As I have said before, none of its members want to be on it at all. We sit as a judicial committee and judge which side in each case is telling the truth, and come to our conclusion accordingly. In this particular case I thought the woman was not telling the truth, and I thought so throughout the hearing. The question raised by the honourable member from Parkdale (Hon. Mr. Murdock) was one of identification. That was disposed of. Both the detectives identified the woman, but as far as I was concerned I did not need that identification, because I was convinced the respondent was the woman in question. She had a patent answer—"No," "Never," "No, never,"—which she made to numerous questions. The majority of the members of the committee had no difficulty in reaching their decision.

The reason why the decision was not reached until July, although the evidence was heard in March, is that it was impossible until recently to get together a quorum of members who heard the evidence. I am one of the guilty ones. The Senate was not sitting in April, and in June it sat for only one week, and I was not here then. In May we were very busy on other cases, and at times when we were not busy it was again difficult to get a quorum of members who heard the evidence.

If the Senate decides to reject our recommendation, that will be all right with me, but it will make me feel disinclined to serve on this committee again. As I have already indicated, the Divorce Committee is unlike other committees. On the Banking and Commerce Committee, for instance, you base your judgment with respect to a bill on the business principle involved. But in the Divorce Committee we listen to the evidence of men and women and come to a decision as to who are telling the truth. As every lawyer here knows, an Appellate Court is always loath to interfere with the finding of a trial judge on a question of fact. But here, honourable senators, you have a finding by three trial judges, Senator Aseltine, Senator Little and myself. Senator Copp was present at part of the hearing. We believed the petitioner. Senator Murdock believed the woman, the respondent. That is all there is to it.

Hon. Mr. MURDOCK: You have just stated who were on the committee which heard this case. I am ready to take the Bible in my hand right here and now and swear that only you and my friend here (Hon. Mr. Robinson) and myself were on the committee for the first part of that trial,—

Hon. Mr. HAIG: I will answer that.

Hon. Mr. MURDOCK: —and later Senator Aseltine and Senator Little did come in. I think I can prove by the records that our friend Senator Copp was not in the city at that time.

Hon. Mr. COPP: You cannot prove that.

Hon. Mr. MURDOCK: Yes, I can.

Hon. Mr. HAIG: This is what happened. Senator Aseltine and Senator Little did not hear the examination-in-chief of the petitioner, but they did hear his cross-examination. But what the petitioner himself told the committee had really nothing to do with the case. The material evidence was given by the detectives on examination-in-chief and in cross-examination. What I liked about the plaintiff was this—and the honourable senator from Parkdale (Hon. Mr. Murdock) used it against him: when he was asked about borrowing certain sums he answered, "Yes."

Hon. Mr. MURDOCK: He never used the word "borrow" in his life.

Hon. Mr. HAIG: Not one thing was brought out in cross-examination that he did not admit. The detective Green has appeared before the committee several times, and never has any question arisen in my mind as to his evidence. There have been other detectives before us whom I did not like. There is one other thing I want to say. This was not a hard case to decide, for each party was represented by counsel, and they are of great assistance to a court. The case that gives us trouble is where the petitioner alone is represented by a lawyer and he depends on hotel evidence by detectives. I have a very difficult time reaching a decision in such cases, although the courts of appeal of my province have held that that is good evidence.

Hon. Mr. ROBINSON: It has been suggested that divorce cases should be referred to the Exchequer Court of Canada. I remember very well a discussion I had with the late leader of the House, and he favoured the idea. Following that up, I may say that the Law Clerk of the Senate has been at work studying the situation for some time, but he could not get anything ready for this session. He hopes to have a Bill ready for next session, when it can be discussed on its merits. It would be a great advantage to have such a court to deal with divorce, particularly where the question of domicile arises, for the Exchequer Court would have jurisdiction over the whole Dominion. We have a good man engaged on the preparation of the Bill to which I have referred.

Hon. Mr. COTÉ: In support of the motion to recommit this Bill to the Divorce Committee, I want to say that I have been in the Senate since 1933 and this is the first time that we have had to discuss the report of the Divorce Committee and go into the evidence.

Hon. Mr. ASELTINE: Pardon me. We are not discussing the report. The report was adopted by the Senate. This is an entirely different matter.

Hon. Mr. MURDOCK: Second reading.

Hon. Mr. COTE: Quite so. I stand corrected. The second reading is very important. I have a great deal of regard for the legal acumen and attainments of those members of the Divorce Committee who have opposed the amendment. Generally speaking, I may say I think lawyers who have had a good deal of practice at the Bar are usually well trained and able to give a judgment on a matter of not very complicated evidence, such as the evidence in a divorce case. On the other hand, I am not ready to uphold the proposition that the layman who listens to that evidence necessarily is wrong if he comes to an opposite conclusion. The honourable senator from Parkdale (Hon. Mr. Murdock) has such strong doubts as to whether the Divorce Committee should have reported favourably on this petition, that although usually I do not take an interest in divorce cases, I think I should hesitate to let this Bill go through. That doubt is supported by the statement of the honourable gentleman from Moncton (Hon. Mr. Robinson). He does not go so far as the honourable senator from Parkdale, but, like a good judge, he admits he is perplexed and is not ready to say what his judgment would have been if he had been present at the end of the trial. That influences my judgment too. If we are going to sit in appeal, say, from the report of the committee, we are deprived of argument with reference to the evidence. I do not know whether we have been very helpful to His Honour to-night, or whether we have sufficiently full knowledge of the rules to discuss this matter and enable His Honour to reach a considered and quick decision on the point of order. I always take the view that His Honour is very much in the position of a judge. If the advocates before him do not prepare their case and supply their authorities, they are putting a rather difficult proposition to the judge. However, it has been ruled that it would not be proper to refer to the evidence in full session of the Senate. The honourable gentleman from Sorel (Hon. Mr. David) seemed surprised at that proposition. It does seem astonishing that a committee of the Senate can do something that a plenary session of the Senate cannot do. However, that is not the question now, and the point has been ruled on. So we have been deprived of reference to the evidence, and really I am not in a position to give a judgment on the merits of the case. I see there is a good deal of doubt about it.

Hon. Mr. HAIG: Did you read the evidence yourself?

Hon. Mr. COTE: I read parts of the evidence. For that reason I would urge that the amendment of Senator Ballantyne be adopted. Do not let this divorce petition be killed by us to-night. Let it go to the committee for reconsideration.

Hon. Mr. MURDOCK: My honourable friend from Winnipeg said a little while ago that the respondent said, "Never, never, never." I challenge him to show one answer of "Never" that was given when she was being examined by her own solicitor. The "Never" came in when she was being cross-examined. Her answers on direct examination were "Yes" or "No," concise and plain.

Hon. Mr. ROBINSON: To refer the Bill back to the committee is an effective way of killing it. I think we had better settle the question one way or the other.

Hon. Mr. BALLANTYNE: The honourable senator from Ottawa (Hon. Mr. Coté) says that since he has been in this Chamber this is the first time a divorce bill has been discussed and refused. The first session I attended was ten years ago, and I myself objected to a bill without quoting very much of the evidence, and the Senate refused to give it second reading.

Hon. Mr. MURDOCK: And I was unkind enough to call your attention to that last session. There was another reason for that.

Hon. Mr. BALLANTYNE: Not that I know of.

Hon. Mr. MURDOCK: The woman involved was, I think, the daughter of an official of Birk's jewellery store in Montreal. That was the difference.

Hon. Mr. COPP: Honourable senators, we have spent a great deal more time on this case than either one of the participants deserves.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. COPP: The motion is for the second reading of this Bill. The motion of my honourable friend from Alma (Hon. Mr. Ballantyne) is really an amendment to the motion. The only question now before the House is whether we accept the motion for second reading.

Hon. Mr. COTE: We are discussing the motion for second reading.

Hon. Mr. COPP: Exactly.

Hon. Mr. COTÉ: The motion of the honourable senator from Alma (Hon. Mr. Ballantyne) is that the Bill be not now read a second time, but be referred to the committee for further consideration.

Hon. Mr. MURDOCK: Rule 25 says:

No notice is required for any of the following motions:

(a) By way of amendment to a question.

We have an amendment to the motion for second reading.

Hon. Mr. BALLANTYNE: With the consent of my seconder, I will withdraw my motion. Then we can decide on the motion for second reading.

Hon. Mr. COPP: That is right.

The amendment was withdrawn.

The Hon. the SPEAKER: The question is on the second reading of this Bill. Is it your pleasure, honourable senators, to adopt the motion?

Some Hon. SENATORS: Carried!

Hon. Mr. MURDOCK: No!

The Hon. the SPEAKER: Those in favour of the motion will please say "Content."

Some Hon. SENATORS: Content.

The Hon. the SPEAKER: Those against will please say "Non-content."

Some Hon. SENATORS: Non-content.

The Hon. the SPEAKER: In my opinion the Contents have it.

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

EXCESS PROFITS TAX BILL

FIRST READING

A message was received from the House of Commons with Bill 122, an Act to amend the Excess Profits Tax Act, 1940.

The Bill was read the first time.

WAR ADMINISTRATION BUILDINGS IN OTTAWA

ORDER FOR RETURN

Hon. Mr. KING: Honourable senators, before we adjourn I should like to revert to Inquiry No. 1 on the Order Paper, which stands in the name of the honourable senator from Pictou (Hon. Mr. Tanner). He has given notice that he will inquire of the Government as follows:

1. The properties and buildings in the city of Ottawa and adjoining district acquired by the Government by purchase, lease and construction for war administrative purposes since the outbreak of war in 1939, giving: (a) the location of each property and building, (b) the cost of acquisition, erection, repair, additions and reconditioning in each case, (c) the cost of furnishing in each case, (d) the branches of war administration housed in the respective buildings, and (e) the number of persons employed in each building.

2. The buildings in the city which were erected by the Government and used or intended to be used for purposes other than war administration, and which have been taken over as office space for war administration; the branches of Government housed in each one; the cost of furnishing, and the number of persons employed in each one.

3. Similar information as in paragraph one in respect to properties and buildings now contracted for and under construction, and in respect to buildings construction of which is not started.

I would ask that this be changed to an order for a return.

The motion was agreed to.

The Senate adjourned until tomorrow at 3 p.m.

THE SENATE

Thursday, July 30, 1942.

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

Prayers and routine proceedings.

PRECIOUS METALS MARKING BILL

FIRST READING

A message was received from the House of Commons with Bill 121, an Act to amend the Precious Metals Marking Act.

The Bill was read the first time.

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

Hon. Mr. KING: Next sitting of the House.

Hon. Mr. MURDOCK: May I raise a question? The honourable leader (Hon. Mr. King) gave notice of motion for the suspension of certain rules. I find that Rule 23 says that to make a new rule or standing order, or to repeal or amend an existing rule or standing order, two days' notice must be given. So this notice must be for Saturday, not to-morrow.

The Hon. the SPEAKER: According to the rule, unless suspended in the meantime, the remarks of the honourable senator from Parkdale are in order if applied to second reading of bills.

CANADIAN NATIONAL RAILWAYS FINANCING AND GUARANTEE BILL

FIRST READING

A message was received from the House of Commons with Bill 124, 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 1942, 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.

POOLING OF BRITISH AND AMERICAN PRODUCTION

REPLY TO INQUIRY

Hon. J. H. KING: Honourable senators, referring to the matter to which my honourable friend from Vancouver (Hon. Mr. McRae) called attention yesterday, I am now in a position to reply to the inquiry which he made on June 12 and referred to again on July 27. His inquiry related to an article appearing in the Press to the effect that the United Kingdom and the United States had pooled their production resources and that the pool was to be administered by a representative of the United States and a representative of the United Kingdom. According to my honourable friend, the report asserted that the representative of the United States was to have charge of all North American production, including that of Canada.

This report related to the announcement by President Roosevelt, on June 9, of the creation of a Combined Production and Resources Board and a Combined Food Board. The scope of the Production and Resources Board is indicated in the following quotation from a memorandum addressed to Mr. Donald Nelson, the United States member of the board, by the President:

> In order to complete the organization needed for the most effective use of the combined resources of the United States and the United Kingdom for the prosecution of the war, there is hereby established a Combined Production and Resources Board.

The memorandum goes on to describe the functions of the board as: to "combine the production programmes of the United States and the United Kingdom into a single integrated programme, adjusted to the strategic requirements of the war." The board is instructed, in this connection, to take account of the need for the maximum utilization of the available resources in the United States, the British Commonwealth and the United Nations, and of all other relevant factors.

My honourable friend will note that the board is to concern itself with integrating the production programme of the United States and the United Kingdom. As the Prime Minister stated in reply to a question on June 11, Canadian capacity has been expanded and developed in the closest possible co-operation with the United Kingdom and with the United States. The Joint War Production Committee was established late in 1941 to perform, with respect to Canadian and United States production, functions such as those now undertaken with respect to United States and United Kingdom production by the new board. The representative of the United States on this board has not been charged with any responsibility for Canadian production. The creation of this board has not led to any change in the arrangements governing the furnishing to the United Kingdom of supplies from Canada.

The Combined Food Board, which was simultaneously established, consists of the

United States Secretary of Agriculture and the head of the British Food Mission in Washington. Its chief purpose, as defined by President Roosevelt, is "to co-ordinate further the prosecution of the war effort by obtaining a planned and expeditious utilization of the food resources of the United Nations." The relationship of Canada to this board is now the subject of inter-governmental discussion. It is clear, however, that the activities of the board will not alter the procedure hitherto in effect for the purchase by the United Kingdom of Canadian food-stuffs. All such negotiations will continue to be conducted between representatives of Canada and the United Kingdom.

My honourable friend can rest assured that it is not the intention of the Canadian Government to hand over control of Canadian production. The successful organization of the war effort of the United Nations, however, requires the careful planning of production and distribution on an inter-Allied basis, and the new boards in Washington have been set up by Mr. Roosevelt and Mr. Churchill in order to fill gaps in the previous arrangements.

I think that covers my honourable friend's inquiry.

At this time I should like also to say to the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine) in reply to his inquiry with respect to the storage of grain, that the matter has been and is being considered by the Government. There will be a very large carry-over which will have to be stored. There is great difficulty in securing lumber for the construction of additional storage facilities, and it looks as though the surplus would probably have to be stored on the farms and be removed from time to time as elevator capacity permits.

Hon. A. D. McRAE: Honourable senators, I wish to thank the honourable leader of the House for the explanation which he has given. As I understand it, there is no change from the procedure followed in the past with respect to the shipment of our products to Great Britain. I have only one suggestion to make to the honourable leader. I think it would be well for us to be represented on the boards he has mentioned, in order that our interests might be protected at all times.

Hon. Mr. KING: I believe some thought is being given to that now.

Hon. Mr. ASELTINE: I would ask the honourable leader of the House if any assistance will be given to farmers for the provision of storage. I mention this point because of the fact that in some areas of the West, which have not had a crop for a considerable time, there is very little storage space available, and buildings will have to be erected. It seems to me that even if farmers in these areas are able to obtain lumber and other building supplies, it will be necessary for the Government to provide some assistance to enable them to erect buildings. That is what I was worrying about particularly yesterday.

Hon. Mr. KING: That phase of the question is being considered by the Government.

TAFFERT DIVORCE BILL

MOTION FOR THIRD READING POSTPONED

On the Order:

Third reading, Bill E4, an Act for the relief of William Taffert.—Hon. Mr. Aseltine.

Hon. Mr. MURDOCK: Honourable senators, I feel somewhat diffident about rising to speak on this matter, but may I ask if I am entitled to have before me the record of what developed last night, before we proceed further? I have been eagerly awaiting all day a copy of last night's Debates, but I am told they are not yet printed and may not be ready until five o'clock. Are we entitled to have the record before we go further, or shall I again be ruled out of order? I am in your hands.

Hon. Mr. KING: I think the honourable gentleman should have the record of his remarks, and I would suggest that the order stand over until to-morrow.

The Hon. the SPEAKER: Is it your pleasure, honourable senators, to agree to the suggestion? Carried. Postponed until to-morrow.

EXCESS PROFITS TAX BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 122, an Act to amend the Excess Profits Tax Act, 1940.

He said: Honourable senators, this Bill contains a number of amendments to the Excess Profits Tax Act, 1940. It is probably well known to honourable members that the Government has followed the British idea, in that although there is a tax of 100 per cent on excess profits, the taxpayer will receive a refund of 20 per cent of the amount of this tax some time after the war.

That is the only statement I wish to make. But I have asked my honourable friend from Wellington (Hon. Mr. Howard), who is familiar with the mechanics and application of the Act, if he would kindly give a further explanation.

Hon. Mr. BALLANTYNE: Before the honourable senator from Wellington speaks, may I point out that while it is true that in Great Britain excess profits are subject to 100 per cent tax, of which 20 per cent is refundable after the war, there is no corporate tax in that country. That makes a big difference.

Hon. C. B. HOWARD: Honourable senators, I suppose everyone finds fault with a tax bill on general principles, but it seems to me that a tax on excess profits is probably less unpopular than any other. The principle of this Bill is based on the establishment of what is called a standard profits period. The standard profits of a company or corporation are determined by taking the profits for the years 1936, 1937, 1938 and 1939 and dividing them by four. It is taken for granted that any excess profits made since 1939 were at least partially due to war conditions. If it happens that in any year during the standard period there was a division of profits by a subsidiary or controlled company, whereby the amount paid into the original company that year was so large as to throw out the average, then the standard profits are calculated by disregarding that year, taking the profits for the other three years and dividing by three. Similarly, if in one year of the standard period a company showed a loss, the profits for the other three years are totalled and divided by three to get the standard.

Under last year's Bill the tax was 22 per cent on the total profits or 75 per cent on the excess profits, whichever was the greater for taxation purposes. And a corporation whose profits did not exceed $5,000 was formerly exempt from tax. But this Bill imposes a tax on the profits of all corporations up to $5,000 at the rate of 12 per cent, plus 18 per cent income tax. Companies with profits in excess of $5,000 pay 12 per cent, plus 18 per cent income tax, plus 10 per cent of the total profits, or 100 per cent of the excess profits, whichever of the last two taxes is the greater. Companies whose profits are less than $5,000 do not pay the 10 per cent on their total profits, nor the 100 per cent on their excess profits.

I know that many honourable senators on reading this Bill will come to the same conclusion that I did, that some parts of it are pretty hard to understand. So I will give a concrete example to illustrate how these taxes work out. Let us take a company whose profits are $10,000, with standard profits established at $5,000. First, it would pay 18 per cent income tax on the profits of $10,000, or $1,800. Secondly, it would pay 12 per cent excess profits tax on the $10,000, which would mean another $1,200, or $3,000 in these two taxes. Then it would pay either 10 per cent on the $10,000 or 100 per cent on the excess profits, whichever tax was the greater. In this case the greater tax would be the 100 per cent on the excess profits. That is, it would pay 100 per cent on the $5,000, less the 18 per cent income tax and the 12 per cent excess profits tax already taken, which would bring this tax to $3,500. By adding $3,500 to $3,000 we find that a company with a standard of $5,000 and a profit of $10,000 would pay $6,500 in taxes and have left $3,500, or 70 per cent of the standard profits.

Some honourable senators may ask, as has been asked already, "When does the 100 per cent excess profits tax apply?" It applies when the taxable profits exceed the standard profits by more than 16·66 per cent, or, in other words, when the excess profits exceed 116·66 per cent. For example, let us take a standard profit of $100 and a taxable profit of $116.66. At that point a tax of 10 per cent on the total profits amounts to $11.66, exactly the same as 100 per cent on excess profits. So the break-down point on the new schedule is excess profits of 116·66 per cent.

I have two official documents here, but I think it is hardly necessary for me to read them, as what I have said covers the scope of the Bill. A question may be asked with regard to page 2. Supposing a company's profit was $5,100. If you took 10 per cent of that it would be $510, but subsection 2 of new section 3 provides that the profits shall not be reduced below $5,000. So in this case you would take off only $100.

Hon. Mr. BALLANTYNE: Would the honourable senator explain the application of the Bill with respect to depressed years?

Hon. Mr. HOWARD: The question of a depressed year in the standard fixation will be subject to decision by the referees. I think the Minister may refer the matter to his referees or he may make a decision himself.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. HOWARD: In any case, the verdict of the referees is subject to the Minister's approval.

Hon. Mr. JONES: The appeal would not go before the Board of Referees.

Hon. Mr. BALLANTYNE: I am afraid that few companies are allowed to put their case before the referees. The Minister of Finance takes a look at the appeal and says "No," and that ends it. I do not mean he says "No" all the time, but very few cases get before the Board of Referees.

Hon. Mr. HOWARD: The honourable senator, being a business man, will know that people usually hesitate to go to law, for fear that if they lose their case they will have to pay costs. But on appeals to the board in the Income Tax Branch the taxpayer simply takes the chance of winning or losing, because even if he loses he will not have to pay any costs. It is suggested that on that account the appeals are more numerous than they would be if taxpayers were required to apply to the courts. My impression is that if a company has a just claim its appeal will not be turned down.

Hon. Mr. ASELTINE: Do I understand the honourable gentleman to say that the Excess Profits Tax Act as amended by this Bill applies to corporations only? I am under the impression it applies to individual businesses as well.

Hon. Mr. HOWARD: I did not deal with that point. The amended Act does apply to persons engaged in business individually or in partnership.

Hon. Mr. BALLANTYNE: The honourable senator from Wellington (Hon. Mr. Howard) is quite right. I have been associated with business all my life, and I know corporations that had gone to a good deal of trouble to show their depressed-year claim, but were never given a chance to present it. I think the Board of Referees ought to hear all claims that appear to be sound.

I should like the honourable senator to tell us something about the British corporation tax. I mentioned a moment ago that the people in England are better off than we are: they have no corporation tax.

Hon. Mr. HOWARD: I am sure that if the corporation could justify its claim the Minister would refer it to the Board of Referees. I am not familiar with the British Act.

Hon. Mr. LACASSE: The honourable leader opposite is so conversant with these matters that I should like, for my personal information, to ask him a question, although I may be out of order in doing so. I have always been under the impression that the British corporation income tax is based on the principle of averages, and that the same principle is applied in this Bill.

Hon. Mr. BALLANTYNE: I can give the honourable senator the information, but I do not know whether it is in order for me to do so.

Hon. Mr. LACASSE: It is not, but I should like to have that information.

Hon. Mr. KING: The Bill will stand for third reading to-morrow, and I will see that the necessary information is then available.

Hon. Mr. MARCOTTE: Will this Bill be referred to the Banking and Commerce Committee?

Hon. Mr. KING: I do not think it necessary, but, if desired, we can refer the Bill to that committee this afternoon.

Hon. Mr. BALLANTYNE: I do not see that any useful purpose would be served in referring the Bill to the Banking and Commerce Committee, for, it being a money Bill, we cannot change it. I might say to my honourable friend that I have in my desk upstairs a comparison between the income taxes of Canada and England, and they are both pretty much the same.

Hon. Mr. HOWARD: I agree with the honourable gentleman that, this being a money Bill, we cannot change it. I think the Bill might be given second reading to-day.

Hon. Mr. MARCOTTE: I have no objection to that, but I desire some information. Section 8 of the Bill relates to profits not liable to tax. The amendment brings within section 7 of the Act the profits of any corporation or joint stock company derived from the operation of any base metal or strategic-mineral mine which comes into production in the three calendar years commencing the 1st day of January, 1943, but this exemption extends only to the income of the first three fiscal periods of twelve months each commencing on or after the date of such mine coming into production. That is about five or six months from now. Suppose a mine comes into production three months from now. The company would be far better off to defer production until the 1st of January. Base metals are essential to our war effort, and consequently the country would suffer by this postponement of production. But I see at the bottom of the section these words: "The Minister may make any regulations deemed necessary towards carrying this paragraph (g) into effect." Would this give the Minister discretionary power to exempt the profits for the next four months?

Hon. Mr. HOWARD: Yes. No matter where you establish the dividing line it is bound to work hardship in certain cases; so the Minister is given discretionary powers.

Hon. Mr. ASELTINE: Let me point out how this legislation affects the Western farmer. I do not think anyone will say the war has increased the price of wheat, oats, and barley to the Western farmer,

and in some cases which have come to my attention the Act has worked a real hardship. In 1936, 1937, 1938 and 1939 in most sections of Western Canada there was virtually no crop. The average yield for those years was not sufficient even to enable the farmer to supply the necessaries of life for himself and his family and pay anything on his debts, with the result that he went badly into the red. In 1940, we will say, he had a big crop. I have in mind a man who is farming a couple of sections of land. He was deeply in debt owing to bad crops. Last year when he came to me to make out his income tax return I found he had to pay $10,000 excess profits. Before coming to me he had paid off his debts. In order to pay his income tax he was obliged to mortgage all his holdings. That is a great hardship. It has been said that farmers do not pay income tax, but in my district there is not a farmer who does not pay high income taxes every year. This year there is a very large crop. If, as a result, a farmer has to pay 100 per cent excess profit tax, he will not be able to pay the debts he incurred last year and other years when he had poor crops. I desire to draw these facts to the attention of the Government.

Hon. Mr. KING: Thank you.

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

THIRD READING

Hon. Mr. KING: Honourable senators, we are coming so near to the end of the session that if there is no dissenting voice I will move that the Bill be read the third time now.

Hon. Mr. BALLANTYNE: Carried.

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

DOMINION SUCCESSION DUTY BILL

SECOND READING

Hon. A. B. COPP moved the second reading of Bill 123, an Act to amend the Dominion Succession Duty Act.

He said: Honourable senators, the leader of the House has asked me to give a brief explanation of this Bill, but owing to the short time at my disposal I have found it impossible to compare the amendments in detail with the original Act.

As honourable members are aware, the Dominion first entered the field of succession duties in 1941, when the Dominion Succession Duty Act was passed. It is a long and intricate measure, and those entrusted with administering it have found it necessary to ask for the amendments contained in this Bill for purposes of clarification.

This Bill was discussed at some length in the other House yesterday. The original Act was strongly criticized on the ground that it has worked hardship here and there, as all legislation of this kind does.

Now for a brief explanation. Section 1 changes the definition of a child who succeeds to an estate. Section 2 defines dutiable value. Clause 3 deals with annuities, superannuation and pensions, and this amendment is intended to clarify the law that superannuation benefits or allowances payable or granted to relatives of a deceased person are dutiable. There are several other sections, which I need not deal with in detail. Those honourable senators who are interested in the Act and this amending Bill will find it worth while to read the discussion in the other House.

Hon. Mr. BALLANTYNE: I certainly have no objection to the Bill, and I agree with my honourable friend that it is a most difficult measure to understand. The essential amendment is in regard to grandchildren. There is no allowance unless the grandchild—

Hon. Mr. COPP: Is a dependent.

Hon. Mr. BALLANTYNE: Yes. By another amendment, if a man's superannuation goes to his widow it becomes liable to succession duty.

Hon. Mr. COPP: Yes.

Hon. Mr. COTE: Section 3 contains a vicious principle. As extended by the amendment, it covers an annuity payable on the death, let us say, of the testator, to his widow or his children, notwithstanding the fact that he may not be the one who bought the annuity. He may have contributed part of the payment out of his salary in order to earn his superannuation, but his employer may, as is very often the case, have contributed the rest. Surely when an employer contributes to a superannuation fund which is for the benefit, not only of the man, but also of his widow, it is a benefit which passes directly from the employer to the widow, and not through the husband to his widow. I think it is a novel and extraordinary means of collecting succession duties to collect a percentage on an amount which never came from the deceased to the beneficiary, but came from an entirely different source, such as the employer in the case I have mentioned.

I am not opposed to succession duty taxes; I think nobody is; they are necessary; but when we are taxing succession, let us tax what is actually succession, that is, an interest to which somebody succeeds from the deceased. Let us not rove all over the field of taxation and, under pretence of taxing succession, as in this case, tax in reality an amount of money which comes from the employer, a stranger to the widow of the deceased.

Hon. Mr. ROBINSON: There are several succession duties levied at the present time. For instance, estates have to pay succession duty, not only to the Dominion, but also in many cases to more than one province. I hope the Dominion Government will be able to make such an arrangement with the provincial governments that persons handling estates will have to deal with only one succession duty and not have to spend a great deal of time making up statements for three or four succession duty departments. It would be a great relief, I think, and a great help to business generally, to have just one succession duty.

Hon. Mr. COPP: May I say just a word in reply to the honourable senator from Ottawa East (Hon. Mr. Coté). I quite agree with his suggestion. Various suggestions were made also in the other House, and cases of extreme difficulty were brought to the attention of the Minister for consideration. The honourable gentleman opposite has said he is not opposed to succession duties. I am not either, except for the difficulty and the labour involved in making out returns in compliance with the law. I hope this Bill will clarify the Act so that the preparation of returns will not be so difficult in future.

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

THIRD READING

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

Hon. Mr. COPP: With the consent of the Senate, I would move the third reading now.

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, July 31, 1942.

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

Prayers and routine proceedings.

SUSPENSION OF RULES

MOTION

Hon. J. H. KING moved:

That Rules 23, 24 and 63 be suspended for the remainder of the present session in so far as they relate to public and private bills.

He said: Such a resolution as this is customary at this stage of the session, when Parliament is about to adjourn or prorogue, and I think we had better follow the usual practice.

Hon. JAMES MURDOCK: Honourable senators, I am under obligation to my honourable leader for bringing this motion before us. In fact I think I am responsible for it, because yesterday I advised him and His Honour the Speaker and two or three others that for the duration of this session I was going to insist on the application of the rules, that is, a notice of two days for a second reading and one day for a third reading. I believed when I took that position that my honourable leader would do just what he has now done—propose a suspension of these rules altogether.

Now we come to a discussion on the question of dispensing with Senate rules and regulations. The other night, as you know—and please understand that I am not particularly complaining—I was told that the rules did not permit me to bring before the Senate certain evidence, which I thought not unimportant, in connection with the Taffert divorce case, and it was then suggested that what I was doing was in violation of the Criminal Code. I was told that I could not put anything of that kind on the record, and I regarded it as rather peculiar—

The Hon. the SPEAKER: Is the honourable senator speaking to a question of privilege?

Hon. Mr. MURDOCK: No; I am speaking on the motion to dispose of these three rules for the remainder of the session. The motion that is before the House is:

That Rules 23, 24 and 63 be suspended for the remainder of the present session in so far as they relate to public and private bills.

That is what I am speaking to.

As I was saying, it was intimated the other evening that it might be in violation of the Criminal Code, and in any case it was in violation of the rules of the Senate, to undertake to put on record any evidence in the Taffert divorce case. I regard the situation as a rather peculiar one when in the report of the debates in another place, at page 4222, I find three paragraphs of evidence quoted from a divorce case which was handled by the Divorce Committee of this House.

Hon. Mr. ASELTINE: I do not think the honourable gentleman is speaking to the motion at all. I rise to a point of order.

Hon. Mr. MURDOCK: I was quite sure the honourable gentleman would want to interrupt to see if he could change my line of thought. But that will not do. I shall come to the point of order very nicely.

We had the other evening—

Hon. Mr. ASELTINE: I have raised a point of order.

The Hon. the SPEAKER: I should like the point of order to be discussed, so that the honourable gentleman may realize what it is, and may not go too far.

Hon. Mr. MURDOCK: I do. I will not go too far, but I am going to deal with what this motion deals with, namely the suspension, or entire cancellation, of the rules of the Senate.

I was dumbfounded this morning to learn that one particular and important rule has been out of use for thirty years.

Hon. Mr. KING: Honourable senators, I rise to a point of order. My reason for asking that this motion be passed is not to curb my honourable friend. I would have asked it anyway, because one of the most important bills of the session will come before us to-morrow, and, as we are to adjourn to-morrow, it will be desirable to have the Bill pass all three stages in one day, although Rule 24 provides that

> One day's notice must be given of any of the following motions:
>
> (a) To suspend any rule or standing order, or any part thereof.

Hon. Mr. MURDOCK: I am not questioning that at all. I am entirely in favour of suspending these rules; in fact, I expected my honourable leader would do exactly what he has done.

Hon. Mr. KING: Exactly. It would have been done in any event.

Hon. Mr. MURDOCK: But the other day, when we were speaking about the rules, I was told that what I was doing was in violation of the rules, and my good friend the senator—

Hon. Mr. ROBINSON: Are you in favour of the suspension or against it?

Hon. Mr. MURDOCK: Oh, yes, in favour by all means. Yes; sure. In fact, what I said to my honourable leader was said in the hope that he would do just what he has done. But the other day when I was speaking on the Taffert Divorce Bill I was told that the rules did not permit me to do this and did not permit me to do that, and that I was violating the Criminal Code. My honourable friend the senator from Edmonton (Hon. Mr. Harmer) suggested that

> All the evidence that has been read should be expunged from the Debates.

And that was done, as you will notice, for none of the evidence that I read is contained in the Debates. Whether the honourable senator's suggestion was a motion or not, it was adopted. But let us see about these Senate rules. There is a rule or a law—I do not know whether it is in the Criminal Code—about a senator maintaining residence in the province he is delegated from.

The Hon. the SPEAKER: Will the honourable senator kindly sit down? I think the points of order taken by the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine) and the honourable leader of the House (Hon. Mr. King) are well taken, and the honourable senator from Parkdale (Hon. Mr. Murdock) should not persist in carrying on the discussion as he is doing at present.

Hon. Mr. MURDOCK: Your Honour, I am familiar with the rules. The rules are regarded as in effect—

The Hon. the SPEAKER: The honourable senator is not talking about the rules at all; he is talking about entirely different matters.

Hon. Mr. MURDOCK: I beg the pardon of His Honour and of honourable members of this Senate. There is a rule, I say—

Hon. A. L. BEAUBIEN: Honourable senators, I rise to a point of order. Is there anything before the House?

Hon. Mr. KING: Yes.

Hon. Mr. BEAUBIEN: What is it?

Hon. Mr. MURDOCK: There is a motion before the House:

> That Rules 23, 24 and 63 be suspended for the remainder of the present session in so far as they relate to public and private bills.

I am undertaking to deal with suspension or cancellation of rules.

The Hon. the SPEAKER: If the honourable senator will keep his remarks within that limit, there can be no objection. But his remarks have been entirely outside the question.

Hon. Mr. MURDOCK: I am endeavouring to deal with rules that have either been ignored or are not known. That is what I am trying to do. Whether I am making myself clear or not is another question. I said that one positive and definite rule, or law—I think it is a rule—provides that a senator must—

Hon. Mr. KING: I rise to a point of order, Mr. Speaker. Rule 46 says:

All personal, sharp or taxing speeches are forbidden.

My honourable friend cannot make personal references, such as he is evidently about to make.

Hon. Mr. MURDOCK: I do not want to be personal or taxing. I am referring to the motion to expunge, which was made here the other evening, and to a very good friend of mine who made it. And I wanted to give my honourable leader and other honourable senators an indication of what my views on certain rules are. Have I a right to do that now?

The Hon. the SPEAKER: I have ruled that the honourable senator will be quite in order if he restricts his remarks to the motion, which is for the suspension of Rules 23, 24 and 63. But he is indulging in remarks that are governed by Rule 46, which says:

All personal, sharp or taxing speeches are forbidden.

I hope the honourable gentleman will realize that he is entirely out of order, and I ask him to respect the ruling of the Chair.

Hon. Mr. MURDOCK: Well, Your Honour, of course I want to do that.

Then may I come to the rules which provide for the Internal Economy Committee meeting?

Hon. Mr. KING: That can be dealt with at some other time. Let us restrict ourselves to the rules mentioned in the motion.

Hon. Mr. MURDOCK: On March 26, when my honourable leader was just new on the job, he made a motion, and I pointed out that under the rule the subject-matter of his motion should have been referred to the Internal Economy Committee for consideration and report. Thereupon the honourable gentleman said: "I have no objection to it standing"; we could carry on as we had done in the past.

There was something else referred to at that time.

Hon. Mr. KING: Order!

The Hon. the SPEAKER: I am sorry, but I must ask the honourable gentleman to abide by the ruling of the Chair. If he is not satisfied he has his remedy: he can appeal from my ruling.

Hon. Mr. MURDOCK: Your Honour knows it is pure nonsense to try to do that.

The Hon. the SPEAKER: I cannot allow the discussion to go any further. That is my ruling.

Hon. Mr. MURDOCK: That means we cannot bring out facts in this Senate.

Hon. Mr. KING: Question!

The motion was agreed to.

TAFFERT DIVORCE BILL

THIRD READING

Hon. W. M. ASELTINE moved the third reading of Bill 4, an Act for the relief of William Taffert.

Hon. JAMES MURDOCK: Your Honour, should I be in order to refer to it?

The Hon. the SPEAKER: That is asking a question.

Hon. Mr. MURDOCK: There is very little I can add to what I have already said. I was prevented the night before last from bringing forward what I still think would have been definite evidence to confirm my view that this moral and decent woman, with her sixteen-year-old daughter, was being given a "ride"—if that is what you may call it—by an admittedly perjured crook, for on his own evidence he admitted that he was anything but a decent man and had imposed on his wife's relations. But when a motion is made for third reading of the Bill is really not the time to discuss the case to any extent. I shall therefore leave the matter entirely in the hands of the Senate.

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

PRECIOUS METALS MARKING BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 121, an Act to amend the Precious Metals Marking Act.

He said: Honourable senators, the explanatory note gives all the explanation that, I think, is necessary regarding this Bill. This is the explanatory note:

Paragraph (b) of subsection seven of section ten of the Act was inadvertently repealed by the amending Act of 1941, chapter 8 of the statutes of 1940-41. The paragraph is an integral part of the Act and it is proposed to legislate it back into the Act with force and effect as of the date of the amending Act of 1941, when it was inadvertently repealed.

As honourable members will observe, the purpose of this Bill is to reinstate a subsection that was inadvertently repealed in the amending Act of 1941.

Hon. Mr. WHITE: Honourable members will notice on referring to the list of bills passed this session a bill, No. 4, bearing the same title as this measure. I have always understood that it was not proper to pass two bills bearing the same title during the same session.

Hon. Mr. KING: I think in the circumstances it is absolutely necessary that this subsection be reinstated. The inadvertency to which I have referred was discovered only after the passage of the other bill mentioned by the honourable member. A similar question was raised in the House of Commons, and it was agreed that unless this subsection is reinstated the purpose of the original Act is nullified.

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

THIRD READING

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

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

CANADIAN NATIONAL RAILWAYS FINANCING AND GUARANTEE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 124, 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 1942, 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 senators, I have asked the honourable member from De Salaberry (Hon. Mr. Gouin) to explain the Bill.

Hon. L. M. GOUIN: Honourable senators, this Bill is for the purpose of:

(a) Providing authority for the capital expenditures of the railway system and the retirement of miscellaneous maturing obligations, either by way of loan from the Dominion or by the issue by the company of securities guaranteed by the Dominion. This is the usual purpose of this Act.

The total amount to be provided for that purpose is limited to $22,360,000, divided as follows:

General additions and betterments	$16,210,000	
New equipment purchases	3,208,000	
Acquisition of securities	3,403,000	
		$22,821,000
Less: available from equipment retirements	$ 2,056,000	
Reserves for depreciation and debt discount amortization	8,200,000	
		10,256,000
		$12,565,000
Retirement of maturing obligations, including sinking fund and equipment trust principal payments		9,795,000
		$22,360,000

This total will be found in the last paragraph of section 2.

Hon. L. COTE: At this point I should like to ask the honourable gentleman a question. In the total of $22,360,000 there is the amount of $16,210,000 for general additions and betterments. Can he supply us with a breakdown of the $16,000,000 so as to indicate what the money is being spent for, and where?

Hon. Mr. GOUIN: I have before me the breakdown which my honourable friend asks for. I suggest that I be permitted to place on Hansard that breakdown, which I am quite willing to communicate immediately to my honourable friend.

(The following is the breakdown furnished to Hon. Mr. Coté):

General Additions and Betterments

Atlantic Region	$ 1,605,887
Central Region	4,716,179
Western Region	2,509,062
Grand Trunk Western Railroad Company	812,924
Central Vermont Railway, Inc.	110,867
Hotels	83,652
Montreal terminals development	1,900,000
Prince Edward Island car ferry and terminals	160,500
Subsidiary companies	75,410
General, including additions and betterments to equipment	4,235,519

New Equipment Purchases		
Canadian National Railways		
81 second-hand all-steel passenger carrying cars (to be converted into colonist cars and first-class non-air-conditioned coaches)		
Grand Trunk Western Railroad Company		
200 box cars.		
Total estimated cost, including sales tax, inspection charges, and cost of conversion		$ 3,208,000
		$19,418,000
Equipment retirements	$ 2,056,000	
Available from reserves for depreciation and debt discount amortization	8,200,000	10,256,000
		$ 9,162,000

Canadian National Railways Budget for Year 1942

Acquisition of Securities

Toronto Terminals Railway Company		
Joint with the Canadian Pacific Railway Company.		
Provision for Canadian National Railways' proportion of capital expenditures of the Toronto Terminals Railway Company, which may be required in 1942		$ 100,000
Northern Alberta Railways Company		
Joint with the Canadian Pacific Railway Company.		
Provision for the Canadian National Railways' proportion of capital expenditures of the Northern Alberta Railways Company, which may be required in 1942	$ 200,000	
Requirement for redemption of 4 per cent debenture stock of Edmonton, Dunvegan and British Columbia Railway, due Feb. 16, 1942. Total $6,429,451, C.N.R. proportion 50 per cent	3,214,726	
Total C.N.R. proportion	$ 3,414,726 (say)	$ 3,415,000
Chicago and Western Indiana Railroad Company		
Advance to be made to the Chicago and Western Indiana Railroad Company, under terms of Fourth Supplemental Indenture dated as of March 1, 1936, between that company and the Bankers Trust Company		138,000
		$ 3,653,000
Detroit and Toledo Shore Line Railroad		
Reduction in ledger value of capital stock, by application of amount of special dividends to be received during 1942		250,000
		$ 3,403,000

Hon. Mr. COTE: Thank you.

Hon. Mr. GOUIN: The first heading covers the various items included in the amount already mentioned, of $16,210,000.

You will find also figures for new equipment purchases, amounting to $3,208,000. These are analysed there with full particulars. And finally, on the second page of the breakdown, you will find the detail of the acquisition of securities, amounting to $3,403,000.

Hon. Mr. COTE: Yes. May I pursue my curiosity a little further? In the breakdown of $16,210,000, which I now have in my hand, under "General additions and betterments," I find "Atlantic Region, $1,600,000; Central Region, $4,700,000; Western Region, $2,500,000,"—

Hon. Mr. ROBINSON: Louder.

Hon. Mr. COTE: But we are not told what these additions are. Are they additions to track—additional steel that is being laid, additional mileage—or are they additional stations, or what?

Hon. Mr. GOUIN: I have no further data concerning these additions.

Hon. Mr. COPP: They are miscellaneous; different things.

Hon. Mr. COTE: There is $16,000,000 of miscellaneous, and I was curious to know whether we are building more mileage or not.

Hon. Mr. COPP: No.

Hon. Mr. GOUIN: If the honourable gentleman totals the additions and betterments he will come to the figure of $16,210,000. As I remember, the figures on the sheet I have just handed to my honourable friend are not totalled. If he reads the items under the heading of "General Additions and Betterments," he will have much more information than is contained in the lump sum figure of $16,000,000 which I have mentioned. That is the only information which I am in a position to give now, though, of course, I should be quite willing to try to obtain any additional information which my honourable friend does not find in the sheets before him. I believe, however, that in the figures he has he will find exactly the information he was asking from me.

Hon. Mr. COTE: May I pursue my inquiry? The honourable gentleman is right to a certain extent in saying that I shall find information. For instance, I find "Montreal terminals development, $1,900,000." That conveys to me the definite information that $1,900,000 was spent on the Montreal terminals. When I come to deal with the money spent on the central region of the railways, $4,700,000, a very substantial amount, I know that this figure does not represent repairs, because they are charged to operation.

Hon. Mr. KING: It is permanent improvement.

Hon. Mr. COTE: It represents permanent improvements, but there is nothing to indicate whether this figure is for the building of stations in the central region, or the extension of steel, or what it is. That is why I asked for information as to the actual purpose for which these large sums have been spent.

However, the information is not in the statement, and I am not going to press the matter any further.

Hon. Mr. KING: There is a great deal of detail that one could place upon Hansard.

Hon. Mr. LACASSE: I should be delighted to hear that the money was to be expended on the building of stations in Windsor and Tecumseh.

Hon. Mr. HORNER: Honourable senators, possibly some of this money has been spent on small stations between Battleford and Prince Albert, because crews have been working there all summer putting up steel-lath and stucco. It seems to me that we were getting along very well before, and that this work could have been postponed until after the war, and the men put to work on the construction of ships.

Hon. Mr. COPP.

Hon. Mr. GOUIN: Will my honourable friend allow me to complete my general explanation? I think it would be more in order to proceed with the questions later.

In addition to the retirement of miscellaneous maturing obligations, the Bill also provides authority for the purchasing and refunding of any unmatured stocks, notes, bonds, and so forth, of the Canadian National Railway System. This purchasing and refunding can be done either by way of loan from the Dominion or by the issue by the railway company of securities guaranteed by the Dominion. This provision was inserted in the 1940 and the 1941 Acts, but this year it has an enlarged scope. In the Acts adopted in 1940 and 1941 it was provided that unmatured loans could be purchased only if neither the capital of the debt shown in the latest balance sheet of the system nor the annual charge for interest was thereby increased. These words are to be found in the last four lines of section 3 of chapter 12 of the Act assented to in 1941. This year those conditions are eliminated, and the proviso is removed in order to let the railway company make to the Canadian holders of sterling Canadian National Railway securities an offer similar to that which was made to the British holders through the repatriation plan under the War Appropriation (United Kingdom Financing) Act of 1942. It was felt that this offer should be made to the Canadian holders, as the great bulk of the issues were purchased from British holders and the issues were removed from the London stock exchange. Certain of the issues, when converted into Canadian dollars, were selling over par. In the case of issues selling under par, provision has already been made, under the Financing and Guarantee Act of 1941, to purchase securities from the Canadian holders.

I wish to say a word now concerning the operating deficit. Honourable members of this House will remember that last year provision was made for temporary loans to the railway company to cover the operating deficit in the early part of the year. I think it will be remarked with satisfaction that this year no such provision is necessary, as this year the railway has not at any time had an operating deficit.

A word now about the pension funds. In the Act adopted in 1941 it was necessary to include a section—section 11, I think—to authorize the Canadian National Railway Company to pay supplementary contributions to the Intercolonial and Prince Edward Island Railways' Provident Fund, and to the Grand Trunk Railway Company of Canada Superannuation and Provident Fund. This provision is no longer necessary, because, in the

opinion of the Department of Justice, the authority given in 1941 is a continuing authority.

I wish to add that the loans made from 1932 to 1937 have been repaid out of the proceeds of Dominion-guaranteed railway issues. In 1938 the amount advanced was $10,737,216.07. The 1938 advances have been repaid to the extent of $9,019,207.17 out of the proceeds of Dominion-guaranteed railway issues. The balance of the advances made under the 1938 Act, namely $1,718,008.90, has been repaid from the cash surplus of the Canadian National Railways for the calendar year 1941. In 1939 the amount advanced was $12,442,522.40. Of this amount $1,110,409.29 has been repaid from the cash surplus of the Canadian National Railways for the last calendar year. The balance of the outstanding advances, namely, the balance for 1939 and the loans advanced in 1940 and 1941, which were $7,572,579.77 and $11,943,000.29, respectively, totals $30,847,693.17. These outstanding balances are carried on the balance sheet of the Dominion as active assets and the Canadian National pays interest thereon.

In addition to the loans just mentioned, loans have been made also to the railway company in the amount of $106,094,155.14 to provide for the purchase of £22,952,025 of Grand Trunk Railway Company of Canada 4 per cent perpetual consolidated debenture stock. In Canadian dollars at par that represented an amount of $111,699,855. This loan also is carried on the Dominion's balance sheet as an active asset.

Finally, I wish to remark that up to June 15 loans aggregating $1,844,679.44 had been made to the Canadian National Railways for the purchase of sterling securities from Canadian holders under the same terms as those made to the British holders.

I ask permission of the House to have placed on Hansard a breakdown of the amount of $9,795,000 which I mentioned as expenses for retiring maturing capital obligations.

1942	
April 16	
Payment to Dominion Government under hire-purchase agreement—1938	$ 517,173 07
April 18	
Payment to Dominion Government under hire-purchase agreement—1939	991,968 32
May 1	
Canadian National Railway Company 4½ per cent equipment trust series "J" certificates	1,000,000 00
May 1	
Canadian National Railway Company 5 per cent equipment trust series "K" certificates	1,200,000 00
June 1	
Canadian National Railway Company 4½ per cent equipment trust series "L" certificates	1,050,000 00
June 1	
Grand Trunk Western Railroad equipment trust—1941	285,000 00
July 1	
Canadian National Railway Company 2 per cent 1927 guaranteed debenture stock	1,008,210 40
July 1	
Canadian National Railway Company 2½ per cent equipment trust series "Q" certificates	650,000 00
July 1	
Wellington, Grey and Bruce Railway Company 7 per cent bonds	6,813 33
August 1	
Canadian National Railway Company 2½ per cent equipment trust series "O" certificates	1,430,000 00
September 15	
Canadian National Railway Company 2¾ per cent equipment trust series "P"—1938	500,000 00
October 1	
St. John and Quebec Railway Company 4 per cent stock	27,279 77
December 1	
Grand Trunk Western Railroad equipment trust—1941	285,000 00
December 14	
Grand Trunk Western Railroad equipment trust—1929	283,000 00
December 14	
Central Vermont Railway, Inc., equipment trust—1929	124,000 00
December 31	
Indebtedness to State of Michigan re Woodward avenue	430,000 00
1943	
January 1	
Wellington, Grey and Bruce Railway Company 7 per cent bonds	6,813 33
Grand Total	$9,795,258 22
(say)	$9,795,000 00

I think I have already given a sufficient explanation of section 2; so I will now pass on to section 3. This section is in the usual language, with the difference that I have indicated, the elimination of the proviso:

If neither the capital of the debt as shown in the latest balance sheet of the National Company nor the annual charge for interest is thereby increased.

The only difference between section 4 and the corresponding section of last year is in the amount of advances authorized. All the other sections, namely, sections 5 to 10, are self-explanatory. They simply reproduce provisions which honourable senators will find in the 1941 Act.

Hon. Mr. PATERSON: With regard to the refunding, may I ask the honourable senator

if the idea is that the outstanding loans he was referring to are to be refunded at a lower rate of interest?

Hon. Mr. GOUIN: I have no information on that point. But my impression is that there would be some advantage in such refunding.

Hon. L. COTE: Honourable senators, I am sure there is no serious objection to this Bill, and I am equally certain we all feel grateful to the honourable senator from De Salaberry (Hon. Mr. Gouin) for having given us a complete and lucid explanation of the measure. So far as the clauses of the Bill are concerned, no one could have desired a fuller and clearer explanation than he has made, and within the limits of the information given him with regard to the breakdown of the figures, I think he has done the very best that could be done.

My questions about certain items of capital expenditure were not prompted by a desire to object to our Canadian National Railways spending money on capital extensions, but I take the view, as I expressed it the other day when the honourable senator from Saint John (Hon. Mr. Foster) spoke on the company's balance sheet, that from now on the management should limit capital expenditures to what is absolutely essential. I think we all hope the management will do that. Unfortunately capital expenditures must be financed by borrowings, on which interest has to be paid. I trust the railways will not fall on such evil days as they have known in the past, but I am afraid they will not always find times as good as at present; and when poorer times come, operating deficits will be added to the interest on these borrowings, and must be provided for out of taxation. Heaven knows we shall have enough taxation in any event after we are through with the job of winning the war. My chief purpose in asking for the information was to provide myself with an opportunity to express this view, and also to impress on the management of the Canadian National Railways the expediency of furnishing, when requesting authorization of Parliament for capital expenditures, less meagre details than we have been given to-day. To refer to capital extensions simply as "general additions" is too indefinite. It would be a simple matter to be more specific by giving sub-headings to indicate the nature of at least the more important projects.

Hon. GUSTAVE LACASSE: Honourable senators, a little while ago I made a remark which may have sounded more or less like a joke, but I ask your permission to come back to the matter for a few moments. My honourable friend from Ottawa East (Hon. Mr. Coté) rightly said the expenditures for the central region—which I believe includes the section I represent—did not cover repairs; so I take it for granted the intention is to erect some new buildings, perhaps stations or something in that line. I said I should like to see a new station at Windsor. Well, Windsor is one of the most important railway terminals in Canada. I take it for granted that all the moneys making up that total of more than $4,000,000 have already been earmarked by the Canadian National management, but if it is not too late to do so I plead with them to allot a certain sum for Windsor.

Hon. Mr. LAMBERT: Hear, hear.

Hon. Mr. LACASSE: I welcome the honourable gentleman's support. A few years ago the station at Windsor suffered from a very bad fire. I am not trying to make a joke when I say that the firemen did such a good job that they saved the station, but lost their local popularity by doing so. We should have preferred the fire to wipe out the station and force the Canadian National Railways to put up a new building. Hamilton and London have been favoured with splendid new stations, and I do not think either of those cities is as important a railway terminal as Windsor. So if I am not too late I wish to avail myself of this opportunity, supported as I am by the honourable senator from Ottawa (Hon. Mr. Lambert), to plead with the management of the Canadian National Railways that in their generosity they will not forget the city of Windsor.

Hon. A. L. BEAUBIEN: Page Mr. Pouliot.

Hon. Mr. LACASSE: The present station at Windsor is a disgrace. I might add that this is true of it not only as a railway station, but also from the point of view of sanitary conditions. I am not suggesting that the management make large capital expenditures in general just now, but I urge that if any new buildings are to be erected anywhere the city of Windsor be not overlooked, and that the disgraceful station there be replaced.

Hon. Mr. COTE: I know I am out of order in rising again, but perhaps I shall be permitted to add just this remark. I think it is within the knowledge of us all that an honourable member of another place has succeeded in obtaining a new railway station at a place called Rivière du Loup. That station cost the honourable member a good many speeches. I hope that if the honourable senator from Essex (Hon. Mr. Lacasse) is really eager to obtain a new station for

Windsor he will be able to find some other means of convincing the Canadian National Railways to erect one than by making a multiplicity of speeches on the subject in this House. I say this notwithstanding that he is at all times a good and very entertaining speaker.

Hon. Mr. LITTLE: I should like to point out to my honourable friend from Essex (Hon. Mr. Lacasse) that were he to examine the records he would find that the city authorities made a very substantial contribution towards the improvements at the Canadian National Railway station in London. I would suggest that if those in control of the finances in the city of Windsor were prepared to take similar action they might be able to do a good deed.

Hon. Mr. LACASSE: If Toronto would allow it.

Hon. N. M. PATERSON: Honourable senators, the items under the heading of additions and betterments to the Canadian National Railways system remind me that I read very recently that the Canadian Pacific Railway Company was providing a much larger sum for its extensions and improvements. Anyone who has travelled lately, as most of us have, will have noticed the tremendous increase in both passenger and freight traffic. Honourable members are aware how difficult it is to get into and out of the Union station during train times. I sincerely hope that in the total mentioned sufficient funds are provided to finish the station in Montreal. The last time I went through Bonaventure station I and forty other persons lost our baggage just because of the terrific rush of travel and the resultant confusion in the cramped space. The city of Montreal has outgrown the facilities of Bonaventure station, and to-day they are altogether inadequate to handle the enormously increased passenger traffic. The new depôt will serve a very good purpose if it provides at least comfortable accommodation for the travelling public.

I should like to call the attention of the honourable senator to the rail extensions required for war purposes. New factories and new airfields have necessitated railway extensions in order to handle traffic economically and quickly. I think these expenditures are very moderate, considering the enormous growth of railway business throughout Canada.

By the way, honourable senators, I hope sincerely that for the sake of national unity the appropriation for additions and betterments includes sufficient funds to provide for a new ferry at Summerside!

Hon. Mr. HORNER: I was out of order in interjecting my remark, but I thought the honourable gentleman (Hon. Mr. Gouin) had completed his explanation.

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

THIRD READING

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

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

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the Senate adjourns to-day it 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

Saturday, August 1, 1942.

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

INCOME WAR TAX BILL

FIRST READING

A message was received from the House of Commons with Bill 115, an Act to amend the Income War Tax Act.

The Bill was read the first time.

SECOND READING

Hon. J. H. KING moved the second reading of the Bill.

He said: Honourable senators, in moving the second reading of this Bill I may say that it is a somewhat lengthy one and makes amendments increasing taxation under the Income War Tax Act. I think honourable members are fairly familiar with its character. It is a Bill that we cannot amend in this House; so I suggest that we simply give it second reading as it is. If honourable members would like to have it referred afterwards to the Banking and Commerce Committee we could adjourn the House now and have a meeting of that committee, at which a representative of the Department of Finance would be present to answer any questions. I am sure that procedure would not be of any great

benefit, unless some honourable members desired to familiarize themselves further with the measure. The Bill will not be changed.

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

THIRD READING

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

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

At one o'clock the Senate took recess.

At 3 o'clock the sitting was resumed.

Hon. Mr. KING: Honourable members, I move that the Senate adjourn during pleasure, to reassemble at the call of the bell at 5 o'clock or later.

Hon. Mr. ASELTINE: Can the honourable leader tell us what bills are yet to reach us from the other House?

Hon. Mr. KING: Only the Supply Bill.

The Senate adjourned during pleasure.

After some time the sitting was resumed.

BUSINESS OF THE SENATE

Hon. Mr. KING: Honourable senators, I have just been over to the House of Commons, and I think we may expect the Supply Bill and one other at eight o'clock. In anticipation of their arrival, I would suggest that we meet at that hour. It is the hope of the Government that the Royal Assent will take place at nine o'clock.

Hon. Mr. ASELTINE: What is the other Bill?

Hon. Mr. KING: It is the Alberta Natural Resources Bill.

I would ask all honourable gentlemen to be here at eight o'clock.

At six o'clock the Senate took recess.

The Senate resumed at eight o'clock.

APPROPRIATION BILL No. 5

FIRST READING

A message was received from the House of Commons with Bill 126, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st of March, 1943.

The Bill was read the first time.

SECOND READING

Hon. J. H. KING moved the second reading of the Bill.

Hon. W. M. ASELTINE: Will the honourable leader please explain the Bill briefly?

Hon. Mr. KING: This is the usual Supply Bill. It totals, with supplementaries, $480,000,000, and covers the expenditures necessary for the carrying on of the public service. The Bill has just come to us from the Commons, and I hope honourable members will give it their assent.

Hon. Mr. ASELTINE: Honourable senators, I realize it is the consensus of opinion that this Chamber does not, as a rule, amend money bills. At least, I have heard that stated on many occasions since my advent to this Chamber. Whether I agree with that opinion or not does not seem to make any difference, and in view of the fact that we are approaching the end of the session I do not intend to make any objection to the passage of the Bill.

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

THIRD READING

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

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

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Right Honourable Sir Lyman Poore Duff, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 9 p.m. for the purpose of giving the Royal Assent to certain bills.

ADJOURNMENT

MOTION

Hon. Mr. KING: Honourable senators, before we adjourn to-day I should like to call attention to the resolution which was adopted on January 27 of this year, providing that in the event of an emergency arising during any adjournment of the Senate the Honourable the Speaker may notify honourable senators at their addresses, as registered with the Clerk, to meet at any time earlier than that set out in the motion for such adjournment. I do this so there may be no

misunderstanding with respect to the motion which I am about to move for a somewhat long adjournment.

I move that when the Senate adjourns to-day it do stand adjourned until Wednesday, January 27, 1943, at 3 o'clock in the afternoon.

The motion was agreed to.

ALBERTA NATURAL RESOURCES BILL

Hon. Mr. WHITE: Honourable senators, I understood the honourable leader this afternoon to say a bill was expected from the Commons relating to Alberta natural resources, particularly oil.

Hon. Mr. KING: It may come to us, but I have no definite information yet.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

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

An Act for the relief of Eleanor Adele Rea Barrett.

An Act for the relief of Eleanor Edith McKechnie Barlow.

An Act for the relief of Dorothy Agnes Henrietta Russell Cantlie.

An Act for the relief of Irene Coadic Murphy.

An Act for the relief of Lester Lewis Catchpaw.

An Act for the relief of Annie Ruth Fisher Allen.

An Act for the relief of Alice Adelia LaFleur Johnston.

An Act for the relief of George Webb.

An Act for the relief of Edith Morgan Black.

An Act for the relief of Betty Leah Bregman Beloff.

An Act for the relief of Malca Levitt, otherwise known as Atty Malcy Levitt.

An Act for the relief of Jack Simon.

An Act for the relief of Marie Louise McCarthy Smyth.

An Act for the relief of Marie Glenna Grace Thomas Reynolds.

An Act for the relief of Isabel Jessica Black Jolley.

An Act for the relief of Margaretha Elisabeth Buck Peereboom.

An Act for the relief of Ethel May Marshall James.

An Act for the relief of Anastasia Tkaczuk Wojtkowycz.

An Act for the relief of Phyllis Wilda Valentine Park Evans.

An Act for the relief of Louise Mehliss Jackson.

An Act for the relief of Bertha Beatrix Berlind Ripstein.

An Act for the relief of Lola McIntosh.

An Act for the relief of Stella Kathleen Marguerite Winnall Barwick.

An Act for the relief of Joyce Elizabeth Blackburn Gordon.

An Act for the relief of Kate Elizabeth Laidlaw McNiven.

An Act for the relief of Margaret Livingstone Turnbull Woodard.

An Act for the relief of Dorothy Sunsheine Steirman Cooke.

An Act for the relief of Doris Golt Rosner.

An Act for the relief of Anna Pohopoluck Yacobchak.

An Act for the relief of Myer Levine.

An Act for the relief of George Sutherland Cameron, junior.

An Act for the relief of Fred Catlow.

An Act for the relief of Mary Celina Broadhurst LaRose.

An Act for the relief of Elsie Epstein Cohen.

An Act for the relief of Gertrude Pelletier Patenaude.

An Act for the relief of Marieatt Venditello Diano.

An Act for the relief of Edna Annie Heazle Constable.

An Act for the relief of Dorothy Reed Cushing.

An Act for the relief of Sarto Desnoyers.

An Act for the relief of William Milroy Davidson.

An Act for the relief of Audrey Meredith Mann Harrison.

An Act for the relief of François Henri Drack.

An Act for the relief of Gladys Irene Dale Weston.

An Act for the relief of Ruth Ufland Fishman.

An Act for the relief of Norma Brown Stevenson.

An Act for the relief of Mary Cummings Bullock.

An Act for the relief of Elizabeth Gertrude DeSerres Gould.

An Act for the relief of John Clifford Stanley Darbyson.

An Act for the relief of Celia Reynolds Schellenberg.

An Act for the relief of Annie Miriam Scott.

An Act for the relief of Marguerite Elsie Ramsay Murdock.

An Act for the relief of Elizabeth Molnar Schneider.

An Act for the relief of Max Kaback.

An Act for the relief of George McDonald Joseph Carew.

An Act for the relief of Wandless Joseph Henry Verdon.

An Act for the relief of Mary Eileen Scott Warrington.

An Act for the relief of Joseph Bergman.

An Act for the relief of Marie Martha Hermine Browne Peters.

An Act for the relief of Ethel Gerson Kalmanovitch.

An Act for the relief of Freda Sweet Simon.

An Act for the relief of Phyllis Mary Alice Verrinder Horrell.

An Act for the relief of James McKinna Wood.

An Act for the relief of Leah May Jarvis Traver.

An Act for the relief of Barbara Patricia Strange Wolfe.

An Act for the relief of Bella Miller Keller.

An Act for the relief of Effie Euphemia Shannon Monette.

An Act for the relief of Elsie May Cape Newman.

An Act for the relief of Bella White Wolfe.

An Act for the relief of Alan Swabey.

An Act for the relief of Jean Walker Creighton King.

An Act for the relief of Alice Beatrice Armand Roberts.

An Act for the relief of Frederick William Merchant.

An Act for the relief of Irma Kern Ulrich.

An Act to change the name of The Saskatchewan Life Insurance Company to Fidelity Life Assurance Company.

An Act to incorporate the Canadian Dental Association.

An Act respecting certain transmission and distribution lines of Saguenay Transmission Company, Limited, Saguenay Electric Company and Aluminum Power Company, Ltd.

An Act to provide for the reinstatement in civil employment of discharged members of His Majesty's Forces and other designated classes of persons.

An Act respecting the carrying on and co-ordination of vocational training.

An Act to assist war veterans to settle upon the land.

An Act to amend the Customs Tariff.

An Act to amend the Special War Revenue Act.

An Act to amend the National Resources Mobilization Act, 1940.

An Act to provide for insurance of property against war risks and the payment of compensation for war damage.

An Act to amend the Excise Act, 1934.

An Act to amend the Department of External Affairs Act.

An Act to amend the Excess Profits Tax Act, 1940.

An Act to amend the Dominion Succession Duty Act.

An Act to amend the Precious Metals Marking 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 1942, 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 amend the Income War Tax Act.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1943.

The House of Commons withdrew.

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

The sitting of the Senate was resumed.

The Senate adjourned until Wednesday, January 27, 1943, at 3 p.m.

THE SENATE

Wednesday, January 27, 1943.

The Senate met at 3 p.m.

NEW SENATOR INTRODUCED

Hon. Thomas Vien, K.C., of Outremont, Quebec, introduced by Hon. J. H. King and Hon. L. M. Gouin.

SPEAKER OF THE SENATE

Hon. THOMAS VIEN, 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. King and Hon. Mr. Ballantyne, the Gentleman Usher of the Black Rod preceding.

Prayers.

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 Honourable Thibaudeau Rinfret, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 4 p.m., for the purpose of proroguing the present session of Parliament.

NEW SENATORS INTRODUCED

Hon. Pamphile Réal Du Tremblay, K.C., of Montreal, Quebec, introduced by Hon. J. H. King and Hon. J. E. Prévost.

Hon. William Rupert Davies, of Kingston, Ontario, introduced by Hon. J. H. King and Hon. D. McL. Marshall.

Hon. Joseph J. Bench, K.C., of St. Catharines, Ontario, introduced by Hon. J. H. King and Hon. N. M. Paterson.

FELICITATIONS TO HIS HONOUR THE SPEAKER

On the Orders of the Day:

Hon. J. H. KING: Your Honour, may I be permitted to extend to you the hearty congratulations of your colleagues in this Chamber on the attainment of the eminent position of Speaker of the Senate.

You come to us, sir, directly from the House of Commons, where during this Parliament you have served as Deputy Speaker. You have had a long and interesting career in the other House, with whose rules and procedure you are thoroughly familiar, and we are glad to see you now presiding over our deliberations.

You will find that our rules and procedure are somewhat different from those of the House of Commons. As a body we are fairly liberal in their interpretation; indeed, sometimes we even transgress them. I would suggest that before applying the whip, or disciplinary measures, you should at least absorb a little of the atmosphere of this Chamber. I assure you that in discharging the duties of your high office you will receive the loyal support and full co-operation of all your colleagues.

Hon. C. C. BALLANTYNE: Honourable members, I am sure that I am speaking for every honourable senator on this side of the House when I join with the honourable Leader and those on the other side in offering to Your Honour our very warmest congratulations. You are especially qualified to be the Speaker of the Senate of Canada: you are an experienced parliamentarian, a brilliant lawyer and a cultured gentleman, and you have a thorough mastery of both official languages. I wish Your Honour good health.

There is one thing of which you can be perfectly sure, and that is that you will have the united and loyal support of all honourable senators in the discharge of your duties. Knowing you as I do, I am confident that those duties will be carried out efficiently and always in a fair and dignified manner.

DIVORCE STATISTICS, 1942

Hon. A. B. COPP: Honourable senators, it is customary at the close of each session for the Committee on Divorce to make its final report to this Chamber in regard to the work carried on by the committee during the session. In the absence of the Chairman of the Committee, and on his behalf, I have the honour to present the following report:

For the present session 107 notices of intention to apply to Parliament for bills of divorce were given in the Canada Gazette. Of the foregoing, 92 petitions were actually presented in the Senate and dealt with by the Committee on Divorce as follows:

Unopposed cases heard and recommended	71
Opposed cases heard and recommended..	5
Opposed cases heard and rejected.....	2
Applications not proceeded with.....	14
	92

Of the petitions recommended, 18 were by husbands and 58 by wives.

Of the applications recommended, 74 were from residents of the province of Quebec, and two from the province of Prince Edward Island. An analysis of the occupations followed by the applicants is as follows: accountant, assistant foreman, bank clerk, barrister, carpenter, chauffeurs, clerks, clothing operator, domestic servant, draughtsman, druggist, factory employee, fur cutter, hairdresser, handbag examiner, hospital employee, linotype operator, manufacturers, married women, merchant, nurse, oil refinery operator, operator, painter, patent attorney, photograph finisher, railway employee, rooming-house keeper, salesmen, saleswoman, secretary, stenographers, stock-keepers, tailor, teacher, waitress.

The committee held twenty-four meetings.

In 43 cases the Committee on Divorce recommended that part of the parliamentary fees be remitted.

The comparison of the number of divorces and annulments of marriage granted by the Parliament of Canada in the last ten years is as follows:

1932-33	24
1934	38
1935	30
1936	40
1937	46
1938	85
1939	50
1940	62
1940-41	49
1942	73

The Senate adjourned during pleasure.

PROROGATION OF PARLIAMENT

SPEECH FROM THE THRONE

The Honourable Thibaudeau Rinfret, the Deputy of the Governor General, having come and being seated at the foot of the Throne, and the House of Commons being come with their Speaker, the Honourable the Deputy of the Governor General was pleased to close the Third 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:

The present session opened under the shadow of the rapid successes of Japanese aggression in the Far East. Germany and Italy, in making war upon the United States, had completed the circle of world-wide conflict. With German advances in North Africa and Russia, and Japanese advances in China and toward India and Australia, the shadows lengthened. In the late summer, the midnight hour seemed to have arrived.

The British successes in North Africa in October, followed by the landing of a United States and British expeditionary force in November, completely changed the course of the war in that area. These successes, combined with the determined resistance of China, the unparalleled achievements of the armed forces of Russia, and the United States and Australian gains in the south-west Pacific, have materially improved the position of the Allied powers. Opposing forces are at last more evenly matched. The United Nations are beginning to wage offensive warfare.

The fighting men of Canada, in increasing numbers, have continued in service and in combat against the Axis powers in Europe, in Africa, in the Middle East, on all the oceans and in the farthest parts of an embattled world. They have kept vigil over our own shores, both west and east. The valour and heroism displayed in the combined operations at Dieppe have added that name to the imperishable list of the battle honours of Canada.

Our country gratefully remembers those in all the fighting forces and in all parts of the world, whose lives have been given in its service and in the cause of freedom.

There has been increased co-operation between the United States and Canada in the defence of the Western Hemisphere. Canadian and United States forces have shared operations in Alaska and the Aleutians, as they previously had in Newfoundland, along our eastern coast, and in the north Atlantic. The chain of military airfields constructed by Canada between the United States and Alaska has been supplemented by the military highway constructed by the United States. There has also been co-operative development of northern air routes to Europe and Asia.

A plebiscite was held in accordance with legislation forecast in my speech at the opening of the session. As a consequence of the plebiscite, the National Resources Mobilization Act was amended to remove the statutory limitation on compulsory service in the armed forces.

A balanced effort in the prosecution of the war has resulted in a steady increase in the proportion of the nation's manpower and material resources devoted to the purposes of war.

The armed forces have grown steadily in numbers, in strength and in trained efficiency. The production of the machines and munitions of war and of food-stuffs has risen to new heights. In addition to supplying our own forces, Canada has made a vast direct material contribution of weapons, munitions and food-stuffs to Britain and other of the United Nations. Within the limits of available manpower and materials, our munitions programme has now reached full capacity. The volume and quality of output compare favourably with those of any Allied country.

Canada's production is being vigorously sustained by unremitting work on our farms, and in the forests, mines and fisheries, the factories, shops and offices, and in all forms of transport. In the armed forces and in industry, the women of Canada are taking an increasing part.

Measures have been enacted to provide for the reinstatement in civil employment of members of the armed forces, and to assist war veterans to settle upon the land.

Rates of pay for lower ranks in the Army have been increased on a basis of recognition of service and efficiency. Increased provision has been made for allowances to dependents of those serving in the armed forces.

The control of the cost of living has been splendidly maintained. Additional measures have been taken to avoid the evils of inflation. Where required, more equitable distribution of the necessaries of life has been ensured by the rationing of supplies to consumers.

Measures have been taken to curtail the production and consumption of alcoholic beverages.

Provision has been made for war risk insurance and for compensation for war damage.

Members of the House of Commons:

I thank you for the financial appropriations you have made for the prosecution of the war. The magnitude of these appropriations is without precedent.

As a result of the conclusion of agreements with the provinces, the structure of taxation has been simplified. By a combination of steeply progressive taxation and compulsory savings, the financial burdens of war have been spread more equitably over the whole population. The magnificent voluntary responses to the two Victory Loans raised during the present session were deeply gratifying.

Honourable Members of the Senate:

Members of the House of Commons:

I thank you for the close attention you have given, in these perilous times, to the discharge of your public duties.

I join with you in grateful thanks to Divine Providence for the measure of success which has thus far attended the efforts of the United Nations.

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